

United States Courts
Southern District of Texas
FILED

AUG 21 2019

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

v.

AMISH KORDIA,
SAMSON ALAZAR,
KWANA BROUSSARD,
JAMES JOHNSON, and
LASHUNDRA WILSON,
Defendants.

§
§
§
§
§
§
§
§
§

Criminal No. 19 CR 603
UNDER SEAL

INDICTMENT

Sealed
Public and unofficial staff access
to this instrument are
prohibited by court order.

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times material to this Indictment, unless otherwise specified:

1. The Controlled Substances Act (“CSA”) governed the manufacture, distribution, and dispensing of controlled substances in the United States. With limited exceptions for medical professionals, the CSA made it unlawful for any person to knowingly or intentionally manufacture, distribute, or dispense a controlled substance or conspire to do so.

2. The CSA and its implementing regulations set forth which drugs and other substances are defined by law as “controlled substances,” and assigned those controlled substances to one of five schedules (Schedule I, II, III, IV, or V) depending on their potential for abuse, likelihood of physical or psychological dependency, accepted medical use, and accepted safety for use under medical supervision.

3. A controlled substance assigned to “Schedule II” meant that the drug had a high potential for abuse, the drug had a currently accepted medical use in treatment in the United States, or the drug had a currently accepted medical use with severe restrictions.

4. Pursuant to the CSA and its implementing regulations:

a. Oxycodone was classified as a Schedule II controlled substance. 21 C.F.R. § 1308.12(b)(1)(xiii). Oxycodone, sometimes prescribed under brand names, was used to treat severe pain. Oxycodone, as with other opioids, was highly addictive.

b. At all times relevant, and as of October 6, 2014, Hydrocodone was classified as a Schedule II controlled substance. 21 C.F.R. § 1308.12(b)(1)(vi). Prior to October 6, 2014, Hydrocodone was classified as a Schedule III controlled substance. Hydrocodone, sometimes prescribed under brand names including Norco, was used to treat severe pain. Hydrocodone, as with other opioids, was highly addictive.

c. Carisoprodol, was classified as a Schedule IV controlled substance. Carisoprodol, sometimes prescribed under the brand name Soma, was a purported muscle relaxant and was highly addictive. The FDA warned that carisoprodol should only be used for acute treatments, and for no longer than two to three weeks.

5. It was well known in the medical community that the combination of high-dose opioids, including oxycodone or hydrocodone, along with carisoprodol significantly increased the risk of patient intoxication and overdose. Moreover, prescribing oxycodone or hydrocodone along with carisoprodol often created a significant risk of diversion because the two drugs, prescribed together, were often highly abused and sought for a non-legitimate medical purpose due to the increased “high” a user may experience from taking hydrocodone or oxycodone along with carisoprodol.

6. Accordingly, for a treating physician to prescribe the combination of high-dose opioids and carisoprodol for a legitimate medical purpose, the physician needed to determine, at a minimum, that the benefits of the drugs outweighed the risks to the patient’s life.

7. Medical practitioners, such as pharmacists, physicians, and nurse practitioners, who were authorized to prescribe or distribute controlled substances by the jurisdiction in which they

were licensed to practice were authorized under the CSA to prescribe, or otherwise distribute, controlled substances, if they were registered with the Attorney General of the United States. 21 U.S.C. § 822(b). Upon application by the practitioner, the Drug Enforcement Administration (“DEA”) assigned a unique registration number to each qualifying medical practitioner including physicians, pharmacies, and nurse practitioners.

8. Chapter 21 of the Code of Federal Regulations, Section 1306.04 governed the issuance of prescriptions and provided, among other things, that a prescription for a controlled substance “must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice.” Moreover, “[a]n order purporting to be a prescription issued not in the usual course of professional treatment . . . is not a prescription within the meaning and intent of [the CSA] and the person knowingly filling such a purported prescription, as well as the person issuing it, shall be subject to the penalties provided for violations of the provisions of law relating to controlled substances.”

9. Chapter 21 of the Code of Federal Regulations, Section 1306.06 governed the filling of prescriptions and provided: “A prescription for a controlled substance may only be filled by a pharmacist, acting in the usual course of his professional practice and either registered individually or employed in a registered pharmacy, a registered central fill pharmacy, or registered institutional practitioner.”

10. All prescriptions for controlled substances must be “dated as of, and signed on, the day when issued and shall bear the full name and address of the patient, the drug name, strength, dosage form, quantity prescribed, directions for use, and the name, address and registration number

of the practitioner.” 21 C.F.R. § 1306.05(a). “The refilling of a prescription for a controlled substance listed in Schedule II is prohibited.” 21 C.F.R. § 1306.12(a); 21 U.S.C. § 829(a).

11. The Texas Prescription Monitoring Program (“PMP”) was a database of all reported prescriptions for controlled substances that were issued and dispensed in Texas. The database was maintained by the Texas Department of Public Safety (“DPS”) until September 1, 2016, and thereafter by the Texas State Board of Pharmacy (“TSBP”). Pharmacies were required to report to the PMP all controlled substances dispensed, including: the patient’s name, the particular controlled substance and dosage dispensed, the quantity dispensed, the number of days supplied, the prescribing physician’s name, the date the prescription was issued, the dispensing pharmacy’s name, the type of payment, and the date the controlled substances were dispensed.

12. TSBP Rule 291.29 related to the Professional Responsibility of Pharmacists, and instructed a pharmacist to make every reasonable effort to ensure that any prescription drug order has been issued for a “legitimate medical purpose by a practitioner in the course of medical practice.”

13. TSBP Rule 291.29(c) provided reasons to suspect that a prescription may have been authorized in the absence of a valid patient–practitioner relationship or in violation of the practitioner’s standard of practice, including:

- a. a disproportionate number of patients of the practitioner receive controlled substances;
- b. the manner in which the prescriptions are authorized by the practitioner or received by the pharmacy;
- c. the geographical distance between the practitioner and the patient or between the pharmacy and the patient;

d. knowledge by the pharmacist that the patient has exhibited doctor-shopping or pharmacy-shopping tendencies.

14. According to TSBP, when pharmacies obtained a pharmacy license, it is their policy to distribute a document called: "Red Flags Check List for Pharmacies, YOU MIGHT BE A PILL MILL IF...", which largely mimicked TSBP Rule 291.29(f) and 291.29(c). The document identified the following "red flags," among others, related to non-therapeutic dispensing of controlled substances:

a. the pharmacy dispenses a reasonably discernible pattern of substantially identical prescriptions for the same controlled substances, potentially paired with other drugs, for numerous persons, indicating a lack of individual drug therapy in prescriptions issued by the practitioner;

b. the pharmacy operates with limited hours of operation or closes after a certain threshold of controlled substance prescriptions are dispensed;

c. prescriptions by a prescriber presented to the pharmacy are routinely for controlled substances commonly known to be abused drugs, including opioids, benzodiazepines, muscle relaxants, psychostimulants, and/or cough syrups containing codeine, or any combination of these drugs;

d. prescriptions for controlled substances are commonly for the highest strength of the drug and/or for large quantities (e.g., monthly supply), indicating a lack of individual drug therapy in prescriptions issued by the practitioner;

e. dangerous drugs or over-the-counter products (e.g., multi-vitamins or laxatives) are consistently added by the prescriber to prescriptions for controlled substances presented to the pharmacy, indicating a lack of individual drug therapy in prescriptions issued by the practitioner;

f. the practitioner's clinic is not registered as, and not exempted from registration as, a pain management clinic by the Texas Medical Board, despite prescriptions by the practitioner presented to the pharmacy indicating that the practitioner is mostly prescribing opioids, benzodiazepines, barbiturates, or carisoprodol, but not including suboxone, or any combination of these drugs;

g. the controlled substance(s) or the quantity of the controlled substance(s) prescribed are inconsistent with the practitioner's area of medical practice;

h. the Texas Prescription Monitoring Program indicates the person presenting the prescriptions is obtaining similar drugs from multiple practitioners, and/or that the persons is being dispensed similar drugs at multiple pharmacies;

i. person's pay with cash or credit card more often than insurance;

j. the pharmacy charges and persons are willing to pay more for controlled substances than they would at a nearby pharmacy;

k. sporadic and non-consistent dispensing volume (including zero dispensing) varies from day to day, and week to week; and

l. the pharmacy routinely orders controlled substances from more than one drug supplier.

DEFENDANTS

15. Defendant **AMISH KORDIA**, was the owner, and Pharmacist in Charge ("PIC") at Freeport Pharmacy ("FREEPORT"), which was located in the Southern District of Texas at 323 S. Brazosport Blvd., Freeport, Texas 77541. **AMISH KORDIA** maintained a Texas Pharmacist License with TSBP. With those credentials, **AMISH KORDIA** was licensed to distribute and dispense Schedules II through V controlled substances from FREEPORT, but did so outside the usual course of professional practice.

16. Defendant **SAMSON ALAZAR** was a pharmacist dispensing controlled substances at FREEPORT, and was licensed by the DEA to dispense Schedules II through V controlled substances from FREEPORT, but did so outside the usual course of professional practice.

17. Defendant **KWANA BROUSSARD** was a "crew leader" who brought individuals posing as patients ("illegitimate patients") to clinics and pharmacies in the Houston and

surrounding areas, including FREEPORT, to receive and fill prescriptions for controlled substances outside the course of professional conduct and without a legitimate medical purpose.

18. Defendant **JAMES JOHNSON** was **KWANA BROUSSARD**'s husband and a "crew leader" who brought illegitimate patients to clinics and pharmacies in the Houston and surrounding areas, including FREEPORT, to receive and fill prescriptions for controlled substances outside the course of professional conduct and without a legitimate medical purpose.

19. Defendant **LASHUNDRA WILSON**, a "runner" who worked under **KWANA BROUSSARD** and **JAMES JOHNSON**, brought illegitimate patients to clinics and pharmacies in the Houston and surrounding areas, including FREEPORT, to receive and fill prescriptions for controlled substances outside the course of professional conduct and without a legitimate medical purpose.

COUNT ONE

**Conspiracy to Unlawfully Distribute and Dispense Controlled Substances
(21 U.S.C. § 846)**

20. Paragraphs 1 through 19 of this Indictment are re-alleged and incorporated by reference as if fully set forth herein.

21. From in or around February 2018 through in or around July 2019, the exact dates being unknown to the Grand Jury, in the Houston Division of the Southern District of Texas and elsewhere, Defendants

**AMISH KORDIA,
SAMSON ALAZAR,
KWANA BROUSSARD,
JAMES JOHNSON, and
LASHUNDRA WILSON**

knowingly and intentionally combined, conspired, confederated, and agreed with each other, and others known and unknown to the Grand Jury, to violate Title 21, United States Code, Section 841(a)(1), that is, to knowingly and intentionally unlawfully distribute and dispense, mixtures and substances containing a detectable amount of controlled substances, including oxycodone and hydrocodone, both Schedule II controlled substances, and other controlled substances, outside the usual course of professional practice and not for a legitimate medical purpose.

All in violation of Title 21, United States Code, Section 846.

Object of the Conspiracy

22. It was a purpose and object of the conspiracy for Defendants and others known and unknown to the Grand Jury to unlawfully enrich themselves by, among other things: (a) distributing and dispensing controlled substances outside the usual course of professional practice and not for a legitimate medical purpose; (b) generating large profits from distributing and dispensing those controlled substances; and (c) diverting the proceeds from distributing and dispensing those controlled substances for their personal use and benefit.

Manner and Means of the Conspiracy

The manner and means by which Defendants **AMISH KORDIA, SAMSON ALAZAR, KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON** and their co-conspirators sought to accomplish the purpose and object of the conspiracy included, among other things:

23. **KWANA BROUSSARD, JAMES JOHNSON, LASHUNDRA WILSON,** and others paid illegitimate patients to obtain prescriptions from medical practitioners, and to have

them filled at FREEPORT and other pharmacies. **KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON** coordinated with a crew of “runners” to pay and take the illegitimate patients to clinics and pharmacies to illegally obtain prescriptions for controlled substances, and to fill those prescriptions for the purpose of selling them on the illegal-drug market.

24. **AMISH KORDIA**, the Pharmacist in Charge at FREEPORT, obtained a DEA Registration Number for FREEPORT, where he managed and oversaw operations.

25. At FREEPORT, **AMISH KORDIA** and **SAMSON ALAZAR** knowingly distributed and dispensed oxycodone, hydrocodone, and carisoprodol outside the usual course of professional conduct and without a legitimate medical purpose by filling prescriptions for **KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON**’s illegitimate patients, and for other illegitimate patients trafficked to FREEPORT by other individuals.

26. The prescriptions **AMISH KORDIA** and **SAMSON ALAZAR** filled at FREEPORT were largely for oxycodone 30mg, hydrocodone 10/325mg, and carisoprodol 350mg—the highest dosage strengths of hydrocodone and carisoprodol, and the highest short-acting dosage strength of oxycodone.

27. **KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON,** through their illegitimate patients, paid cash at FREEPORT in exchange for controlled substances. FREEPORT charged well over legitimate market value for cash-paying customers, but its prices were consistent with the value of the controlled substances on the illegal drug market.

28. FREEPORT exhibited many, if not all, of the “Red Flags” that the TSBP warned against in its “Red Flags Check List for Pharmacies, YOU MIGHT BE A PILL MILL IF...” checklist.

29. From in or around July 2016 to in or around July 2019, FREEPORT, through **AMISH KORDIA, SAMSON ALAZAR**, and other FREEPORT pharmacists, dispensed approximately 192,000 oxycodone 30mg pills, 350,000 hydrocodone 10/325mg pills, and 307,000 350mg carisoprodol pills, the vast majority of which were dispensed outside the usual course of professional practice and not for a legitimate medical purpose. FREEPORT made approximately \$3.5 million from the sale of these controlled substances.

All in violation of Title 21, United States Code, Sections 846.

COUNT TWO
Maintaining a Drug-Involved Premises and Aiding and Abetting
(21 U.S.C. § 856(a)(1) & 18 U.S.C. § 2))

30. Paragraphs 1 through 19 and 23 through 29 of this Indictment are re-alleged and incorporated by reference as if fully set forth herein.

31. From in or around February 2018 through in or around July 2019, the exact dates being unknown to the Grand Jury, in the Houston Division of the Southern District of Texas and elsewhere, Defendants

AMISH KORDIA and
SAMSON ALAZAR

aiding and abetting and aided and abetted by others, did unlawfully and knowingly use and maintain a place known as FREEPORT PHARMACY, located at 323 S. Brazosport Blvd., Freeport, Texas 77541, for the purpose of distributing Schedule II controlled substances, including oxycodone and hydrocodone, outside the usual course of professional practice and without a legitimate medical purpose.

In violation of Title 21, United States Code, Section 856(a)(1) & Title 18, United States Code, Section 2.

NOTICE OF CRIMINAL FORFEITURE
(21 U.S.C. § 853(a))

32. Pursuant to Title 21, United States Code, Section 853(a), the United States of America gives notice to Defendants **AMISH KORDIA, SAMSON ALAZAR, KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON**, that upon conviction of an offense in violation of Title 21, United States Code, Sections 846 or 856, the following is subject to forfeiture:

- a. all property constituting, or derived from, any proceeds obtained, directly or indirectly, as the result of such violation;
- b. all property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation; and
- c. Approximately \$3.5 million in cash.

Money Judgment and Substitute Assets

33. The United States will seek the imposition of a money judgment against **AMISH KORDIA, SAMSON ALAZAR, KWANA BROUSSARD, JAMES JOHNSON,** and **LASHUNDRA WILSON** upon conviction.

(continued on next page)

34. Defendants are notified that in the event that one or more conditions listed in Title 21, United States Code, Section 853(p) exists, the United States will seek to forfeit any other property of the Defendants up to the amount of the money judgment against that Defendant.

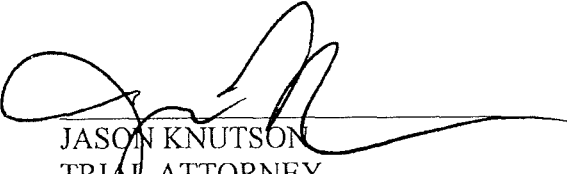
↑ TRUE BILL

Original Signature on File

FOREPERSON

RYAN K. PATRICK
UNITED STATES ATTORNEY

ALLAN MEDINA
ACTING CHIEF, HEALTH CARE FRAUD UNIT
FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE


JASON KNUTSON
TRIAL ATTORNEY
FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE