UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 25-
	:	
SHERIF ELMASRI	:	18 U.S.C. § 1349
	:	18 U.S.C. § 371

I N F O R M A T I O N

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT ONE
(Conspiracy to Commit Health Care Fraud)

1. At all times relevant to this Information:

Individuals and Entities

a. Defendant SHERIF ELMASRI ("ELMSARI") was a resident of Spotswood, New Jersey and, as of in or around April 2023, the owner of a pharmacy located in New Brunswick, New Jersey (the "ELMASRI Pharmacy").

b. The ELMASRI Pharmacy was an enrolled Medicare and Medicaid provider and submitted claims to Medicare and Medicaid.

c. Provider 1, a resident of Freehold, New Jersey, was a licensed medical doctor who owned their own medical practice.

d. Provider 2, a resident of Toms River, New Jersey, was a licensed nurse practitioner and an employee of Provider 1.

e. Provider 3, a resident of Whippany, New Jersey, was a licensed nurse practitioner and an employee of Provider 1.

f. Individual 1 was a resident of Brooklyn, New York and ELMASRI's associate.

g. Beneficiary 1 was a resident of Monroe Township, New Jersey, and had prescription medication filled at the ELMASRI Pharmacy.

h. Beneficiary 2 was a resident of Trenton, New Jersey and had prescription medication filled at the ELMASRI Pharmacy.

Background on the Medicare and Medicaid Programs

i. Medicare was a federally funded program established to provide medical insurance benefits for individuals aged 65 and older and certain disabled individuals who qualified under the Social Security Act.

j. Medicare was administered by the Centers for Medicare and Medicaid Services, a federal agency under the United States Department of Health and Human Services. Individuals who received benefits under Medicare are referred to as Medicare "beneficiaries."

k. Medicare was divided into four parts, which help cover specific services: Part A (hospital insurance), Part B (medical insurance), Part C (Medicare Advantage), and Part D (prescription drug coverage).

l. Medicaid was a federal-and-state-funded program established to provide medical insurance benefits for individuals who meet specified financial and other eligibility requirements and lack adequate resources to pay for medical care.

m. Medicare and Medicaid each were a "health care benefit program," as defined in Title 18, United States Code, Section 24(b), and a "Federal

health care program," as defined in Title 42, United States Code, Section 1320a-7b(f).

n. Medicare and Medicaid paid for claims only if the items or services were medically reasonable, medically necessary for the treatment or diagnosis of the patient's illness or injury, documented, and actually provided as represented. Medicare and Medicaid would not pay for items and services that were procured through kickbacks and bribes.

The Conspiracy

2. From at least in or around October 2022 through in or around March 2025, in the District of New Jersey, and elsewhere, the defendant,

SHERIF ELMASRI,

did knowingly and intentionally combine, conspire, confederate, and agree with Provider 1, Provider 2, Provider 3, and others to knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud Medicare and Medicaid, each a health care benefit program, as that term is defined under Title 18, United States Code, Section 24(b), and to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, any health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services, contrary to Title 18, United States Code, Section 1347.

Goal of the Conspiracy

3. The goal of the conspiracy was for ELMASRI and his co-conspirators to unlawfully enrich themselves by submitting and causing the submission of false

and fraudulent claims to Medicare and Medicaid for prescription medications that were medically unreasonable and unnecessary, procured through the payment of illegal kickbacks and bribes, and ineligible for reimbursement.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:

a. ELMASRI paid several health care providers, including Provider 1, Provider 2, and Provider 3 (the "Co-Conspirator Providers") illegal kickbacks and bribes, in exchange for the Co-Conspirator Providers' agreement to (i) issue prescriptions for high-reimbursement medications, which ELMASRI selected, to Medicare and Medicaid beneficiaries whom ELMASRI referred to the Co-Conspirator Providers, and (ii) send those prescriptions to be filled at the ELMASRI Pharmacy. For example:

i. Between in or around May 2023 and March 2025, ELMASRI paid Provider 1 approximately $6,000 in cash every two weeks. During that same period, the ELMASRI Pharmacy received a total of approximately $8,638,626 in reimbursements from Medicare and Medicaid for prescriptions filled by Provider 1 for beneficiaries who ELMASRI referred to Provider 1.

ii. Between in or around June 2024 and March 2025, ELMASRI paid Provider 2 approximately $5,000 in cash every two weeks. Between in or around September 2023 and March 2025, the ELMASRI Pharmacy received a total of approximately $3,157,790 in reimbursements from Medicare and Medicaid for prescriptions filled by Provider 2 for beneficiaries who ELMASRI referred to Provider 2.

iii. Between in or around June 2024 and March 2025, ELMASRI paid Provider 3 approximately $5,000 in cash every two weeks. In that same period, the ELMASRI Pharmacy received a total of approximately $1,716,435 in reimbursements from Medicare and Medicaid for prescriptions filled by Provider 3 for beneficiaries that ELMASRI referred to Provider 3.

b. ELMASRI also paid several middlemen illegal kickbacks and bribes in exchange for the middlemen providing ELMASRI with Medicare and Medicaid beneficiaries' patient and insurance information, which ELMASRI, in turn, provided to the Co-Conspirator Providers to issue prescriptions to be filled at the ELMASRI Pharmacy. For example:

i. On or about June 14, 2024, at ELMASRI's request, Individual 1 sent ELMASRI a series of text messages that included photographs of Medicare and Medicaid beneficiaries' insurance cards and driver's licenses that ELMASRI used to bill Medicare and Medicaid for prescribed medications.

ii. On or about June 22, 2024, Individual 1 sent ELMASRI a text message asking: "Doctor what time do you think the meds will be in Brooklyn." ELMASRI responded: "On his way to you. Make sure you receive everything." Approximately one hour later, Individual 1 sent a text message to ELMASRI stating: "Doctor I got all the meds. And the bread. Thank you doctor." The "bread" referred to the cash kickback that ELMASRI paid to Individual 1.

c. ELMASRI also paid beneficiaries illegal kickbacks and bribes in exchange for the beneficiaries having their prescriptions filled at the ELMASRI

Pharmacy by one of the Co-Conspirator Providers who ELMASRI selected. For example:

i. On or about April 4, 2023, Beneficiary 1 sent ELMASRI a text message stating: "Hi [ELMASRI] just let you know that was no envelope." ELMASRI responded: "No way Sorry about that You have zelle?" Beneficiary 1 then responded: "Yes," confirming that he had the payment platform Zelle. The next day, on or about April 5, ELMASRI paid Beneficiary 1 approximately $100 via Zelle. A similar text message exchange and subsequent payment occurred on or about November 3 and December 29, 2023.

ii. On or about June 11, 2023, Beneficiary 2 sent ELMASRI a text message stating: "HI Doc I just wanted you be aware This is the 2nd time I get medicine and there was no envelope inside with it . . ." Elmasri responded: "Sorry about that" followed by "I just zelle it to you." That same day, ELMASRI paid Beneficiary 2 $200 via Zelle.

d. ELMASRI personally profited from the submission of false and fraudulent claims by receiving reimbursements paid from Medicare and Medicaid to the ELMASRI Pharmacy for the prescription medications that were prescribed by the Co-Conspirator Providers and dispensed by the ELMASRI Pharmacy.

e. ELMASRI and his co-conspirators took various steps to conceal their scheme. For example:

i. ELMASRI generally paid the Co-Conspirator Providers, middlemen, and beneficiaries in cash. Often the cash would be concealed inside a

sealed bag that also contained medications or other items from the ELMASRI Pharmacy.

ii. ELMASRI employed individuals as drivers to deliver the cash kickbacks and bribes to the Co-Conspirator Providers, middlemen, and beneficiaries.

f. As a result of the false and fraudulent claims that ELMASRI submitted and caused to be submitted to Medicare and Medicaid, Medicare paid the ELMASRI Pharmacy at least approximately $18,860,413 and Medicaid paid the ELMASRI Pharmacy at least approximately $1,823,851.

In violation of Title 18, United States Code, Section 1349.

COUNT TWO
(Conspiracy to Violate the Federal Anti-Kickback Statute)

5. The allegations in Paragraphs 1, 3, and 4 of this Information are re-alleged here.

6. From at least in or around October 2022 through in or around March 2025, in the District of New Jersey, and elsewhere, the defendant,

SHERIF ELMASRI,

did knowingly and intentionally combine, conspire, confederate, and agree with others to knowingly and willfully offer and pay remuneration, directly and indirectly, overtly and covertly, in cash and in kind, that is, kickbacks and bribes, to induce such person to refer an individual to a person for the furnishing and arranging for the furnishing of any item and service, for which payment may be made in whole and in part under a Federal health care program, as defined in Title 42, United States Code, Section 1320a-7b(f), namely Medicare and Medicaid, contrary to Title 42, United States Code, Section 1320a-7b(b)(2)(A).

Goal of the Conspiracy

7. The goal of the conspiracy was for ELMASRI and his co-conspirators to unlawfully enrich themselves by paying and receiving unlawful bribes and kickbacks related to their submission and causing the submissions of false and fraudulent claims to Medicare and Medicaid for prescription medications.

Overt Acts

8. In furtherance of the conspiracy, and in order to effect its object, ELMASRI and others committed and caused the commission of the following overt acts in the District of New Jersey and elsewhere:

a. On or about June 14, 2024, at ELMASRI's request, Individual 1 sent ELMASRI a series of text messages that included photographs of Medicare and Medicaid beneficiaries' insurance cards and driver's licenses that ELMASRI used to bill Medicare and Medicaid for prescribed medications.

b. On or about July 9, 2024, ELMASRI sent a text message to Provider 2 stating: "Send me your address please I'll send the delivery guy to you." Approximately 5 hours later, Provider 2 sent a text message to ELMASRI stating: "Thank you. Received."

c. On or about August 8, 2024, ELMASRI sent a text message to Provider 3 stating: "I'll send the delivery guy today." Approximately 5 hours later, ELMASRI sent another text message to Provider 3 showing a photograph of Provider 3's mailbox with a white bag inside. A few minutes later, Provider 3 sent a text message to ELMASRI stating:" Got it thank you sir."

d. On or about October 2, 2024, ELMASRI sent a text message to Provider 1 stating: "Delivery guy will coming today," which let Provider 1 know that one of ELMASRI's drivers would be delivering a cash kickback to Provider 1. Provider 1 responded: "ty [thank you] so much! i've been running very low on my alcohol swabs [laughing emojis]."

e. On or about March 18, 2025, Provider 1 called ELMASRI asking: "could I get my medicine delivered again?" ELMASRI responded: "Yeah absolutely . . ." and "I [will] send someone." Provider 1 responded: "Yeah good like like alcohol pads would be nice. And and the stuff." Later that day, one of ELMASRI's drivers delivered to Provider 1 a bag containing alcohol pads and approximately $7,000 in cash.

In violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATION

Upon conviction of one or both of the offenses alleged in Counts One and Two of this Information, ELMASRI shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7), all property ELMASRI obtained that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of each such offense, and all property traceable to such property.

SUBSTITUTE ASSETS PROVISION

If any of the forfeitable property described above, as a result of any act or omission of the defendant:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

Alina Habba

ALINA HABBA
United States Attorney

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United States District Court
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INFORMATION FOR

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