

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT BOWLING GREEN

FILED
DISTRICT COURT CLERK
WESTERN DISTRICT OF KY

2016 MAY -3 AM 10: 35

UNITED STATES OF AMERICA

PLAINTIFF

v.

CRIMINAL NO. 1:16-CR-00014

CHRISTOPHER STEWARD

DEFENDANT

PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the United States of America, by John E. Kuhn, Jr., United States Attorney for the Western District of Kentucky, and defendant, Christopher Steward, and his attorney, Steve Romines, have agreed upon the following:

1. Defendant acknowledges that he has been charged in the Indictment in this case with violations of Title 18, United States Code, Sections 1028A and 1347, and Title 21, United States Code, Sections 841, 843 and 846. Defendant further acknowledges that the Indictment in this case seeks forfeiture of real property located at 212 Broadway Street, Cave City, Kentucky, 42127, and a 2009 Ford F-150 white pickup truck, Kentucky license plate #1701DS, VIN 1FTPW14V29FA51129, pursuant to Title 18, United States Code, Sections 982 and 1028, and Title 21, United States Code, Section 853, by reason of the offenses charged in the Indictment.

2. Defendant has read the charges against him contained in the Indictment, and those charges have been fully explained to him by his attorney. Defendant fully understands the nature and elements of the crimes with which he has been charged.

3. Defendant will enter a voluntary plea of guilty to Counts 1 through 7 in this case. Defendant will plead guilty because he is in fact guilty of the charges. The parties agree to the following factual basis for this plea:

All events occurred in Cave City, in Barren County Kentucky, in the Western District of Kentucky. Hydrocodone is a Schedule II controlled substance.

Dr. Christopher Steward was a dentist and a nurse practitioner with a practice located at 212 Broadway, Cave City, Kentucky. Dr. Steward had a Drug Enforcement Agency registration number which authorized him to write prescriptions within the course of professional medical practice.

As alleged in Count 1, on March 6, 2015, Dr. Steward intentionally acquired possession of Ambien, a Schedule IV controlled substance, through misrepresentation and fraud. Dr. Steward wrote patient A.J. a prescription for Ambien and instructed A.J. to fill the prescription and leave the pills in A.J.'s mailbox, where Dr. Steward later retrieved the pills for his own use.

As alleged in Count 2, on March 25, 2015, Dr. Steward intentionally distributed hydrocodone outside the course of professional medical practice. Dr. Steward was going to write a prescription for hydrocodone for patient A.J., but on A.J.'s request, Dr. Steward wrote the prescription in D.J.'s name so the prescription would not appear on A.J.'s KASPER report. This discussion was recorded by law enforcement. Dr. Steward subsequently left the prescription in an envelope in the alley behind his office for A.J. to retrieve.

As alleged in Count 3, on April 13, 2015, Dr. Steward intentionally distributed hydrocodone outside the course of professional medical practice. Patient A.J. telephoned Dr. Steward and asked Dr. Steward for another prescription. Dr. Steward could not recall what he had previously prescribed to A.J., and asked A.J. what he had previously prescribed. A.J. told

Dr. Steward the previous prescription was for hydrocodone. This discussion was recorded by law enforcement. Dr. Steward subsequently wrote A.J. a prescription for hydrocodone, and A.J. retrieved that prescription from Dr. Steward's office.

As alleged in Count 4, between June 2013 and July 2015, Dr. Steward conspired with patient S.K. to intentionally obtain possession of triazolam and alprazolam, both Schedule IV controlled substances, through misrepresentation and fraud. Dr. Steward wrote prescriptions for triazolam and alprazolam in S.K.'s name, and instructed S.K. to fill the prescriptions. S.K. subsequently gave the pills to Dr. Steward.

As alleged in Count 5, between February 2013 and April 2015, Dr. Steward conspired with patient J.K. to intentionally obtain possession of triazolam, alprazolam, and zolpidam, Schedule IV controlled substances, and hydrocodone, a Schedule II controlled substance, through misrepresentation and fraud. Dr. Steward wrote prescriptions for triazolam, alprazolam, zolpidam, and hydrocodone in J.K.'s name, and instructed J.K. to fill the prescriptions. J.K. subsequently gave the pills to Dr. Steward.

As alleged in Count 6, on June 6, 2015, Dr. Steward intentionally distribute alprazolam, a Schedule IV controlled substance, outside the course of professional medical practice. Dr. Steward wrote a prescription for alprazolam for patient S.K.2, without S.K.2's knowledge or consent. That prescription was subsequently filled by someone other than S.K.2, again without S.K.2's knowledge or consent, and Dr. Steward obtained those pills.

As alleged in Count 7, on June 6, 2015, Dr. Steward willfully executed a scheme to defraud Kentucky Medicaid, a health care benefit program, in connection with the delivery of payment for health care benefits, by writing a prescription for alprazolam, a Schedule IV controlled substance, for patient S.K.2, without S.K.2's knowledge or consent. That prescription

was subsequently filled by someone other than S.K.2, again without S.K.2's knowledge or consent, and Dr. Steward obtained those pills. That fraudulent prescription was paid for by Kentucky Medicaid, through Coventry Managed Care.

4. Defendant understands that the charges to which he will plead guilty carry a combined maximum term of imprisonment of 67 years, a combined maximum fine of \$3,250,000, and supervised release of at least 3 years and up to any number of years, including life, which the Court may specify. Defendant understands that an additional term of imprisonment may be ordered if the terms of the supervised release are violated, as explained in 18 U.S.C. § 3583. Defendant understands that as a result of the charges to which he will plead guilty he will be ordered to forfeit real property located at 212 Broadway Street, Cave City, Kentucky, 42127, and a 2009 Ford F-150 white pickup truck, Kentucky license plate #1701DS, VIN 1FTPW14V29FA51129.

5. Defendant understands that if a term of imprisonment of more than one year is imposed, the Sentencing Guidelines require a term of supervised release and that he will then be subject to certain conditions of release. §§5D1.1, 5D1.2, 5D1.3.

6. Defendant understands that by pleading guilty, he surrenders certain rights set forth below. Defendant's attorney has explained those rights to him and the consequences of his waiver of those rights, including the following:

A. If defendant persists in a plea of not guilty to the charges against him, he has the right to a public and speedy trial. The trial could either be a jury trial or a trial by the judge sitting without a jury. If there is a jury trial, the jury would have to agree unanimously before it could return a verdict of either guilty or not guilty. The jury would be instructed that defendant is presumed innocent

and that it could not convict him unless, after hearing all the evidence, it was persuaded of defendant's guilt beyond a reasonable doubt.

B. At a trial, whether by a jury or a judge, the United States would be required to present its witnesses and other evidence against defendant. Defendant would be able to confront those government witnesses and his attorney would be able to cross-examine them. In turn, defendant could present witnesses and other evidence in his own behalf. If the witnesses for defendant would not appear voluntarily, he could require their attendance through the subpoena power of the Court.

C. At a trial, defendant would have a privilege against self-incrimination and he could decline to testify, without any inference of guilt being drawn from his refusal to testify. If defendant desired to do so, he could testify in his own behalf.

7. Defendant understands that the United States Attorney's Office has an obligation to fully apprise the District Court and the United States Probation Office of all facts pertinent to the sentencing process, and to respond to all legal or factual inquiries that might arise either before, during, or after sentencing. Defendant admits all acts and essential elements of the indictment counts to which he pleads guilty.

8. Defendant agrees that the amount of restitution ordered by the Court shall include Defendant's total offense conduct, and is not limited to the counts of conviction. The parties agree and stipulate that Defendant shall pay restitution in the amount to be determined. The parties agree that the restitution shall be ordered due and payable on the date of sentencing. Defendant agrees that any payment schedule imposed by the Court is without prejudice to the

United States to take all actions available to it to collect the full amount of the restitution at any time. Restitution payments shall be made payable to the U.S. District Court Clerk at Gene Snyder Courthouse, 601 W. Broadway, Louisville, KY 40202. The restitution shall be paid to or on behalf of Kentucky Medicaid.

Defendant agrees that not later than 45 days from entry of the Plea Agreement, Defendant shall provide to the United States, under penalty of perjury, a financial disclosure form listing all Defendant's assets/financial interests. Defendant authorizes the United States to run credit bureau reports prior to sentencing, and Defendant will sign releases authorizing the United States to obtain Defendant's financial records. Defendant understands that these assets and financial interests include all assets and financial interests in which Defendant has an interest, direct or indirect, whether held in Defendant's own name or in the name of another, in any property, real or personal. Defendant shall also identify all assets valued at more than \$5,000 which have been transferred to third parties since the date of the first offense, including the location of the assets and the identity of the third party(ies). Defendant agrees that the United States may share the contents of the reports and financial disclosures with the Court and U.S. Probation.

Defendant agrees to submit to a deposition in aid of collection at times and places that the United States directs. If the Defendant has a financial advisor or accountant, Defendant agrees, at his expense, to make them available to aid the United States in determining Defendant's net worth. Defendant authorizes the United States to file notice of Lis Pendens prior to judgment on any real property Defendant owns either individually or jointly. Defendant agrees to his name and debt being added to the Treasury Offset Program.

Upon execution of the Plea Agreement, Defendant agrees not to transfer, sell, or secrete any of Defendant's property, real or personal, held jointly, individually or by nominee/third

party, valued at \$5,000 or more without first advising the United States not less than 10 days before the proposed sale or transfer. Defendant agrees that failure to comply with any of the provisions of this Agreement constitutes a material breach of the Plea Agreement and Defendant agrees that the United States is relieved of its obligations under this Agreement and/or may not move the Court pursuant to U.S.S.G. § 3E1.1(b) to reduce the offense level by one additional level, and may in its discretion argue to the Court that the Defendant should not receive a two-level reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1(a). However, the Defendant may not withdraw his guilty plea because of his breach. The defendant further understands that he may be responsible for a fine, costs of prosecution, costs of incarceration and supervision which may be required.

9. Defendant acknowledges liability for the special assessment mandated by 18 U.S.C. § 3013 and will pay the assessment in the amount of \$700.00 to the United States District Court Clerk's Office by the date of sentencing.

10. At the time of sentencing, the United States and Defendant will

-agree that the United States will move for dismissal of Count 8 of the Indictment at the time of sentencing.

-agree that a sentencing range between 18 months of imprisonment and 30 months of imprisonment is the appropriate disposition of this case.

-agree that a reduction of 2 levels below the otherwise applicable Guideline for "acceptance of responsibility" as provided by §3E1.1(a) is appropriate, provided the defendant does not engage in future conduct which violates any federal or state law, violates a condition of bond, constitutes obstruction of justice, or otherwise demonstrates a lack of acceptance of responsibility. Should such conduct occur and the United States, therefore, opposes the reduction for acceptance, this plea agreement remains binding and the defendant will not be allowed to withdraw his plea.

-agree that the defendant will forfeit real property located at 212 Broadway Street, Cave City, Kentucky, 42127, and a 2009 Ford F-150 white pickup truck, Kentucky license plate #1701DS, VIN 1FTPW14V29FA51129.

11. The Criminal History of defendant shall be determined upon completion of the presentence investigation, pursuant to Fed. R. Crim. P. 32(c). Both parties reserve the right to object to the USSG §4A1.1 calculation of defendant's criminal history. The parties agree to not seek a departure from the Criminal History Category pursuant to §4A1.3.

12. Defendant is aware of his right to appeal his conviction and that 18 U.S.C. § 3742 affords a defendant the right to appeal the sentence imposed. Unless based on claims of ineffective assistance of counsel or prosecutorial misconduct, the Defendant knowingly and voluntarily waives the right (a) to directly appeal his conviction and the resulting sentence pursuant to Fed. R. App. P. 4(b) and 18 U.S.C. § 3742, and (b) to contest or collaterally attack his conviction and the resulting sentence under 28 U.S.C. § 2255 or otherwise.

13. Defendant agrees to the forfeiture of any interest he or his nominees may have in the following assets which he owns or over which he exercises control:

- a. real property located at 212 Broadway Street, Cave City, Kentucky, 42127, and
- b. a 2009 Ford F-150 white pickup truck, Kentucky license plate #1701DS, VIN 1FTPW14V29FA51129.

14. By this Agreement, defendant agrees to forfeit all interests in the properties listed in paragraph 14 above and to take whatever steps are necessary to pass clear title to the United States. These steps include but are not limited to surrender of title, the signing of a consent decree, a stipulation of facts regarding the transfer and basis for the forfeitures and signing any other documents necessary to effectuate such transfers.

15. Defendant agrees to a pre-plea investigation by the United States Marshal's Service for the purpose of assessing the value of each and every asset. Defendant agrees to undergo a full debriefing in order to accomplish this end.

16. Defendant agrees to waive any double jeopardy challenges that defendant may have to any administrative or civil forfeiture actions arising out of the course of conduct that provide the factual basis for this Indictment. Defendant further agrees to waive any double jeopardy challenges that defendant may have to the charges in this Indictment based upon any pending or completed administrative or civil forfeiture actions.

17. Defendant waives and agrees to waive any rights under the Speedy Trial Act and understands and agrees that sentencing may be delayed until the cooperation phase has been completed and title to all assets has fully vested in the United States. The reason for such waiver is so that at sentencing the Court will have the benefit of all relevant information.

18. Defendant agrees not to pursue or initiate any civil claims or suits against the United States of America, its agencies or employees, whether or not presently known to defendant, arising out of the investigation or prosecution of the offenses covered by this Agreement.

19. The defendant hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a.

20. Defendant agrees to interpose no objection to the United States transferring evidence or providing information concerning defendant and this offense, to other state and

federal agencies or other organizations, including, but not limited to the Internal Revenue Service, other law enforcement agencies, and any licensing and regulatory bodies, or to the entry of an order under Fed. R. Crim. P. 6(e) authorizing transfer to the Examination Division of the Internal Revenue Service of defendant's documents, or documents of third persons, in possession of the Grand Jury, the United States Attorney, or the Criminal Investigation Division of the Internal Revenue Service. Defendant further agrees to the entry of an order under Fed. R. Crim. P. 6(e) authorizing the use of documents in possession of the Grand Jury to be used during the defendant's deposition as contemplated in paragraph 8 of this Agreement.

21. If the Court refuses to accept this agreement and impose sentence in accordance with its terms, or to dismiss Count 8 according to the United States' motion, pursuant to Fed. R. Crim. P. 11(c)(1)(C), this Agreement will become null and void and neither party shall be bound thereto, and defendant will be allowed to withdraw the plea of guilty.

22. Defendant agrees that the disposition provided for within this Agreement is fair, taking into account all aggravating and mitigating factors. Defendant states that he has informed the United States Attorney's Office and the Probation Officer, either directly or through his attorney, of all mitigating factors. Defendant will not oppose imposition of a sentence incorporating the disposition provided for within this Agreement, nor argue for any other sentence. If Defendant argues for any sentence other than the one to which he has agreed, he is in breach of this Agreement. Defendant agrees that the remedy for this breach is that the United States is relieved of its obligations under this Agreement, but Defendant may not withdraw his guilty plea because of his breach.

23. This document and the supplemental plea agreement state the complete and only Plea Agreements between the United States Attorney for the Western District of Kentucky and

defendant in this case, and are binding only on the parties to this Agreement, supersedes all prior understandings, if any, whether written or oral, and cannot be modified other than in writing that are signed by all parties or on the record in Court. No other promises or inducements have been or will be made to defendant in connection with this case, nor have any predictions or threats been made in connection with this plea.

AGREED:

JOHN E. KUHN, JR.
United States Attorney

By:

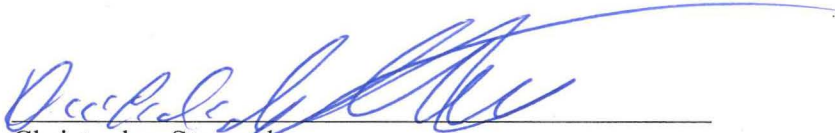


David Weiser
Assistant United States Attorney

5/3/16

Date

I have read this Agreement and carefully reviewed every part of it with my attorney. I fully understand it and I voluntarily agree to it.



Christopher Steward
Defendant

5/7/16

Date

I am the defendant's counsel. I have carefully reviewed every part of this Agreement with the defendant. To my knowledge my client's decision to enter into this Agreement is an informed and voluntary one.



Steve Romines
Counsel for Defendant

5/3/16

Date

JEK:DW:as:04282016