



U.S. Department of Justice

*Gregory R. Miller
United States Attorney
Northern District of Florida*

111 North Adams Street, 4th Floor
Tallahassee, Florida 32301-1841
Telephone (850)942-8430
Fax (850)942-8429

21 East Garden Street, Suite 400
Pensacola, Florida 32501-5603
Telephone (850)444-4000
Fax (850)432-7763

104 North Main, 4th Floor
Gainesville, Florida 32601-3330
Telephone (352)378-0996
Fax (352)371-1912

Please reply to: Tallahassee

December 13, 2006

FOR IMMEDIATE RELEASE

**FOR MORE INFORMATION
CONTACT:
P. ALAN SPROWLS
(850) 942-8430**

**PANAMA CITY PHYSICIAN AND ASSISTANT INDICTED ON DRUG AND FRAUD
CHARGES ARISING OUT OF IMPROPER DISPENSING OF DRUGS**

TALLAHASSEE -- Gregory R. Miller, United States Attorney for the Northern District of Florida, Charlie Crist, Florida Attorney General, Tom Gallagher, Florida Chief Financial Officer, Mark R. Trouville, Special Agent In Charge, Drug Enforcement Administration - Miami Division; Michael J. Folmar, Special Agent In Charge, Federal Bureau of Investigation - Jacksonville Division; Irene Hernandez, Assistant Director, National Drug Intelligence Center Document Exploitation Division, Robert E. Harris, Special Agent In Charge, Defense Criminal Investigative Service, Gerald M. Bailey, Commissioner of the Florida Department of Law Enforcement, Mark Thomas, Director, Florida Attorney General's Office Medicaid Fraud Control Unit, Frank McKeithen, Bay County Sheriff, and M. Roney Francois, M.D., Secretary, Florida Department of Health, today announced that a Federal Grand Jury has returned an indictment charging a Panama City physician and the office manager of his medical practice with conspiracy to commit fraud, health care fraud, mail fraud, conspiracy to distribute controlled substances, and unlawful dispensing of controlled substances.

In a one hundred twenty-four count indictment, the Federal Grand Jury in Tallahassee charged Dr. John Q. Durfey, age 77, of Panama City, Florida, and Rhonda K. Fenwick, age 47, of Panama City, Florida with:

1. conspiracy to commit health care and mail fraud;
2. thirty-four counts of health care fraud;
3. ten counts of mail fraud;

4. conspiracy to distribute controlled substances;
5. two counts of dispensing controlled substances, including oxycodone, fentanyl, and methadone, that resulted in the deaths of two persons.
6. seventy-six counts of dispensing controlled substances including oxycodone (commonly known as OxyContin, Percocet, Percodan, Roxicodone, Endocet, and Tylox); morphine (commonly known as Kadian, Avinza, and MS Contin); fentanyl (commonly known as Duragesic); methadone (commonly known as Methadose and Roxane); hydromorphone (commonly known as Dilaudid); hydrocodone (commonly known as Lorcet, Lortab, Vicodin, Zydone, and Tussionex); alprazolam (commonly known as Xanax); diazepam (commonly known as valium); zolpidem (commonly known as Ambien); clonazepam, (commonly known as Klonopin); and dronabinol (commonly known as Marinol).

The Indictment charges that:

- Durfey, a licensed physician recently practicing at Emerald Coast Pain Center in Panama City, prescribed controlled substances to patients without determining a sufficient medical necessity for the prescription of controlled substances and in quantities and dosages that would cause patients to abuse and misuse the controlled substances.
- Durfey prescribed controlled substances to patients knowing that the patients were addicted to the controlled substances, were misusing the controlled substances, and were requesting additional quantities of controlled substances to support the patients' drug habits.
- Durfey prescribed controlled substances to patients knowing that the patients were addicted to the controlled substances or misusing the controlled substances and wanted additional quantities of controlled substances for the patient's drug habit.
- Durfey continued to prescribe addictive controlled substances notwithstanding prior overdoses by the patients on the prescribed drugs and the receipt of information that particular patients were abusing their controlled substances, were selling their controlled substances, were addicted, or were "doctor shopping".
- Durfey prescribed excessive and inappropriate quantities of controlled substances to patients outside the usual course of professional practice, and caused his patients to fill prescriptions at various pharmacies, thereby causing payment for those prescriptions from Medicaid, Tricare, and other health care benefits programs to pharmacies filling the prescriptions issued by Durfey.
- Durfey prescribed controlled substances to patients that resulted in the deaths of two patients from the use of the prescribed controlled substances.

- Durfey issued numerous prescriptions for controlled substances to individuals for whom no patient files were maintained.
- Durfey and Fenwick submitted fraudulent claims to health care benefit programs for office visits for patients whom Durfey had not seen because he was out of town.
- Durfey and Fenwick submitted fraudulent claims to health care benefit programs for office visits for patients whom had failed to appear for appointments with Durfey.
- Durfey and Fenwick provided controlled substance prescriptions to patients who were not seen or examined by Durfey.
- Durfey and Fenwick prepared controlled substance prescriptions for patients to obtain when Durfey would be out of his medical office.
- Durfey and Fenwick caused pharmacies to fill medically unnecessary prescriptions for controlled substances, issued by Durfey, and to submit claims to various health care benefit programs for payment and reimbursement.
- Durfey and Fenwick caused the submission of false and fraudulent claims to various health care benefit programs by mail and electronic means for payment and reimbursement, the claims being for medical services Durfey purportedly provided to patients, specifically office visits and the prescribing of controlled substances.

The Indictment also seeks the forfeiture of property of the defendants, including \$150,000 from Durfey.

Defendant Durfey was arrested by federal and state agents this morning in Cincinnati, Ohio on a federal warrant based upon the charges of the Indictment. Durfey recently closed his practice in Panama City and relocated to Cincinnati.

[subject to modification] Defendant Fenwick was arrested by federal and state agents this morning in Panama City on a federal warrant based upon the charges of the Indictment. Durfey will make a first appearance in United States District Court in Cincinnati and will be returned to the Northern District of Florida. Fenwick will make her first appearance before a United States Magistrate Judge on the charges this afternoon or tomorrow afternoon in Panama City.

If convicted on Counts 92 and 111, the counts charging the distribution of oxycodone, fentanyl and methadone with death resulting from the use of those controlled substances, defendant Durfey faces a mandatory minimum term of 20 years' imprisonment, a maximum of life imprisonment, and a fine of \$1,000,000, on each count. On the remaining counts, Durfey faces a maximum total term of imprisonment of 1,960 years imprisonment on the drug counts and total fines exceeding \$82 million. Fenwick faces a total maximum term of 120 years' imprisonment, and \$2.5 million in fines.

This Indictment is the result of a joint Federal/State North Florida Health Care Fraud Task Force investigation that commenced two years ago. United States Attorney Miller commended the tireless efforts of investigators of the agencies involved in this complex investigation, and praised the cooperation of citizens and pharmacists who alerted investigators to excessive prescribing of highly addictive controlled substances by Durfey. United States Attorney Miller stated that, "the protection of citizens in the community from licensed doctors who dispense highly addictive controlled substances such as OxyContin outside the usual course of professional practice is a primary concern of health care matters. The North Florida Health Care Fraud Task Force will vigorously investigate and identify those medical practitioners who use their licenses to peddle controlled substances to abusers and addicts outside the course of standard medical practice. This conduct, along with the theft of public funds and fraud committed against the taxpayers and health care benefit programs remains a priority with the Department of Justice."

Florida Attorney General Charlie Crist stated: "-----

FDLE Commissioner Gerald M. Bailey stated: -----

Drug Enforcement Administration Special Agent in Charge Mark Trouville stated: -----

An indictment is merely a formal charge that a defendant has committed a violation of federal criminal law, and every defendant is presumed innocent until, and unless, proven guilty beyond a reasonable doubt.