

JUSTICE NEWS

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Pharmacy Owner, Medical Doctor and Patient Recruiter Convicted in \$4.3 Million Pain and Scar Cream Kickback Scheme Against Military Insurance Program

The owner of an Orlando, Florida-area pharmacy, a medical doctor and a patient recruiter were convicted today for their role in a kickback scheme involving pain and scar creams that resulted in the payment of approximately \$4.3 million in false and fraudulent claims to TRICARE. TRICARE provides coverage for active duty military and their families, as well as retired veterans.

Acting Assistant Attorney General John P. Cronan of the Justice Department's Criminal Division, U.S. Attorney Maria Chapa Lopez of the Middle District of Florida, Special Agent in Charge Eric W. Sporre of the FBI's Tampa Field Office and Resident Agent in Charge Brooke M. Harris of the U.S. Department of Defense Office of Inspector General (DOD-OIG) Defense Criminal Investigative Service made the announcement.

Larry Howard, 53, of Oviedo, Florida; Nicole Bramwell, M.D., 52, of Apopka, Florida; and Raymond Stone, 57, of Orlando, were convicted after a five-day trial of one count of conspiracy to pay health care kickbacks and paying and receiving kickbacks. Howard was also convicted of two counts of paying health care kickbacks, and Bramwell and Stone were convicted of one count each of receiving health care kickbacks. In addition, Howard was convicted of two counts of money laundering.

According to evidence presented at trial, Howard was the owner of Fertility Pharmacy, located in Oviedo. The evidence showed that Howard paid illegal health care kickbacks to Raymond Stone, who in return referred patients to doctors previously selected by Howard. The doctors then prescribed expensive pain and scar creams to the patients, which Howard then billed to TRICARE. The evidence also showed that Howard paid illegal health care kickbacks to Dr. Nicole Bramwell, who in return wrote prescriptions for the expensive creams. The creams could cost up to \$17,000 per bottle. Between October 2014 and May 2015, TRICARE paid Fertility Pharmacy over \$4.3 million procured through illegal kickbacks.

The case was investigated by the DOD-OIG and the FBI and was brought as part of the Medicare Fraud Strike Force, under the supervision of the Criminal Division's Fraud Section and the U.S. Attorney's Office for the Middle District of Florida. Senior Litigation Counsel John Michelich and Trial Attorneys Timothy Loper and Alexander Kramer are prosecuting the case. Former Senior Trial Attorney Christopher Hunter previously prosecuted the case.

The Fraud Section leads the Medicare Fraud Strike Force. Since its inception in March 2007, the Medicare Fraud Strike Force, now operating in nine cities across the country, has charged nearly 3,500 defendants

who have collectively billed the Medicare program for more than \$12.5 billion. In addition, the HHS Centers for Medicare & Medicaid Services, working in conjunction with HHS-OIG, are taking steps to increase accountability and decrease the presence of fraudulent providers.

To learn more about the Health Care Fraud Prevention and Enforcement Action Team (HEAT), go to: www.stopmedicarefraud.gov.

Topic(s):

Health Care Fraud

Component(s):

Criminal Division

Criminal - Criminal Fraud Section

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