

THE UNITED STATES ATTORNEY'S OFFICE

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Department of Justice

U.S. Attorney's Office

Western District of Texas

FOR IMMEDIATE RELEASE

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San Antonio Area Pharmaceutical Sales Representative Sentenced to Prison for Paying Over \$400K in Bribes to Physicians and Physician Assistants

In San Antonio this morning, a federal judge sentenced 46-year-old former pharmaceutical sales representative Holly Blakely, of San Antonio, TX, to 30 months in federal prison for a Bribery/Health Care Fraud scheme that netted her over \$1 million, announced U.S. Attorney John Bash, FBI Special Agent in Charge Christopher Combs, San Antonio Division, and Texas Attorney General Ken Paxton.

In addition to the prison term, Senior U.S. District Judge Fred Biery ordered that Blakely pay \$ 1,746,222 in restitution and be placed on supervised release for a period of 3 years after completing her prison term. Federal authorities had previously forfeited approximately \$88,800 in proceeds from the sale of Blakely's house. Judge Biery also ordered Blakely, who remains on bond, to surrender to the U.S. Marshals Service by June 15, 2020, in order to begin her prison term.

On February 21, 2019, Blakely pleaded guilty to one conspiracy count that involved wire fraud, Health Care Fraud, violating the Texas Commercial Bribery statute, and paying and receiving illegal kickbacks.

According to court records, from February 2013 through December 2014, Blakely and others submitted numerous fraudulent prescriptions on behalf of unsuspecting individuals to two different pharmacies for compounding medications. Numerous prescriptions were for patients who never sought treatment from the medical professional who wrote, or whose name was used to obtain, the prescription.

Blakely received commissions from pharmacies based on the amount of money the pharmacies received from private and government health care insurers for prescriptions submitted by

conspirators and filled by the pharmacies. Blakely, in turn, paid kickbacks to medical professionals to induce them into writing prescriptions for insured patients.

The total loss amount due to the defendant's scheme was approximately \$8,846,972.

The FBI, together with investigators from DEA Diversion, the Texas Attorney General's Medicaid Fraud Control Unit, Texas Department of Public Safety; Office of Professional Management – Office of the Inspector General (OPM - OIG); Defense Criminal Investigation Service (DCIS) and Air Force Office of Investigations (AFOSI) investigated this case. Assistant U.S. Attorneys Justin Chung and Antonio Franco, Jr. are prosecuting this case on behalf of the Government, with assistance from Steven Seward of the Financial Litigation Unit.

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Topic(s):

Health Care Fraud

Component(s):

USAO - Texas, Western

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