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Department of Justice

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Eastern District of Virginia

FOR IMMEDIATE RELEASE

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Six Individuals Sentenced for Nearly \$8 Million Health Care Fraud Involving Northern Virginia Pharmacies

ALEXANDRIA, Va. – The last of six defendants were sentenced today for participating in multiple health care fraud conspiracies involving kickbacks and fraudulent billings that resulted in nearly \$8 million in losses to federal, state, and private health care benefit programs.

"Health insurance programs, and the American public, rely on pharmacy professionals to safeguard the system from harmful kickback schemes, and to make truthful representations about the services they provide," said Raj Parekh, Acting U.S. Attorney for the Eastern District of Virginia. "The defendants betrayed their duties as health care professionals, performed illegal kickbacks, and defrauded essential benefit programs out of millions of dollars. EDVA is committed to prosecuting those who exploit taxpayers and engage in the unacceptable fleecing of these important public institutions and programs."

According to court documents, Mohamed Abdalla, 48, of Allendale, New Jersey, owned multiple pharmacies in northern Virginia, including Medex Health Pharmacy in Falls Church and Royal Care Pharmacy in Fairfax. As the owner of these pharmacies, Abdalla oversaw and executed two related schemes to defraud health care benefit programs. One scheme involved the payment or receipt of unlawful kickbacks for expensive drugs and devices in violation of the federal Anti-Kickback Statute. Another scheme involved billing federal, state, and private health care benefit programs for numerous expensive drugs and devices that were not medically necessary, not prescribed by a physician, or were not received by a beneficiary.

"Health care professionals who use fraud and deceit to steal funds and scam the system will be held accountable for their actions," said James A. Dawson, Special Agent in Charge of the FBI Washington Field Office Criminal Division. "These individuals, who are supposed to be trusted by the American public, were fueled by greed and their own interests to exploit their profession and pad their pockets. The FBI and our law enforcement partners will continue to root out fraud in the health care industry and protect the public from their illegal schemes."

From at least January 2014 through at least the end of 2018, Abdalla participated in several schemes to pay kickbacks for the referral of prescriptions for compound medications and for an expensive naloxone auto-injector device used to treat opioid emergencies. Abdalla and his conspirators then billed federal health care benefit programs, including Medicare and TRICARE, which is the Department of Defense's health care program, in violation of the Anti-Kickback Statute. Abdalla obtained over \$2 million from these schemes.

"This investigation is a prime example of how kickback schemes undermine the integrity of the U.S. military healthcare system, and degrade the acquisition process," said Christopher Dillard, Special Agent in Charge of the DCIS Mid-Atlantic Field Office. "These sentencing should send a clear warning that DCIS and its investigative partners will vigorously pursue fraudsters intent on lining their pockets with tax dollars earmarked for the care of our Warfighters."

In addition, Abdalla and employees at his pharmacies conspired to defraud federal, state, and private health care benefit programs by engaging in numerous other schemes, including billing for prescriptions in the names of themselves, family members, and other pharmacy employees that were not medically necessary and/or not prescribed by a licensed physician, and billing for prescriptions for pharmacy customers that were never filled. These additional schemes resulted in a loss to these health care benefit programs of approximately \$6,216,434.39.

"Health care providers are trusted to recommend and provide prescription medications that their patients need," said Maureen R. Dixon, Special Agent in Charge, HHS Office of Inspector General, Philadelphia Regional Office. "Today's sentencing shows individuals who commit fraud and pay kickbacks will be held responsible for their illegal actions. HHS-OIG and our law enforcement partners will continue to work together to investigate allegations of health care fraud and ensure the integrity of Federal programs."

On March 19, Abdalla was sentenced to four years in prison for his role in the conspiracies. Five additional defendants have pleaded guilty and been sentenced for their respective roles in conspiring to pay kickbacks and defraud health insurance providers:

Onkur Lal, 30, of Alexandria, worked for Abdalla as a pharmacy technician and pharmacy intern before ultimately working as a licensed pharmacist. From approximately January 2014 to April 2019, Lal engaged in numerous health care fraud schemes resulting in millions of dollars in losses. At times, Lal used his specialized knowledge to circumvent audits and investigations by third parties, who were investigating fraud on behalf of health benefit programs. On March 5, Lal was sentenced to three years in prison.

Mohammed Tariq Amin, 35, of Fairfax, worked for Abdalla as a pharmacy technician and was the general manager of Royal Care for almost two years. From approximately January 2015 to November 2018, Amin conspired with Abdalla and others to pay kickbacks for the referral of prescriptions of an expensive naloxone auto-injector device. He also engaged in numerous other schemes that defrauded health care benefit programs and used his specialized knowledge to circumvent audits and investigations. Amin was sentenced today to two years in prison.

Daniel Tyler Walker, 51, of Lewes, Delaware, worked as a pharmaceutical sales specialist for a pharmaceutical company and was responsible for marketing an expensive naloxone auto-injector device used to treat opioid emergencies. From approximately August 2015 to April 2017, Walker accepted kickbacks from Abdalla and Amin for the referral of prescriptions for this device, which were then billed to federal health care programs. Walker was sentenced today to 15 months in prison.

Seth Michael Myers, 53, of Crystal Lake, Illinois, from approximately spring of 2013 to mid-2016, conspired with Abdalla, another individual who was a licensed physician, and others to accept kickbacks for the referral of expensive compound medications that were billed to federal health care benefit programs. A company that was created by Myers and the licensed physician was paid over \$2.5 million during the scheme. On March 19, Myers was sentenced to two years in prison.

Michael Beatty, 53, of Finksburg, Maryland, worked as a licensed pharmacist at Fallston Pharmacy in Fallston, Maryland. From approximately the summer of 2013 to the fall of 2014, Beatty conspired with Myers and a licensed physician to pay kickbacks for the referral of expensive compound medications, which were billed to federal health care benefit programs. On March 5, Beatty was sentenced to one year and one day in prison.

Raj Parekh, Acting U.S. Attorney for the Eastern District of Virginia; James A. Dawson, Special Agent in Charge of the FBI's Washington Field Office Criminal Division; Chris Dillard, Special Agent in Charge for the Defense Criminal Investigative Service's Mid-Atlantic Field Office; Maureen R. Dixon, Special Agent in Charge, HHS Office of Inspector General, Philadelphia Regional Office; Patrick E. McFarland, Inspector General of the U.S. Office of Personnel Management; and Mark S. McCormack, Special Agent in Charge, FDA Office of Criminal Investigations, Metro Washington Field Office, made the announcement after sentencing by Senior U.S. District Judge Claude M. Hilton.

Assistant U.S. Attorneys Monika Moore, Carina Cuellar, and Jamar Walker prosecuted the cases.

A copy of this press release is located on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information are located on the website of the [District Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for Case No. 1:20-cr-250.

Topic(s):

Health Care Fraud

Component(s):

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