

Department of Justice

U.S. Attorney's Office

Eastern District of Louisiana

FOR IMMEDIATE RELEASE

Tuesday, September 28, 2021

Two Plead Guilty to Health Care Fraud Scheme

NEW ORLEANS - U.S. Attorney Duane A. Evans announced **DONALD PETER AUZINE** ("AUZINE") and **BONNIE JEAN LAWLESS DIAZ** ("DIAZ") have each pled guilty in federal court relating to their roles in a health care fraud conspiracy.

AUZINE, age 51, a resident of Baton Rouge, Louisiana, pled guilty on September 23, 2021 before U.S. District Judge Jay C. Zainey to Count One of an Indictment charging him with conspiracy to commit health care fraud, in violation of Title 18, United States Code, Sections 1347 and 1349.

DIAZ, age 46, a resident of Slidell, Louisiana, pled guilty on September 23, 2021 before U.S. District Judge Jay C. Zainey to Count One of a Superseding Bill of Information charging her with misprision (or knowing concealment) of the commission of a felony, in violation of Title 18, United States Code, Section 4.

According to the Indictment, in or around March 2014, continuing through in or around October 2016, **AUZINE**, conspired to knowingly and willfully execute a scheme and artifice to defraud TRICARE, a federal health care benefit program affecting commerce, and other health care benefit programs.

AUZINE was the marketing manager of Prime Pharmacy Solutions ("Prime"), which was located in Slidell, Louisiana. Prime Pharmacy was primarily a closed-door pharmacy whose primary business focus was the production of compounded medication, which, when created properly, were drugs combined, mixed, or altered by licensed pharmacists or other practitioners to meet the specialized needs of individual patients. The Pharmacist-in-Charge ("PIC") was responsible for supervision, management, and compliance with all federal and state pharmacy laws and regulations pertaining to Prime Pharmacy's pharmacy practice.

The owner, on behalf of Prime Pharmacy, contracted with various entities, including Pharmacy Benefit Managers ("PBMs"), obligating Prime Pharmacy to collect copayments from beneficiaries in order to be reimbursed by various health care benefit programs, including TRICARE. Additionally, the owner of Prime worked with **AUZINE** to market the compounded medications produced by Prime Pharmacy. **AUZINE** found other marketers outside of the state to find beneficiaries that were willing to receive medically unnecessary compounds and doctors willing to prescribe compounds without medical necessity.

AUZINE would pressure the pharmacists to fill prescriptions for beneficiaries where no doctor-patient relationship existed. He also aided in the creation of the prescription pads that had the highest value prescription

Beginning in or around March 2014, and continuing through in or around April 2016, Prime Pharmacy dispensed prescriptions for High-Yield Compounded Medications to beneficiaries of TRICARE and other health care benefit programs that were not medically necessary, induced by kickback payments, or where copayments were either waived or credited by Prime Pharmacy, and accordingly, submitted or caused to be submitted false and fraudulent claims for reimbursement to TRICARE, other health care benefit programs, and PBMs.

AUZINE received a percentage of Prime Pharmacy's profits, including a percentage of the reimbursements paid by TRICARE and other health care benefit programs procured through fraud.

According to the Superseding Bill of Information, **DIAZ** had knowledge of the commission of the health care fraud. **DIAZ** concealed the fraud by knowingly submitting or caused to be submitted compounded medications for which there was no medical necessity and did not as soon as possible make known the same to some judge or other person in civil or military authority under the United States.

"Individuals involved in this scheme illegally billed TRICARE out of close to \$15 million and I am pleased that the U.S. Attorney's Office is requiring justice," said Special Agent in Charge Cynthia Bruce, Defense Criminal Investigative Service, Southeast Field Office. "There are no victimless crimes and DCIS agents will continue to pursue unscrupulous greedy individuals who steal from our military health care system and all taxpayers."

The Court set sentencing of **AUZINE** and **DIAZ** for January 4, 2022.

AUZINE faces a maximum term of imprisonment of ten years, a \$250,000 fine, three (3) years supervised release, a \$100 special assessment fee, and restitution in the amount of \$1.2 million.

DIAZ faces a maximum term of imprisonment of three years, a \$250,000 fine, up to one (1) year of supervised release following any term of imprisonment, a \$100 special assessment fee, and restitution in the amount of \$180,000.

The U.S. Attorney's Office praised the work of the Defense Criminal Investigative Service – Office of Inspector General, the Department of Homeland Security, the Department of Veterans Affairs – Office of Inspector General, and the United States Postal Service – Office of Inspector General.

The prosecution of the case is being handled by Assistant United States Attorney Kathryn McHugh.

Attachment(s):

[Download auzine_donald_revfactual_basis.pdf](#)

[Download diaz_bonnie_revfactual_basis.pdf](#)

Component(s):

[USAO - Louisiana, Eastern](#)

Topic(s):

Health Care Fraud

Updated September 28, 2021