

“Monarch Medical” Insurance Fraud Defendants (Posted April 20, 2017)

<b>Defendant</b>	<b>Case Number</b>	<b>(#) of counts and Charge</b>
Dr. Paul Kaplan, M.D.	17CF0794	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (5) 549 (FALSE AND FRAUDULENT CLAIM) (3) 650 (REBATES FOR PATIENT REFERRALS) (8) 550(b)(3) (INSURANCE FRAUD)
Dr. Christopher Chen, M.D.  Pre-Trial June 22, 2017, 8:30 a.m., Department C-55	17CF0795	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (12) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. Robert Caton, M.D.  Pre-Trial June 30, 2017, 8:30 a.m., Department C-55	17CF0796	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (5) 549 (FALSE AND FRAUDULENT CLAIM) (3) 650 (REBATES FOR PATIENT REFERRALS) (12) 550(b)(3) (INSURANCE FRAUD)  ENH: Property damage/loss over \$65,000, Aggravated White Collar Crime over \$500,000
Dr. Michael Henry, M.D.	17CF0797	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (2) 650 (REBATES FOR PATIENT REFERRALS) (7) 550(b)(3) (INSURANCE FRAUD)
Dr. Robert Fenton, M.D.	17CF0798	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (3) 650 (REBATES FOR PATIENT REFERRALS) (6) 550(b)(3) (INSURANCE FRAUD)
Dr. Ismael Silva Jr., M.D.  Arrest May 30, 2017, 8:30 a.m., Department C-55	17CF0799	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (1) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (4) 3215 (REFERRAL OF CLIENTS FOR COMPENSATION)  ENH: Property loss over \$200,000
Dr. Ismael Geli Silva Sr., M.D.  Arrest May 30, 2017, 8:30 a.m., Department C-55	17CF0799	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (1) 549 (FALSE AND FRAUDULENT CLAIM) (4) 3215 (REFERRAL OF CLIENTS FOR COMPENSATION)  ENH: Property loss over \$200,000
Dr. Paul Stanton, M.D.	17CF0800	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (1) 549 (FALSE AND FRAUDULENT CLAIM)

“Monarch Medical” Insurance Fraud Defendants (Posted April 20, 2017)

		(1) 650 (REBATES FOR PATIENT REFERRALS) (6) 550(b)(3) (INSURANCE FRAUD)
Tanya Moreland King  Maximum sentence: 117 years and 6 months in state prison  Arrest June 20, 2017, 8:30 a.m., Department C-55	17CF0802	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (91) 550(b)(3) (INSURANCE FRAUD) (19) 3215 (REFERRAL OF CLIENTS FOR COMPENSATION)  ENH: Property damage over \$3.2 million, Aggravated White Collar Crime over \$500,000
Dr. Eduardo Lin, M.D.  Arrest June 9, 2017, 8:30 a.m., Department C-55	17CF0805	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (12) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. Eric Schmidt, MD.	17CF0807	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (5) 650 (REBATES FOR PATIENT REFERRALS) (16) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. Jerome Robson, M.D.	17CF0808	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (5) 549 (FALSE AND FRAUDULENT CLAIM) (3) 650 (REBATES FOR PATIENT REFERRALS) (11) 550(b)(3) (INSURANCE FRAUD)  ENH: Property damage/loss over \$65,000, Aggravated White Collar Crime over \$100,000
Dr. Duke Anh, M.D.  Arrest June 7, 2017, 8:30 a.m., Department C-55	17CF0810	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (5) 549 (FALSE AND FRAUDULENT CLAIM) (3) 650 (REBATES FOR PATIENT REFERRALS) (8) 550(b)(3) (INSURANCE FRAUD)  ENH: Property damage/ loss over \$65,000
Dr. Kevin Park, M.D.  Arrest June 1, 2017, 8:30 a.m., Department C-55	17CF0811	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (2) 650 (REBATES FOR PATIENT REFERRALS) (14) 550(b)(3) (INSURANCE FRAUD)
Dr. Kourosh Shamlou,	17CF0811	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL

“Monarch Medical” Insurance Fraud Defendants (Posted April 20, 2017)

<p>M.D.</p> <p>Arrest June 1, 2017, 8:30 a.m., Department C-55</p>		<p>INSURANCE FRAUD)</p> <p>(2) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(2) 650 (REBATES FOR PATIENT REFERRALS)</p> <p>(10) 550(b)(3) (INSURANCE FRAUD)</p>
<p>Dr. Mannie Joel, M.D.</p>	<p>17CF0812</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(1) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(1) 650 (REBATES FOR PATIENT REFERRALS)</p> <p>(8) 550(b)(3) (INSURANCE FRAUD)</p>
<p>Dr. Parvez Fatteh, M.D.</p>	<p>17CF0813</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(3) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(2) 650 (REBATES FOR PATIENT REFERRALS)</p> <p>(6) 550(b)(3) (INSURANCE FRAUD)</p>
<p>Rafael Chavez, P.A.</p> <p>Pre-trial June 22, 2017, 8:30 a.m., Department C-55</p>	<p>17CF0814</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(2) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(4) 650 (REBATES FOR PATIENT REFERRALS)</p> <p>(6) 550(b)(3) (INSURANCE FRAUD)</p> <p>ENH: Property damage/ loss over \$65,000</p>
<p>Dr. Howard Oliver</p> <p>Pre-trial June 22, 2017, 8:30 a.m., Department C-55</p>	<p>17CF0814</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(2) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(4) 650 (REBATES FOR PATIENT REFERRALS)</p> <p>(6) 550(b)(3) (INSURANCE FRAUD)</p> <p>ENH: Property damage/ loss over \$65,000</p>
<p>Charles Bonner, RPh. Pharmacist</p> <p>Maximum sentence: 28 years and 4 months in state prison</p> <p>Arrest April 20, 2017, 8:30 a.m., Department C-55</p>	<p>17CF0815</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(2) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(15) 550(b)(3) (INSURANCE FRAUD)</p> <p>ENH: Property damage over \$1.3 million, Property loss over \$200,000, Aggravated White Collar Crime over \$500,000</p>
<p>Mervyn Miller, RPh. Pharmacist</p> <p>Maximum sentence: 28 years and 4 months in state prison</p> <p>Arrest May 30,</p>	<p>17CF0815</p>	<p>(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD)</p> <p>(2) 549 (FALSE AND FRAUDULENT CLAIM)</p> <p>(15) 550(b)(3) (INSURANCE FRAUD)</p> <p>ENH: Property damage over \$1.3 million, Property loss over \$200,000, Aggravated White Collar Crime over \$500,000</p>

“Monarch Medical” Insurance Fraud Defendants (Posted April 20, 2017)

2017, 8:30 a.m., Department C-55		
Dr. John Casey, M.D.  Pre-trial June 30, 2017, 8:30 a.m., Department C-55	17CF0816	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (16) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. Jonathan Cohen, M.D.	17CF0816	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (16) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. Mohamed Ibrahim, M.D.  Pre-trial June 30, 2017, 8:30 a.m., Department C-55	17CF0816	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (16) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Dr. William Pistel, M.D.  Pre-trial June 30, 2017, 8:30 a.m., Department C-55	17CF0816	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (2) 549 (FALSE AND FRAUDULENT CLAIM) (4) 650 (REBATES FOR PATIENT REFERRALS) (16) 550(b)(3) (INSURANCE FRAUD)  ENH: Property loss over \$200,000, Aggravated White Collar Crime over \$100,000
Christopher King  Arrest April 20, 2017, 8:30 a.m., Department C-55	17CF0867	(1) 550(a)(6) (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD) (1) 550(b)(3) (INSURANCE FRAUD)  ENH: Property damage over \$3.2 million, Aggravated White Collar Crime over \$500,000

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:20 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0802**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 TANYA MORELAND KING 10/04/79 ) OCDA WC16070011  
D7015982 ) OCDA WC15040015  
12 ) OCDA HF12110001  
13 )  
Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between February 11, 2011 and  
17 September 01, 2015, in violation of Section 550(a)(6) of the  
18 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a  
19 FELONY, TANYA MORELAND KING did unlawfully conspire with TANYA  
20 MORELAND KING AND CHRISTOPHER KING AND OTHER UNKNOWN  
21 INDIVIDUALS, with the intent to defraud, to make a false and  
22 fraudulent claim to WORKERS' COMPENSATION INSURANCE CARRIERS IN  
23 CALIFORNIA for payment of a health care benefit in an amount  
exceeding nine hundred fifty dollars (\$950). It is further  
alleged that pursuant to and for the purpose of carrying out the  
objects and purposes of the conspiracy, one and more of the  
conspirators committed the following overt acts:

24  
25 OVERT ACT 1

26 In 2011, Defendant Christopher King formed a business  
27 partnership with his wife, Tanya Moreland King.

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OVERT ACT 2

Tanya Moreland King recruited physicians who treated workers compensation patients and gave them a financial incentive to prescribe compound transdermal creams, oral medications and Urine toxicology tests to their patients.

OVERT ACT 3

Between October 1, 2011 and January 15, 2015, Defendant Christopher King and Tanya Moreland King, used Steven's Pharmacy in Costa Mesa, to manufacture the compound transdermal creams for distribution to workers compensation patients.

OVERT ACT 4

Steven's Pharmacy was paid \$16 for every 30 gram (72 hour supply) and \$40 for every 120g tube it manufactured and in return permitted Defendant Christopher King and Tanya Moreland King to submit healthcare claims on Steven's Pharmacy's behalf to workers compensation insurance carriers at highly inflated prices.

OVERT ACT 5

Steven's Pharmacy mass manufactured transdermal compound creams using formulas that were profitable under the fee schedule at Tanya Moreland King and Defendant Christopher King's direction.

OVERT ACT 6

On April 26, 2011, Defendant Christopher King, filed documents with the Secretary of State to incorporate a company named Monarch Medical Group Inc., in California and named himself as the CEO, Secretary and CFO of the company.

OVERT ACT 7

Between, October 10, 2011 and January 15, 2015, Monarch Medical Group Inc. submitted healthcare claims to workers compensation carriers for 120g compound transdermal creams manufactured by Steven's Pharmacy, in Costa Mesa.

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OVERT ACT 8

Monarch Medical Group Inc., paid Steven's Pharmacy a flat rate of \$40 for each 120 gram transdermal compound cream tube, and billed workers compensation carriers between \$700 to \$1000 for the same tubes.

OVERT ACT 9

Between October 10, 2011 and January 15, 2015, Monarch Medical Group paid Steven's Pharmacy in excess of \$1,200,000.00 (one million and two hundred thousand dollars).

OVERT ACT 10

On October 17, 2011, Defendant Christopher King filed documents to form a corporation named King Medical Management, Inc., in California and named himself the CEO and Tanya Moreland King as the CFO and Secretary of the corporation.

OVERT ACT 11

King Medical Management submitted healthcare claims on behalf of the physicians who distributed the 30g tubes manufactured by Steven's Pharmacy in their offices to workers compensation carriers, and gave the physicians between 70 to 90 percent of the net profits, as long as the physicians also prescribed the 120g tubes which would be sent to the patients directly by Steven's Pharmacy.

OVERT ACT 12

Between October 2011 and August 2015, King Medical Management received in excess of \$3.7 million dollars in payments from workers compensation carriers and paid over \$2.3 million dollars to physicians as kickbacks.

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OVERT ACT 13

On and between 8/9/12 and 2/26/15, Defendant Christopher King and Tanya Moreland King, purchased medications and Active specimen Collection kits, from NuCare Pharmaceuticals, in the City of Orange, County of Orange to be distributed by the physicians who were recruited to work with Monarch Medical Group and King Medical Management.

OVERT ACT 14

Defendant Christopher King and Tanya Moreland King, billed workers compensation carriers through their company Monarch Medical Group for the medications and Active kits purchased from NuCare Pharmaceuticals, located in the City of Orange, County of Orange, and shared the net profits from the amounts collected with the physicians who prescribed these items to their workers compensation carriers.

OVERT ACT 15

On or between 2/15/15 and 11/11/16, Defendant Christopher King and Tanya Moreland King, through their company Monarch Medical Group, billed workers compensation carriers for the medications purchased from A S Medication Solutions, located in County of Orange, and shared the net profits from the amounts collected with the physicians who prescribed these items to their workers compensation carriers.

OVERT ACT 16

Defendant Tanya King made \$20,000 payments to Ismael Silva M.D. through her companies First Meditech, Preferred Medical and One Source Labs between October 20, 2011 and November 3, 2014.

OVERT ACT 17

In consideration for \$20,000 a month in payments, Ismael Silva Jr., M.D., permitted Defendant Tanya King's employees to come to his (8) eight clinics, named Healthpointe, including the ones located in the City of Garden Grove and the City of Anaheim, in the County of Orange, to collect Urine samples from workers compensation patients.



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OVERT ACT 18

On 12/26/14, Ismael Geli Silva wrote an email to Christopher King confirming their agreement for payments of \$20,000 and requested payment of the outstanding balance of \$200,000 for 2013 and \$140,000 for 2014.

OVERT ACT 19

Between 10/20/11 and 12/26/14, Tanya Moreland King and Christopher King agreed to and in fact paid Defendants Ismael Geli Silva and Ismael Silva Jr. M.D. in excess of \$685,000.

OVERT ACT 20

Between August 2011 and August of 2015, Monarch received in excess of \$13 million dollars in payments from workers compensation carriers and paid over \$1.9 million dollars of that revenue to the physicians as a kickback.

OVERT ACT 21

On February 17, 2012, Christopher King and Tanya King formed a corporation named One Source Laboratories, Inc., for the purpose of submitting claims, to workers compensation carriers involving Urine Toxicology Tests.

OVERT ACT 22

Between May 2012 and August 2015, One Source Labs Inc. and King Medical Management Inc. received in excess of \$6 million dollars in payments from Workers Compensation Carriers.

OVERT ACT 23

Between 8/12/12 and 1/15/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Christopher Chen MD in excess of \$289,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

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OVERT ACT 24

Between 7/8/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid the physicians at Central Desert Industrial Medical Group in excess of \$94,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their company/ies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 25

Between 8/8/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Duke Ahn, M.D. in excess of \$80,000 in consideration for referring compound transdermal creams, oral medications, Active Specimen Collection Kits, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 26

Between 5/6/14 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Eduardo Lin, M.D. in excess of \$169,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 27

Between 9/12/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Eric Schmidt, M.D. in excess of \$308,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

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OVERT ACT 28

Between 11/12/14 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Jerome A Robson M.D. in excess of \$175,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 29

Between 12/14/12 and 6/11/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Mannie Joel M.D. in excess of \$26,000 in consideration for referring compound transdermal creams, and Sprix Nasal Spray, to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 30

Between 12/10/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Parvez Fatteh M.D. in excess of \$51,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, Sprix Nasal Spray and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 31

Between, 6/12/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Jerome A Robson M.D. in excess of \$175,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

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OVERT ACT 32

Between 8/14/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Stanislaus Orthopedic Sports Medicine Clinic in excess of \$248,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 33

Between 3/17/11 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Kevin Shamlou M.D. in excess of \$38,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, Sprix Nasal Spray, Patches and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

COUNT 2: On or about and between April 12, 2013 and August 10, 2015, in violation of Section 550(b)(3) of the Penal Code (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the intent to defraud, did unlawfully conceal and knowingly fail to disclose, and did knowingly assist with another person to conceal and fail to disclose the occurrence of an event and a fact that affected the initial and continued material right and entitlement of Accident Fund Group to an insurance benefit and payment, and to the amount of a benefit and payment to which Accident Fund Group was entitled, namely: Defendant and her Company King Medical Management, paid kickbacks (in the form of profit sharing) to physicians to procured prescriptions for Compound Transdermal creams which were manufactured by Steven's Pharmacy and dispensed at the physician's office).

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1 COUNT 3: On or about and between April 04, 2013 and December  
2 09, 2013, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Accident Fund Group to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Accident Fund Group was entitled, namely: Defendant and her  
11 Company Monarch Medical Group, paid kickbacks to physicians to  
12 procure prescriptions for Compound transdermal creams  
13 manufactured by Steven's Pharmacy and failed to disclose that  
14 she only paid Steven's Pharmacy \$40 for each 120 gram tube.

11 COUNT 4: On or about and between April 04, 2013 and September  
12 14, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Accident Fund Group to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 Accident Fund Group was entitled, namely: Defendant and her  
21 Company One Source Labs Inc. and King Medical Management Inc.,  
22 paid kickbacks to physicians to procure orders for urine  
23 toxicology for workers' compensation patients and paid \$60 flat  
24 rate for the quantitative tests performed by Pacific Toxicology.

21 COUNT 5: On or about and between April 04, 2013 and July 28,  
22 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of AIG to an insurance benefit and payment, and to  
the amount of a benefit and payment to which AIG was entitled,  
namely: Defendant and her Company King Medical Management, paid  
kickbacks to physicians to procure prescriptions for Compound  
Transdermal creams which were manufactured by Steven's Pharmacy  
and dispensed at the physician's office.

1 COUNT 6: On or about and between April 04, 2013 and July 31,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of AIG to an insurance benefit and payment, and to  
9 the amount of a benefit and payment to which AIG was entitled,  
10 namely: Defendant and her Company Monarch Medical Group, paid  
11 kickbacks to physicians to procured prescriptions for Compound  
12 transdermal creams manufactured by Steven's Pharmacy and failed  
13 to disclose that she only paid Steven's Pharmacy \$40 for each  
14 120 gram tube.

11 COUNT 7: On or about and between April 04, 2013 and July 31,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of AIG to an insurance benefit and payment, and to  
19 the amount of a benefit and payment to which AIG was entitled,  
20 namely: Defendant and her Company One Source Labs Inc. and King  
21 Medical Management Inc., paid kickbacks to physicians to  
22 procure orders for urine toxicology for workers compensation  
23 patients and paid \$60 flat rate for the quantitative tests  
24 performed by Pacific Toxicology.

21 COUNT 8: On or about and between April 12, 2013 and January 29,  
22 2016, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of Allianz to an insurance benefit and payment, and  
to the amount of a benefit and payment to which Allianz was  
entitled, namely: Defendant and her Company King Medical  
Management, paid kickbacks to physicians to procure  
prescriptions for Compound Transdermal creams which were  
manufactured by Steven's Pharmacy and dispensed at the  
physician's office.

1 COUNT 9: On or about and between April 12, 2013 and January 29,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Allianz to an insurance benefit and payment, and  
9 to the amount of a benefit and payment to which Allianz was  
10 entitled, namely: Defendant and her Company Monarch Medical  
11 Group, paid kickbacks to physicians to procured prescriptions  
12 for Compound transdermal creams manufactured by Steven's  
13 Pharmacy and failed to disclose that she only paid Steven's  
14 Pharmacy \$40 for each 120 gram tube.

11 COUNT 10: On or about and between April 12, 2013 and January  
12 29, 2016, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Allianz to an insurance benefit and payment, and  
19 to the amount of a benefit and payment to which Allianz was  
20 entitled, namely: Defendant and her Company One Source Labs Inc.  
21 and King Medical Management Inc., paid kickbacks to physicians  
22 to procured orders for urine toxicology for workers compensation  
23 patients and paid \$60 flat rate for the quantitative tests  
24 performed by Pacific Toxicology.

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1 COUNT 11: On or about and between February 18, 2014 and  
2 February 02, 2016, in violation of Section 550(b)(3) of the  
3 Penal Code (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING,  
4 with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Berkshire Hathaway Homestead  
9 Companies to an insurance benefit and payment, and to the amount  
10 of a benefit and payment to which Berkshire Hathaway Homestead  
11 Companies was entitled, namely: Defendant and her Company King  
12 Medical Management, paid kickbacks to physicians to procure  
13 prescriptions for Compound Transdermal creams which were  
14 manufactured by Steven's Pharmacy and dispensed at the  
15 physician's office.

16 COUNT 12: On or about and between February 18, 2014 and October  
17 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of Berkshire Hathaway Homestead Companies to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which Berkshire Hathaway Homestead Companies was  
26 entitled, namely: Defendant and her Company Monarch Medical  
27 Group, paid kickbacks to physicians to procure prescriptions  
28 for Compound transdermal creams manufactured by Steven's  
Pharmacy and failed to disclose that she only paid Steven's  
Pharmacy \$40 for each 120 gram tube.

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1 COUNT 13: On or about and between December 30, 2013 and  
2 September 04, 2014, in violation of Section 550(b)(3) of the  
3 Penal Code (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING,  
4 with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Berkshire Hathaway Homestead  
9 Companies to an insurance benefit and payment, and to the amount  
10 of a benefit and payment to which Berkshire Hathaway Homestead  
11 Companies was entitled, namely: Defendant and her Company One  
12 Source Labs Inc. and King Medical Management Inc., paid  
13 kickbacks to physicians to procured orders for urine toxicology  
14 for workers compensation patients and paid \$60 flat rate for the  
15 quantitative tests performed by Pacific Toxicology.

16 COUNT 14: On or about and between April 04, 2013 and September  
17 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of California Insurance Company Applied Underwriters  
24 to an insurance benefit and payment, and to the amount of a  
25 benefit and payment to which California Insurance Company  
26 Applied Underwriters was entitled, namely: Defendant and her  
27 Company King Medical Management, paid to physicians to procured  
28 prescriptions for Compound Transdermal creams which were  
manufactured by Steven's Pharmacy and dispensed at the  
physician's office.

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1 COUNT 15: On or about and between April 04, 2013 and September  
2 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of California Insurance Company Applied Underwriters  
9 to an insurance benefit and payment, and to the amount of a  
10 benefit and payment to which California Insurance Company  
Applied Underwriters was entitled, namely: Defendant and her  
Company Monarch Medical Group, paid kickbacks to physicians to  
distribute oral medications that MMG purchased from  
Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
AS Medication Solutions.

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12 COUNT 16: On or about and between April 04, 2013 and September  
13 26, 2015, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
15 intent to defraud, did unlawfully conceal and knowingly fail to  
16 disclose, and did knowingly assist with another person to  
17 conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of California Insurance Company Applied Underwriters  
20 to an insurance benefit and payment, and to the amount of a  
benefit and payment to which California Insurance Company  
Applied Underwriters was entitled, namely: Defendant and her  
Company One Source Labs Inc and King Medical Management Inc,  
paid kickbacks to physicians to procure orders for urine  
toxicology for workers compensation patients and paid \$60 flat  
rate for the quantitative tests performed by Pacific Toxicology.

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1 COUNT 17: On or about and between April 04, 2013 and September  
2 02, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Crum & Forester to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Crum & Forester was entitled, namely: Defendant and her Company  
11 King Medical Management, paid \$15 for the 72-hour supply of the  
12 compound transdermal creams to Steven's Pharmacy, and recruited  
13 physicians to distribute the creams in return for a share in the  
14 net profit on the payments made on the claim.

11 COUNT 18: On or about and between April 04, 2013 and July 22,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Crum & Forester to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 Crum & Forester was entitled, namely: Defendant and her Company  
21 Monarch Medical Group, paid kickbacks to physicians to procure  
22 prescriptions for Compound transdermal creams manufactured by  
23 Steven's Pharmacy and failed to disclose that she only paid  
24 Steven's Pharmacy \$40 for each 120 gram tube.

21 COUNT 19: On or about and between April 04, 2013 and October  
22 02, 2014, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of Crum & Forester to an insurance benefit and  
29 payment, and to the amount of a benefit and payment to which  
30 Crum & Forester was entitled, namely: Defendant and her Company  
31 One Source Labs Inc. and King Medical Management Inc., paid  
32 kickbacks to physicians to procure orders for urine toxicology  
33 for workers compensation patients and paid \$60 flat rate for the  
34 quantitative tests performed by Pacific Toxicology.

1 COUNT 20: On or about and between April 04, 2013 and September  
2 26, 2013, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Walt Disney World Entertainment & Disney to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Walt Disney World Entertainment & Disney  
11 was entitled, namely: Defendant and her Company King Medical  
12 Management, paid \$15 for the 72-hour supply of the compound  
13 transdermal creams to Steven's Pharmacy, and recruited  
14 physicians to distribute the creams in return for a share in the  
15 net profit on the payments made on the claim.

11 COUNT 21: On or about and between April 04, 2013 and September  
12 24, 2014, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Walt Disney World Entertainment & Disney to an  
19 insurance benefit and payment, and to the amount of a benefit  
20 and payment to which Walt Disney World Entertainment & Disney  
21 was entitled, namely: Defendant and her Company Monarch Medical  
22 Group, paid kickbacks to physicians to procured prescriptions  
23 for Compound transdermal creams manufactured by Steven's  
24 Pharmacy and failed to disclose that she only paid Steven's  
25 Pharmacy \$40 for each 120 gram tube.

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1 COUNT 22: On or about and between April 04, 2013 and February  
2 09, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Walt Disney World Entertainment & Disney to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Walt Disney World Entertainment & Disney  
11 was entitled, namely: Defendant and her Company Monarch Medical  
12 Group, paid kickbacks to physicians to procured prescriptions  
13 for Compound transdermal creams manufactured by Steven's  
14 Pharmacy and failed to disclose that she only paid Steven's  
15 Pharmacy \$40 for each 120 gram tube

16 COUNT 23: On or about and between August 19, 2013 and May 08,  
17 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of Walt Disney World Entertainment & Disney to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which Walt Disney World Entertainment & Disney  
26 was entitled, namely: Defendant and her Company One Source Labs  
27 Inc. and King Medical Management Inc., paid kickbacks to  
28 physicians to procured orders for urine toxicology for workers  
compensation patients and paid \$60 flat rate for the  
quantitative tests performed by Pacific Toxicology

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1 COUNT 24: On or about and between April 04, 2013 and June 05,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Employers to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which Employers  
10 was entitled, namely: Defendant and her Company King Medical  
11 Management, paid \$15 for the 72-hour supply of the compound  
12 transdermal creams to Steven's Pharmacy, and recruited  
13 physicians to distribute the creams in return for a share in the  
14 net profit on the payments made on the claim.

11 COUNT 25: On or about and between April 04, 2013 and February  
12 25, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Employers to an insurance benefit and payment,  
19 and to the amount of a benefit and payment to which Employers  
20 was entitled, namely: Defendant and her Company Monarch Medical  
21 Group, paid kickbacks to physicians to procured prescriptions  
22 for Compound transdermal creams manufactured by Steven's  
23 Pharmacy and failed to disclose that she only paid Steven's  
24 Pharmacy \$40 for each 120 gram tube.

21 COUNT 26: On or about and between April 04, 2013 and September  
22 09, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of Employers to an insurance benefit and payment,  
and to the amount of a benefit and payment to which Employers  
was entitled, namely: Defendant and her Company Monarch Medical  
Group, paid kickbacks to physicians to distribute oral  
medications that MMG purchased from Pharmaceutical Wholesalers  
including NuCare Pharmaceuticals and AS Medication Solutions.

1 COUNT 27: On or about and between April 04, 2013 and September  
2 15, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Employers to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which Employers  
10 was entitled, namely: Defendant and her Company One Source Labs  
11 Inc. and King Medical Management Inc., paid kickbacks to  
12 physicians to procured orders for urine toxicology for workers  
13 compensation patients and paid \$60 flat rate for the  
14 quantitative tests performed by Pacific Toxicology.

11 COUNT 28: On or about and between April 04, 2013 and December  
12 11, 2014, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of FARMERS INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 FARMERS INSURANCE was entitled, namely: Defendant and her  
21 Company King Medical Management, paid \$15 for the 72-hour  
22 supply of the compound transdermal creams to Steven's Pharmacy,  
23 and recruited physicians to distribute the creams in return for  
24 a share in the net profit on the payments made on the claim.

21 COUNT 29: On or about and between April 04, 2013 and February  
22 06, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of FARMERS INSURANCE to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
FARMERS INSURANCE was entitled, namely: Defendant and her  
Company Monarch Medical Group, paid kickbacks to physicians to  
procured prescriptions for Compound transdermal creams  
manufactured by Steven's Pharmacy and failed to disclose that  
she only paid Steven's Pharmacy \$40 for each 120 gram tube.

1 COUNT 30: On or about and between April 23, 2014 and January  
2 08, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of FARMERS INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 FARMERS INSURANCE was entitled, namely: Defendant and her  
11 Company Monarch Medical Group, paid kickbacks to physicians to  
12 distribute oral medications that MMG purchased from  
13 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
14 AS Medication Solutions.

11 COUNT 31: On or about and between April 04, 2013 and September  
12 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of FARMERS INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 FARMERS INSURANCE was entitled, namely: Defendant and her  
21 Company One Source Labs Inc. and King Medical Management Inc.  
22 paid kickbacks to physicians to procured orders for urine  
23 toxicology for workers compensation patients and paid \$60 flat  
24 rate for the quantitative tests performed by Pacific Toxicology

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1 COUNT 32: On or about and between April 04, 2013 and September  
2 14, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ICW GROUP INSURANCE COMPANIES to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which ICW GROUP INSURANCE COMPANIES was entitled, namely:  
11 Defendant and her Company King Medical Management, paid  
12 kickbacks (in the form of profit sharing) to physicians to  
13 procure prescriptions for Compound Transdermal creams which  
14 were manufactured by Steven's Pharmacy and dispensed at the  
15 physician's office

16 COUNT 33: On or about and between April 04, 2013 and September  
17 15, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of ICW GROUP INSURANCE COMPANIES to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which ICW GROUP INSURANCE COMPANIES was entitled, namely:  
26 Defendant and her Company Monarch Medical Group, paid kickbacks  
27 to physicians to procure prescriptions for Compound transdermal  
28 creams manufactured by Steven's Pharmacy and failed to disclose  
that she only paid Steven's Pharmacy \$40 for each 120 gram tube

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1 COUNT 34: On or about and between April 04, 2013 and September  
2 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ICW GROUP INSURANCE COMPANIES to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which ICW GROUP INSURANCE COMPANIES was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to distribute oral medications that MMG purchased  
13 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
14 and AS Medication Solutions

11 COUNT 35: On or about and between April 04, 2013 and September  
12 08, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of ICW GROUP INSURANCE COMPANIES to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which ICW GROUP INSURANCE COMPANIES was entitled, namely:  
21 Defendant and her Company One Source Labs Inc. and King Medical  
22 Management Inc., paid kickbacks to physicians to procured orders  
23 for urine toxicology for workers compensation patients and paid  
24 \$60 flat rate for the quantitative tests performed by Pacific  
25 Toxicology

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1 COUNT 36: On or about and between April 04, 2013 and August 08,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of City of Los Angeles to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 City of Los Angeles was entitled, namely: Defendant and her  
11 Company One Source Labs Inc. and King Medical Management Inc.,  
12 paid kickbacks to physicians to procured orders for urine  
13 toxicology for workers compensation patients and paid \$60 flat  
14 rate for the quantitative tests performed by Pacific Toxicology

11 COUNT 37: On or about and between April 04, 2013 and May 08,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of City of Los Angeles to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 City of Los Angeles was entitled, namely: Defendant and her  
21 Company Monarch Medical Group, paid kickbacks to physicians to  
22 distribute oral medications that MMG purchased from  
23 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
24 AS Medication Solutions

21 COUNT 38: On or about and between April 04, 2013 and December  
22 11, 2013, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of City of Los Angeles to an insurance benefit and  
29 payment, and to the amount of a benefit and payment to which  
30 City of Los Angeles was entitled, namely: Defendant and her  
31 Company Monarch Medical Group, paid kickbacks to physicians to  
32 procure prescriptions for Compound transdermal creams  
33 manufactured by Steven's Pharmacy and failed to disclose that  
34 she only paid Steven's Pharmacy \$40 for each 120 gram tube

1 COUNT 39: On or about and between April 04, 2013 and September  
2 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LIBERTY MUTUAL INSURANCE CO. to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which LIBERTY MUTUAL INSURANCE CO. was entitled, namely:  
11 Defendant and her Company One Source Labs Inc. and King Medical  
12 Management Inc., paid kickbacks to physicians to procured orders  
13 for urine toxicology for workers compensation patients and paid  
14 \$60 flat rate for the quantitative tests performed by Pacific  
15 Toxicology

16 COUNT 40: On or about and between April 04, 2013 and March 31,  
17 2016, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of LIBERTY MUTUAL INSURANCE CO. to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which LIBERTY MUTUAL INSURANCE CO. was entitled, namely:  
26 Defendant and her Company Monarch Medical Group, paid kickbacks  
27 to physicians to distribute oral medications that MMG purchased  
28 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
and AS Medication Solutions

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1 COUNT 41: On or about and between April 04, 2013 and August 30,  
2 2013, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LIBERTY MUTUAL INSURANCE CO. to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which LIBERTY MUTUAL INSURANCE CO. was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to procured prescriptions for Compound transdermal  
13 creams manufactured by Steven's Pharmacy and failed to disclose  
14 that she only paid Steven's Pharmacy \$40 for each 120 gram tube.

11 COUNT 42: On or about and between April 04, 2013 and September  
12 28, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of LIBERTY MUTUAL INSURANCE CO. to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which LIBERTY MUTUAL INSURANCE CO. was entitled, namely:  
21 Defendant and her Company King Medical Management, paid \$15 for  
22 the 72-hour supply of the compound transdermal creams to  
23 Steven's Pharmacy, and recruited physicians to distribute the  
24 creams in return for a share in the net profit on the payments  
25 made on the claim.

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1 COUNT 43: On or about and between July 08, 2014 and April 22,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LOS ANGELES DEPARTMENT OF WATER & POWER to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which LOS ANGELES DEPARTMENT OF WATER & POWER was  
11 entitled, namely: Defendant and her Company One Source Labs Inc.  
12 and King Medical Management Inc., paid kickbacks to physicians  
13 to procured orders for urine toxicology for workers compensation  
14 patients and paid \$60 flat rate for the quantitative tests  
15 performed by Pacific Toxicology.

16 COUNT 44: On or about and between April 04, 2013 and September  
17 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of LOS ANGELES DEPARTMENT OF WATER & POWER to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which LOS ANGELES DEPARTMENT OF WATER & POWER was  
26 entitled, namely: Defendant and her Company Monarch Medical  
27 Group, paid kickbacks to physicians to procured prescriptions  
28 for Compound transdermal creams manufactured by Steven's  
Pharmacy and failed to disclose that she only paid Steven's  
Pharmacy \$40 for each 120 gram tube.

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1 COUNT 45: On or about and between July 07, 2014 and April 20,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LOS ANGELES DEPARTMENT OF WATER & POWER to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which LOS ANGELES DEPARTMENT OF WATER & POWER was  
11 entitled, namely: Defendant and her Company King Medical  
12 Management, paid \$15 for the 72-hour supply of the compound  
13 transdermal creams to Steven's Pharmacy, and recruited  
14 physicians to distribute the creams in return for a share in the  
15 net profit on the payments made on the claim.

11 COUNT 46: On or about and between April 04, 2013 and May 01,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of MARKEL (FIRSTCOMP) to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 MARKEL (FIRSTCOMP) was entitled, namely: Defendant and her  
21 Company One Source Labs Inc. and King Medical Management Inc.,  
22 paid kickbacks to physicians to procured orders for urine  
23 toxicology for workers compensation patients and paid \$60 flat  
24 rate for the quantitative tests performed by Pacific Toxicology.

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1 COUNT 47: On or about and between April 04, 2013 and January  
2 29, 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of MARKEL (FIRSTCOMP) to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 MARKEL (FIRSTCOMP) was entitled, namely: Defendant and her  
11 Company Monarch Medical Group, paid kickbacks to physicians to  
12 distribute oral medications that MMG purchased from  
13 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
14 AS Medication Solutions.

11 COUNT 48: On or about and between April 04, 2013 and July 08,  
12 2016, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of MARKEL (FIRSTCOMP) to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 MARKEL (FIRSTCOMP) was entitled, namely: Defendant and her  
21 Company Monarch Medical Group, paid kickbacks to physicians to  
22 procure prescriptions for Compound transdermal creams  
23 manufactured by Steven's Pharmacy and failed to disclose that  
24 she only paid Steven's Pharmacy \$40 for each 120 gram tube.

21 COUNT 49: On or about and between April 04, 2013 and September  
22 08, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of MARKEL (FIRSTCOMP) to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
MARKEL (FIRSTCOMP) was entitled, namely: Defendant and her  
Company King Medical Management, paid \$15 for the 72-hour supply  
of the compound transdermal creams to Steven's Pharmacy, and  
recruited physicians to distribute the creams in return for a  
share in the net profit on the payments made on the claim.



1 COUNT 50: On or about and between April 04, 2013 and March 05,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of PACIFIC COMPENSATION INSURANCE COMPANY to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which PACIFIC COMPENSATION INSURANCE COMPANY was  
entitled, namely: Defendant and her Company One Source Labs Inc.  
and King Medical Management Inc., paid kickbacks to physicians  
to procured orders for urine toxicology for workers compensation  
patients and paid \$60 flat rate for the quantitative tests  
performed by Pacific Toxicology.

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12 COUNT 51: On or about and between April 04, 2013 and August 04,  
13 2015, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
15 intent to defraud, did unlawfully conceal and knowingly fail to  
16 disclose, and did knowingly assist with another person to  
17 conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of PACIFIC COMPENSATION INSURANCE COMPANY to an  
20 insurance benefit and payment, and to the amount of a benefit  
and payment to which PACIFIC COMPENSATION INSURANCE COMPANY was  
entitled, namely: Defendant and her Company Monarch Medical  
Group, paid kickbacks to physicians to distribute oral  
medications that MMG purchased from Pharmaceutical Wholesalers  
including NuCare Pharmaceuticals and AS Medication Solutions.

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1 COUNT 52: On or about and between April 04, 2013 and October  
2 15, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of PACIFIC COMPENSATION INSURANCE COMPANY to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which PACIFIC COMPENSATION INSURANCE COMPANY was  
entitled, namely: Defendant and her Company Monarch Medical  
Group, paid kickbacks to physicians to procured prescriptions  
for Compound transdermal creams manufactured by Steven's  
Pharmacy and failed to disclose that she only paid Steven's  
Pharmacy \$40 for each 120 gram tube.

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12 COUNT 53: On or about and between April 04, 2013 and March 09,  
13 2015, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
15 intent to defraud, did unlawfully conceal and knowingly fail to  
16 disclose, and did knowingly assist with another person to  
17 conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of PACIFIC COMPENSATION INSURANCE COMPANY to an  
20 insurance benefit and payment, and to the amount of a benefit  
and payment to which PACIFIC COMPENSATION INSURANCE COMPANY was  
entitled, namely: Defendant and her Company King Medical  
Management, paid \$15 for the 72-hour supply of the compound  
transdermal creams to Steven's Pharmacy, and recruited  
physicians to distribute the creams in return for a share in the  
net profit on the payments made on the claim.

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1 COUNT 54: On or about and between June 03, 2013 and March 02,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of PROBE to an insurance benefit and payment, and to  
9 the amount of a benefit and payment to which PROBE was entitled,  
10 namely: Defendant and her Company One Source Labs Inc. and King  
11 Medical Management Inc., paid kickbacks to physicians to  
12 procure orders for urine toxicology for workers compensation  
13 patients and paid \$60 flat rate for the quantitative tests  
14 performed by Pacific Toxicology.

15 COUNT 55: On or about and between April 04, 2013 and October  
16 28, 2015, in violation of Section 550(b)(3) of the Penal Code  
17 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
18 intent to defraud, did unlawfully conceal and knowingly fail to  
19 disclose, and did knowingly assist with another person to  
20 conceal and fail to disclose the occurrence of an event and a  
21 fact that affected the initial and continued material right and  
22 entitlement of REPUBLIC INDEMNITY OF AMERICA to an insurance  
23 benefit and payment, and to the amount of a benefit and payment  
24 to which REPUBLIC INDEMNITY OF AMERICA was entitled, namely:  
25 Defendant and her Company One Source Labs Inc. and King Medical  
26 Management Inc., paid kickbacks to physicians to procure orders  
27 for urine toxicology for workers compensation patients and paid  
28 \$60 flat rate for the quantitative tests performed by Pacific  
Toxicology.

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1 COUNT 56: On or about and between April 04, 2013 and September  
2 14, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of REPUBLIC INDEMNITY OF AMERICA to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which REPUBLIC INDEMNITY OF AMERICA was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to distribute oral medications that MMG purchased  
13 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
14 and AS Medication Solutions.

15 COUNT 57: On or about and between April 04, 2013 and June 01,  
16 2015, in violation of Section 550(b)(3) of the Penal Code  
17 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
18 intent to defraud, did unlawfully conceal and knowingly fail to  
19 disclose, and did knowingly assist with another person to  
20 conceal and fail to disclose the occurrence of an event and a  
21 fact that affected the initial and continued material right and  
22 entitlement of REPUBLIC INDEMNITY OF AMERICA to an insurance  
23 benefit and payment, and to the amount of a benefit and payment  
24 to which REPUBLIC INDEMNITY OF AMERICA was entitled, namely:  
25 Defendant and her Company Monarch Medical Group, paid kickbacks  
26 to physicians to procure prescriptions for Compound transdermal  
27 creams manufactured by Steven's Pharmacy and failed to disclose  
28 that she only paid Steven's Pharmacy \$40 for each 120 gram tube.

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1 COUNT 58: On or about and between April 04, 2013 and September  
2 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of REPUBLIC INDEMNITY OF AMERICA to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which REPUBLIC INDEMNITY OF AMERICA was entitled, namely:  
11 Defendant and her Company King Medical Management, paid \$15 for  
12 the 72-hour supply of the compound transdermal creams to  
13 Steven's Pharmacy, and recruited physicians to distribute the  
14 creams in return for a share in the net profit on the payments  
15 made on the claim.

16 COUNT 59: On or about and between April 04, 2013 and September  
17 01, 2016, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
26 Defendant and her Company One Source Labs Inc. and King Medical  
27 Management Inc., paid kickbacks to physicians to procured orders  
28 for urine toxicology for workers compensation patients and paid  
\$60 flat rate for the quantitative tests performed by Pacific  
Toxicology.

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1 COUNT 60: On or about and between April 04, 2013 and November  
2 21, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to distribute oral medications that MMG purchased  
13 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
14 and AS Medication Solutions

11 COUNT 61: On or about and between April 04, 2013 and April 28,  
12 2016, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
21 Defendant and her Company Monarch Medical Group, paid kickbacks  
22 to physicians to procure prescriptions for Compound transdermal  
23 creams manufactured by Steven's Pharmacy and failed to disclose  
24 that she only paid Steven's Pharmacy \$40 for each 120 gram tube

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1 COUNT 62: On or about and between April 04, 2013 and April 28,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
11 Defendant and her Company King Medical Management, paid \$15 for  
12 the 72-hour supply of the compound transdermal creams to  
13 Steven's Pharmacy, and recruited physicians to distribute the  
14 creams in return for a share in the net profit on the payments  
15 made on the claim.

16 COUNT 63: On or about and between April 04, 2013 and October  
17 02, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of THE HARTFORD FINANCIAL SERVICES to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which THE HARTFORD FINANCIAL SERVICES was entitled, namely:  
26 Defendant and her Company One Source Labs Inc. and King Medical  
27 Management Inc., paid kickbacks to physicians to procured orders  
28 for urine toxicology for workers compensation patients and paid  
\$60 flat rate for the quantitative tests performed by Pacific  
Toxicology

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1 COUNT 64: On or about and between April 04, 2013 and September  
2 10, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of THE HARTFORD FINANCIAL SERVICES to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which THE HARTFORD FINANCIAL SERVICES was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to distribute oral medications that MMG purchased  
13 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
14 and AS Medication Solutions.

11 COUNT 65: On or about and between February 26, 2015 and July  
12 08, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of THE HARTFORD FINANCIAL SERVICES to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which THE HARTFORD FINANCIAL SERVICES was entitled, namely:  
21 Defendant and her Company Monarch Medical Group, paid kickbacks  
22 to physicians to procure prescriptions for Compound transdermal  
23 creams manufactured by Steven's Pharmacy and failed to disclose  
24 that she only paid Steven's Pharmacy \$40 for each 120 gram tube.

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1 COUNT 66: On or about and between April 04, 2013 and September  
2 03, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of THE HARTFORD FINANCIAL SERVICES to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which THE HARTFORD FINANCIAL SERVICES was entitled, namely:  
11 Defendant and her Company King Medical Management, paid \$15 for  
12 the 72-hour supply of the compound transdermal creams to  
13 Steven's Pharmacy, and recruited physicians to distribute the  
14 creams in return for a share in the net profit on the payments  
15 made on the claim.

16 COUNT 67: On or about and between April 04, 2013 and October  
17 27, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of TOTAL HEALTH AND PRODUCTIVITY MANAGEMENT to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which TOTAL HEALTH AND PRODUCTIVITY MANAGEMENT  
26 was entitled, namely: Defendant and her Company One Source Labs  
27 Inc. and King Medical Management Inc., paid kickbacks to  
28 physicians to procured orders for urine toxicology for workers  
compensation patients and paid \$60 flat rate for the  
quantitative tests performed by Pacific Toxicology

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1 COUNT 68: On or about and between April 04, 2013 and March 10,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TOTAL HEALTH AND PRODUCTIVITY MANAGEMENT to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which TOTAL HEALTH AND PRODUCTIVITY MANAGEMENT  
11 was entitled, namely: Defendant and her Company Monarch Medical  
12 Group, paid kickbacks to physicians to procured prescriptions  
13 for Compound transdermal creams manufactured by Steven's  
14 Pharmacy and failed to disclose that she only paid Steven's  
15 Pharmacy \$40 for each 120 gram tube.

16 COUNT 69: On or about and between April 04, 2013 and February  
17 16, 2016, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of TRAVELERS INSURANCE to an insurance benefit and  
24 payment, and to the amount of a benefit and payment to which  
25 TRAVELERS INSURANCE was entitled, namely: Defendant and her  
26 Company One Source Labs Inc. and King Medical Management Inc.,  
27 paid kickbacks to physicians to procured orders for urine  
28 toxicology for workers compensation patients and paid \$60 flat  
rate for the quantitative tests performed by Pacific Toxicology.

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1 COUNT 70: On or about and between April 04, 2013 and February  
2 26, 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRAVELERS INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 TRAVELERS INSURANCE was entitled, namely: Defendant and her  
11 Company Monarch Medical Group, paid kickbacks to physicians to  
12 distribute oral medications that MMG purchased from  
13 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
14 AS Medication Solutions

11 COUNT 71: On or about and between April 04, 2013 and September  
12 29, 2014, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of TRAVELERS INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 TRAVELERS INSURANCE was entitled, namely: Defendant and her  
21 Company Monarch Medical Group, paid kickbacks to physicians to  
22 procure prescriptions for Compound transdermal creams  
23 manufactured by Steven's Pharmacy and failed to disclose that  
24 she only paid Steven's Pharmacy \$40 for each 120 gram tube.

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1 COUNT 72: On or about and between April 04, 2013 and September  
2 02, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRAVELERS INSURANCE COMPANY to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which TRAVELERS INSURANCE COMPANY was entitled, namely:  
11 Defendant and her Company King Medical Management, paid \$15 for  
12 the 72-hour supply of the compound transdermal creams to  
13 Steven's Pharmacy, and recruited physicians to distribute the  
14 creams in return for a share in the net profit on the payments  
15 made on the claim.

16 COUNT 73: On or about and between April 04, 2013 and November  
17 02, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of TRISTAR INSURANCE GROUP. to an insurance benefit  
24 and payment, and to the amount of a benefit and payment to which  
25 TRISTAR INSURANCE GROUP. was entitled, namely: Defendant and her  
26 Company One Source Labs Inc. and King Medical Management Inc.,  
27 paid kickbacks to physicians to procured orders for urine  
28 toxicology for workers compensation patients and paid \$60 flat  
rate for the quantitative tests performed by Pacific Toxicology

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1 COUNT 74: On or about and between April 04, 2013 and December  
2 28, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRISTAR INSURANCE GROUP to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 TRISTAR INSURANCE GROUP was entitled, namely: Defendant and her  
11 Company Monarch Medical Group, paid kickbacks to physicians to  
12 distribute oral medications that MMG purchased from  
13 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
14 AS Medication Solutions.

11 COUNT 75: On or about and between April 04, 2013 and November  
12 05, 2013, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of TRISTAR INSURANCE GROUP to an insurance benefit  
19 and payment, and to the amount of a benefit and payment to which  
20 TRISTAR INSURANCE GROUP was entitled, namely: Defendant and her  
21 Company Monarch Medical Group, paid kickbacks to physicians to  
22 procure prescriptions for Compound transdermal creams  
23 manufactured by Steven's Pharmacy and failed to disclose that  
24 she only paid Steven's Pharmacy \$40 for each 120 gram tube.

21 COUNT 76: On or about and between April 04, 2013 and May 01,  
22 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of TRISTAR INSURANCE GROUP to an insurance benefit  
and payment, and to the amount of a benefit and payment to which  
TRISTAR INSURANCE GROUP was entitled, namely: Defendant and her  
Company King Medical Management, paid \$15 for the 72-hour supply  
of the compound transdermal creams to Steven's Pharmacy, and  
recruited physicians to distribute the creams in return for a  
share in the net profit on the payments made on the claim.

1 COUNT 77: On or about and between April 04, 2013 and April 04,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 YORK RISK SERVICE GROUP was entitled, namely: Defendant and her  
11 Company One Source Labs Inc. and King Medical Management Inc.,  
12 paid kickbacks to physicians to procured orders for urine  
13 toxicology for workers compensation patients and paid \$60 flat  
14 rate for the quantitative tests performed by Pacific Toxicology.

11 COUNT 78: On or about and between April 04, 2013 and December  
12 15, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
19 and payment, and to the amount of a benefit and payment to which  
20 YORK RISK SERVICE GROUP was entitled, namely: Defendant and her  
21 Company Monarch Medical Group, paid kickbacks to physicians to  
22 distribute oral medications that MMG purchased from  
23 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
24 AS Medication Solutions.

21 COUNT 79: On or about and between April 04, 2013 and June 16,  
22 2016, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
and payment, and to the amount of a benefit and payment to which  
YORK RISK SERVICE GROUP was entitled, namely: Defendant and her  
Company Monarch Medical Group, paid kickbacks to physicians to  
procured prescriptions for Compound transdermal creams  
manufactured by Steven's Pharmacy and failed to disclose that  
she only paid Steven's Pharmacy \$40 for each 120 gram tube.

1 COUNT 80: On or about and between April 04, 2013 and October  
2 16, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 YORK RISK SERVICE GROUP was entitled, namely: Defendant and her  
11 Company King Medical Management, paid \$15 for the 72-hour supply  
12 of the compound transdermal creams to Steven's Pharmacy, and  
13 recruited physicians to distribute the creams in return for a  
14 share in the net profit on the payments made on the claim.

11 COUNT 81: On or about and between April 04, 2013 and November  
12 12, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of ZENITH INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 ZENITH INSURANCE was entitled, namely: Defendant and her Company  
21 One Source Labs Inc. and King Medical Management Inc., paid  
22 kickbacks to physicians to procured orders for urine toxicology  
23 for workers compensation patients and paid \$60 flat rate for the  
24 quantitative tests performed by Pacific Toxicology.

21 COUNT 82: On or about and between April 04, 2013 and June 15,  
22 2016, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of ZENITH INSURANCE to an insurance benefit and  
29 payment, and to the amount of a benefit and payment to which  
30 ZENITH INSURANCE was entitled, namely: Defendant and her Company  
31 Monarch Medical Group, paid kickbacks to physicians to  
32 distribute oral medications that MMG purchased from  
33 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
34 AS Medication Solutions.

1 COUNT 83: On or about and between April 04, 2013 and August 04,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ZENITH INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 ZENITH INSURANCE was entitled, namely: Defendant and her Company  
11 Monarch Medical Group, paid kickbacks to physicians to procure  
12 prescriptions for Compound transdermal creams manufactured by  
13 Steven's Pharmacy and failed to disclose that she only paid  
14 Steven's Pharmacy \$40 for each 120 gram tube.

11 COUNT 84: On or about and between April 04, 2013 and March 18,  
12 2014, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of ZENITH INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 ZENITH INSURANCE was entitled, namely: Defendant and her Company  
21 King Medical Management, paid \$15 for the 72-hour supply of the  
22 compound transdermal creams to Steven's Pharmacy, and recruited  
23 physicians to distribute the creams in return for a share in the  
24 net profit on the payments made on the claim.

21 COUNT 85: On or about and between April 04, 2013 and July 26,  
22 2016, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of ZURICH INSURANCE to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
ZURICH INSURANCE was entitled, namely: Defendant and her Company  
One Source Labs Inc. and King Medical Management Inc., paid  
kickbacks to physicians to procure orders for urine toxicology  
for workers compensation patients and paid \$60 flat rate for the  
quantitative tests performed by Pacific Toxicology



1 COUNT 86: On or about and between April 04, 2013 and September  
2 21, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ZURICH INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 ZURICH INSURANCE was entitled, namely: Defendant and her Company  
11 Monarch Medical Group, paid kickbacks to physicians to  
12 distribute oral medications that MMG purchased from  
13 Pharmaceutical Wholesalers including NuCare Pharmaceuticals and  
14 AS Medication Solutions.

11 COUNT 87: On or about and between April 04, 2013 and December  
12 19, 2013, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of ZURICH INSURANCE to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 ZURICH INSURANCE was entitled, namely: Defendant and her Company  
21 Monarch Medical Group, paid kickbacks to physicians to procure  
22 prescriptions for Compound transdermal creams manufactured by  
23 Steven's Pharmacy and failed to disclose that she only paid  
24 Steven's Pharmacy \$40 for each 120 gram tube.

21 COUNT 88: On or about and between April 04, 2013 and December  
22 31, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of ZURICH INSURANCE to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
ZURICH INSURANCE was entitled, namely: Defendant and her Company  
King Medical Management, paid \$15 for the 72-hour supply of the  
compound transdermal creams to Steven's Pharmacy, and recruited  
physicians to distribute the creams in return for a share in the  
net profit on the payments made on the claim.

1 COUNT 89: On or about and between April 04, 2013 and August 13,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of US DEPARTMENT OF LABOR - TREASURY to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which US DEPARTMENT OF LABOR - TREASURY was entitled, namely:  
11 Defendant and her Company One Source Labs Inc. and King Medical  
12 Management Inc., paid kickbacks to physicians to procured orders  
13 for urine toxicology for workers compensation patients and paid  
14 \$60 flat rate for the quantitative tests performed by Pacific  
15 Toxicology

16 COUNT 90: On or about and between April 04, 2013 and August 13,  
17 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of US DEPARTMENT OF LABOR - TREASURY to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which US DEPARTMENT OF LABOR - TREASURY was entitled, namely:  
26 Defendant and her Company Monarch Medical Group, paid kickbacks  
27 to physicians to distribute oral medications that MMG purchased  
28 from Pharmaceutical Wholesalers including NuCare Pharmaceuticals  
and AS Medication Solutions.

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1 COUNT 91: On or about and between April 04, 2013 and August 13,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of US DEPARTMENT OF LABOR - TREASURY to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which US DEPARTMENT OF LABOR - TREASURY was entitled, namely:  
11 Defendant and her Company Monarch Medical Group, paid kickbacks  
12 to physicians to procure prescriptions for Compound transdermal  
13 creams manufactured by Steven's Pharmacy and failed to disclose  
14 that she only paid Steven's Pharmacy \$40 for each 120 gram tube.

11 COUNT 92: On or about and between April 04, 2013 and August 13,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, TANYA MORELAND KING, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of US DEPARTMENT OF LABOR - TREASURY to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which US DEPARTMENT OF LABOR - TREASURY was entitled, namely:  
21 Defendant and her Company King Medical Management, paid \$15 for  
22 the 72-hour supply of the compound transdermal creams to  
23 Steven's Pharmacy, and recruited physicians to distribute the  
24 creams in return for a share in the net profit on the payments  
25 made on the claim.

21 COUNT 93: On or about April 24, 2014, in violation of Section  
22 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
23 FELONY, TANYA MORELAND KING did unlawfully offer, deliver,  
24 receive, and accept a rebate, refund, commission, preference,  
25 patronage, dividend, discount and other consideration, as  
26 compensation and inducement for referring clients and patients  
27 to perform and obtain services and benefits. (Payment to  
28 Starbase and Ismael Silva M.D.)

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1 COUNT 94: On or about July 21, 2014, in violation of Section  
2 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
3 FELONY, TANYA MORELAND KING did unlawfully offer, deliver,  
4 receive, and accept a rebate, refund, commission, preference,  
5 patronage, dividend, discount and other consideration, as  
6 compensation and inducement for referring clients and patients  
to perform and obtain services and benefits. (Payment to  
Starbase and Ismael Silva M.D.)

7 COUNT 95: On or about August 28, 2014, in violation of Section  
8 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
9 FELONY, TANYA MORELAND KING did unlawfully offer, deliver,  
10 receive, and accept a rebate, refund, commission, preference,  
11 patronage, dividend, discount and other consideration, as  
12 compensation and inducement for referring clients and patients  
to perform and obtain services and benefits. (Payment to  
Starbase and Ismael Silva M.D.)

13 COUNT 96: On or about November 03, 2014, in violation of Section  
14 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
15 FELONY, TANYA MORELAND KING did unlawfully offer, deliver,  
16 receive, and accept a rebate, refund, commission, preference,  
17 patronage, dividend, discount and other consideration, as  
18 compensation and inducement for referring clients and patients  
to perform and obtain services and benefits. (Payment to  
Starbase and Ismael Silva M.D.)

19 COUNT 97: On or about and between April 04, 2014 and January  
20 15, 2015, in violation of Section 3215 of the Labor Code  
21 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
22 KING did unlawfully offer, deliver, receive, and accept a  
23 rebate, refund, commission, preference, patronage, dividend,  
discount and other consideration, as compensation and inducement  
for referring clients and patients to perform and obtain  
services and benefits. (Payments to Christopher Chen M.D.)

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25 COUNT 98: On or about and between April 04, 2014 and August 12,  
26 2015, in violation of Section 3215 of the Labor Code (REFERRAL  
27 OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND KING did  
28 unlawfully offer, deliver, receive, and accept a rebate, refund,  
commission, preference, patronage, dividend, discount and other  
consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits. (Payments to Central Desert Industrial Medical Group)

1 COUNT 99: On or about and between August 08, 2014 and August  
2 12, 2015, in violation of Section 3215 of the Labor Code  
3 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
4 KING did unlawfully offer, deliver, receive, and accept a  
5 rebate, refund, commission, preference, patronage, dividend,  
6 discount and other consideration, as compensation and inducement  
7 for referring clients and patients to perform and obtain  
8 services and benefits. (Payments to Duke Ahn, M.D. )

7 COUNT 100: On or about and between May 06, 2014 and August 12,  
8 2015, in violation of Section 3215 of the Labor Code (REFERRAL  
9 OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND KING did  
10 unlawfully offer, deliver, receive, and accept a rebate, refund,  
11 commission, preference, patronage, dividend, discount and other  
12 consideration, as compensation and inducement for referring  
13 clients and patients to perform and obtain services and  
14 benefits. (Payments to Eduardo Lin, M.D.)

13 COUNT 101: On or about and between April 04, 2014 and August  
14 12, 2015, in violation of Section 3215 of the Labor Code  
15 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
16 KING did unlawfully offer, deliver, receive, and accept a  
17 rebate, refund, commission, preference, patronage, dividend,  
18 discount and other consideration, as compensation and inducement  
19 for referring clients and patients to perform and obtain  
20 services and benefits. (Payments to Eric Schmidt, M.D.)

19 COUNT 102: On or about and between November 12, 2014 and August  
20 12, 2015, in violation of Section 3215 of the Labor Code  
21 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
22 KING did unlawfully offer, deliver, receive, and accept a  
23 rebate, refund, commission, preference, patronage, dividend,  
24 discount and other consideration, as compensation and inducement  
25 for referring clients and patients to perform and obtain  
26 services and benefits. (Payments to Jerome Robson M.D.)

25 COUNT 103: On or about and between April 09, 2014 and June 11,  
26 2015, in violation of Section 3215 of the Labor Code (REFERRAL  
27 OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND KING did  
28 unlawfully offer, deliver, receive, and accept a rebate, refund,  
commission, preference, patronage, dividend, discount and other  
consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits. (Payments to Mannie Joel, M.D. )

1 COUNT 104: On or about and between December 10, 2013 and August  
2 12, 2015, in violation of Section 3215 of the Labor Code  
3 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
4 KING did unlawfully offer, deliver, receive, and accept a  
5 rebate, refund, commission, preference, patronage, dividend,  
6 discount and other consideration, as compensation and inducement  
7 for referring clients and patients to perform and obtain  
8 services and benefits. (Payments to Parvez Fatteh, M.D.)

7 COUNT 105: On or about and between April 04, 2014 and August  
8 12, 2015, in violation of Section 3215 of the Labor Code  
9 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
10 KING did unlawfully offer, deliver, receive, and accept a  
11 rebate, refund, commission, preference, patronage, dividend,  
12 discount and other consideration, as compensation and inducement  
13 for referring clients and patients to perform and obtain  
14 services and benefits. (Payments to Robert Caton, M.D.)

13 COUNT 106: On or about and between April 04, 2014 and August  
14 12, 2015, in violation of Section 3215 of the Labor Code  
15 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
16 KING did unlawfully offer, deliver, receive, and accept a  
17 rebate, refund, commission, preference, patronage, dividend,  
18 discount and other consideration, as compensation and inducement  
19 for referring clients and patients to perform and obtain  
20 services and benefits. (Payment Stanislaus Orthopaedic Sports  
21 Med Clinic)

19 COUNT 107: On or about and between April 04, 2014 and August  
20 12, 2015, in violation of Section 3215 of the Labor Code  
21 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
22 KING did unlawfully offer, deliver, receive, and accept a  
23 rebate, refund, commission, preference, patronage, dividend,  
24 discount and other consideration, as compensation and inducement  
25 for referring clients and patients to perform and obtain  
26 services and benefits. (Payments to Kevin Shamlou, M.D.)

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1 COUNT 108: On or about and between April 04, 2014 and August  
2 12, 2015, in violation of Section 3215 of the Labor Code  
3 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
4 KING did unlawfully offer, deliver, receive, and accept a  
5 rebate, refund, commission, preference, patronage, dividend,  
6 discount and other consideration, as compensation and inducement  
7 for referring clients and patients to perform and obtain  
8 services and benefits. (Payments Kevin Park, MD.)

7 COUNT 109: On or about and between April 09, 2014 and August  
8 12, 2015, in violation of Section 3215 of the Labor Code  
9 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
10 KING did unlawfully offer, deliver, receive, and accept a  
11 rebate, refund, commission, preference, patronage, dividend,  
12 discount and other consideration, as compensation and inducement  
13 for referring clients and patients to perform and obtain  
14 services and benefits. (Payments to Paul Stanton M.D.)

13 COUNT 110: On or about and between September 12, 2014 and  
14 August 12, 2015, in violation of Section 3215 of the Labor Code  
15 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
16 KING did unlawfully offer, deliver, receive, and accept a  
17 rebate, refund, commission, preference, patronage, dividend,  
18 discount and other consideration, as compensation and inducement  
19 for referring clients and patients to perform and obtain  
20 services and benefits. (Payments to Robert Fenton M.D.)

19 COUNT 111: On or about and between April 04, 2014 and August  
20 12, 2015, in violation of Section 3215 of the Labor Code  
21 (REFERRAL OF CLIENTS FOR COMPENSATION), a FELONY, TANYA MORELAND  
22 KING did unlawfully offer, deliver, receive, and accept a  
23 rebate, refund, commission, preference, patronage, dividend,  
24 discount and other consideration, as compensation and inducement  
25 for referring clients and patients to perform and obtain  
26 services and benefits. (Payments to Eric Schmidt, MD.)

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110 and 111, it is further alleged pursuant to Penal Code section 12022.6(a)(4) (PROPERTY DAMAGE OVER \$3,200,000), that TANYA MORELAND KING intentionally took, damaged, and destroyed property valued in excess of three million two hundred thousand dollars (\$3,200,000) during the commission and attempted commission of the above offense.

It is further alleged pursuant to Penal Code section 186.11(a) (1)/(2) (AGGRAVATED WHITE COLLAR CRIME - OVER \$500,000), that as to counts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91 and 92, defendant TANYA MORELAND KING engaged in a pattern of related fraudulent felony conduct involving the taking of more than five hundred thousand dollars (\$500,000).

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.

KS/AC 17F00373

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR

SHADDI KAMIABIPOUR, Deputy District Attorney

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RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

TANYA MORELAND KING - \$ 500,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/06/2017  
08:00 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0867**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 )  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 CHRISTOPHER KING 11/29/78 ) OCDA WC16070011  
12 F3474528 ) OCDA WC15040015  
13 AKA CHRISTOPHER RODGER KING ) OCDA HF12110001  
14 CHRISTOPHER RODGER RINGWALT )  
Defendant(s))

15 The Orange County District Attorney charges that in Orange  
16 County, California, the law was violated as follows:

17 COUNT 1: On or about and between February 01, 2011 and  
18 September 01, 2015, in violation of Section 550(a)(6) of the  
19 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a  
20 FELONY, CHRISTOPHER KING did unlawfully conspire with TANYA  
21 MORELAND KING AND OTHER UNKNOWN INDIVIDUALS, with the intent to  
22 defraud, to make a false and fraudulent claim to WORKERS  
23 COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for payment of a  
24 health care benefit in an amount exceeding nine hundred fifty  
25 dollars (\$950). It is further alleged that pursuant to and for  
the purpose of carrying out the objects and purposes of the  
conspiracy, one and more of the conspirators committed the  
following overt acts:

26 OVERT ACT 1

27 In 2011, Defendant Christopher King formed a business  
28 partnership with TANYA MORELAND KING.

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OVERT ACT 2

TANYA MORELAND KING recruited physicians who treated workers' compensation patients and gave them a financial incentive to prescribe compound transdermal creams, oral medications and Urine Toxicology tests to their patients.

OVERT ACT 3

Between October 1, 2011 and January 15, 2015, Defendant Christopher King and Tanya Moreland King, used Steven's Pharmacy in Costa Mesa, to manufacture the compound transdermal creams for distribution to workers' compensation patients.

OVERT ACT 4

Steven's Pharmacy was paid \$16 for every 30 gram (72 hour supply) and \$40 for every 120g tube it manufactured and in return permitted Defendant Christopher King and Tanya Moreland King to submit healthcare claims on Steven's Pharmacy's behalf to workers' compensation insurance carriers at highly inflated prices.

OVERT ACT 5

Steven's Pharmacy mass manufactured transdermal compound creams using formulas that were profitable under the fee schedule at Tanya Moreland King and Defendant Christopher King's direction.

OVERT ACT 6

On April 26, 2011, Defendant Christopher King, filed documents with the Secretary of State to incorporate a company named Monarch Medical Group Inc., in California and named himself as the CEO, Secretary and CFO of the company.

OVERT ACT 7

Between, October 10, 2011 and January 15, 2015, Monarch Medical Group Inc. submitted healthcare claims to workers' compensation carriers for 120g compound transdermal creams manufactured by Steven's Pharmacy, in Costa Mesa.

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OVERT ACT 8

Monarch Medical Group Inc., paid Steven's Pharmacy a flat rate of \$40 for each 120 gram transdermal compound cream tube, and billed workers' compensation carriers between \$700 to \$1000 for the same tubes.

OVERT ACT 9

Between October 10, 2011 and January 15, 2015, Monarch Medical Group paid Steven's Pharmacy in excess of \$1,200,000.00 (one million and two hundred thousand dollars).

OVERT ACT 10

On October 17, 2011, Defendant Christopher King filed documents to form a corporation named King Medical Management, Inc., in California and named himself the CEO and Tanya King as the CFO and Secretary of the corporation.

OVERT ACT 11

King Medical Management submitted healthcare claims on behalf of the physicians who distributed the 30g tubes manufactured by Steven's Pharmacy in their offices to workers' compensation carriers, and gave the physicians between 70 to 90 percent of the net profits, as long as the physicians also prescribed the 120g tubes which would be sent to the patients directly by Steven's Pharmacy.

OVERT ACT 12

On and between 8/9/12 and 2/26/15, Defendant Christopher King and Tanya Moreland King, purchased medications and Active Specimen Collection kits, from NuCare Pharmaceuticals, in the City of Orange, County of Orange, to be distributed by the physicians who were recruited to work with Monarch Medical Group and King Medical Management.

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OVERT ACT 13

Defendant Christopher King and Tanya Moreland King, billed workers' compensation carriers through their company Monarch Medical Group for the medications and Active kits purchased from NuCare Pharmaceuticals, located in the City of Orange, County of Orange, and shared the net profits from the amounts collected with the physicians who prescribed these items to their workers' compensation carriers.

OVERT ACT 14

On or between 2/15/15 and 11/11/16, Defendant Christopher King and Tanya Moreland King, through their company Monarch Medical Group, billed workers' compensation carriers for the medications purchased from A S Medication Solutions, located in County of Orange, and shared the net profits from the amounts collected with the physicians who prescribed these items to their workers' compensation carriers.

OVERT ACT 15

Defendant Tanya King made payments to Ismael Silva M.D. through her companies First Meditech, Preferred Medical and One Source Labs between October 20, 2011 and November 3, 2014.

OVERT ACT 16

In consideration for \$20,000 a month in payments, Ismael Silva Jr., M.D., permitted Defendant Tanya King's employees to come to his (8) eight clinics, named Healthpointe, including the ones located in the City of Garden Grove and the City of Anaheim, in the County of Orange, to collect Urine samples from workers' compensation patients.

OVERT ACT 17

On 12/26/14, Ismael Geli Silva wrote an email to Christopher King confirming their agreement for payments of \$20,000 and requested payment of the outstanding balance of \$200,000 for 2013 and \$140,000 for 2014.

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OVERT ACT 18

Between 10/20/11 and 12/26/14, Tanya Moreland King and Christopher King agreed to and in fact paid Defendants Ismael Geli Silva and Ismael Silva Jr. M.D. in excess of \$685,000.

OVERT ACT 19

Between August 2011 and August of 2015, Monarch received in excess of \$13 million dollars in payments from workers' compensation carriers and paid over \$1.9 million dollars of that revenue to the physicians as a kickback.

OVERT ACT 20

On February 17, 2012, Christopher King and Tanya King formed a corporation named One Source Laboratories, Inc., for the purpose of submitting claims, to workers' compensation carriers involving Urine Toxicology Tests.

OVERT ACT 21

Between May 2012 and August 2015, One Source Labs Inc and King Medical Management Inc. received in excess of \$6 million dollars in payments from Workers' Compensation Carriers.

OVERT ACT 22

Between 8/12/12 and 1/15/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Christopher Chen, M.D. in excess of \$289,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 23

Between 7/8/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid the physicians at Central Desert Industrial Medical Group in excess of \$94,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their company/ies, Monarch Medical Group, King Medical Management, and One Source Labs Inc.

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OVERT ACT 24

Between 8/8/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Duke Ahn, M.D. in excess of \$80,000 in consideration for referring compound transdermal creams, oral medications, Active Specimen Collection Kits, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management, and One Source Labs Inc.

OVERT ACT 25

Between 5/6/14 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Eduardo Lin, M.D. in excess of \$80,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 26

Between 9/12/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Eric Schmidt, M.D. in excess of \$308,000 in consideration for referring compound transdermal creams, oral medications, Sprix Nasal Spray, and Urine Toxicology Tests to their companies, Monarch medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 27

Between 11/12/14 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Jerome A Robson M.D. in excess of \$175,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 28

Between 12/14/12 and 6/11/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Mannie Joel M.D. in excess of \$26,000 in consideration for referring compound transdermal creams, and Sprix Nasal Spray, to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

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OVERT ACT 29

Between 12/10/13 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Parvez Fatteh M.D. in excess of \$51,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, Sprix Nasal Spray and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 30

Between, 6/12/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Jerome A Robson, M.D. in excess of \$175,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 31

Between 8/14/12 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Stanislaus Orthopaedic Sports Medicine Clinic in excess of \$248,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

OVERT ACT 32

Between 3/17/11 and 8/12/15, Defendant Christopher King and Tanya Moreland King, paid Dr. Kevin Shamlou, M.D. in excess of \$38,000 in consideration for referring compound transdermal creams, oral medications, Active specimen collection kits, Sprix Nasal Spray, Patches and Urine Toxicology Tests to their companies, Monarch Medical Group, King Medical Management and One Source Labs Inc.

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1 COUNT 2: On or about and between April 04, 2013 and September  
2 04, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, CHRISTOPHER KING, with the intent  
4 to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Accident Fund Group, AIG, Allianz Global  
9 Corporate & Specialty, Berkshire Hathaway, California Insurance  
10 Company (Applied Underwriters), Crum & Forster, Disneyland,  
11 Employers Insurance, Farmers Insurance, ICW Group Insurance Co.,  
12 LA City, LA County, Liberty Mutual Insurance, Los Angeles  
13 Department of Water & Power, Markel Corp (First Comp), Pacific  
14 Compensation Insurance Co., Probe, Republic Indemnity Company of  
15 America, State Compensation Insurance Fund, The Hartford  
16 Financial Services, Total Health & Productivity Management,  
17 Travelers, Tristar Insurance Group, York Risk Service Group,  
18 Zenith Insurance, Zurich North America to an insurance benefit  
19 and payment, and to the amount of a benefit and payment to which  
20 Accident Fund Group, AIG, Allianz Global Corporate & Specialty,  
21 Berkshire Hathaway, California Insurance Company (Applied  
Underwriters), Crum & Forster, Disneyland, Employers Insurance,  
Farmers Insurance, ICW Group Insurance Co., LA City, LA County,  
Liberty Mutual Insurance, Los Angeles Department of Water &  
Power, Markel Corp (First Comp), Pacific Compensation Insurance  
Co., Probe, Republic Indemnity Company of America, State  
Compensation Insurance Fund, The Hartford Financial Services,  
Total Health & Productivity Management, Travelers, Tristar  
Insurance Group, York Risk Service Group, Zenith Insurance,  
Zurich North America was entitled, namely: PAID KICKBACKS TO  
PHYSICIANS TO PROCURE PRESCRIPTIONS AND URINE TOXICOLOGY ORDERS.

22 ENHANCEMENT(S)

23 As to Count(s) 1 and 2, it is further alleged pursuant to Penal  
24 Code section 12022.6(a)(4) (PROPERTY DAMAGE OVER \$3,200,000),  
25 that CHRISTOPHER KING intentionally took, damaged, and  
26 destroyed property valued in excess of three million two hundred  
27 thousand dollars (\$3,200,000) during the commission and  
attempted commission of the above offense.

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1 It is further alleged pursuant to Penal Code section 186.11(a)  
2 (1)/(2) (AGGRAVATED WHITE COLLAR CRIME - OVER \$500,000), that as  
3 to counts 1 and 2, defendant CHRISTOPHER KING engaged in a  
4 pattern of related fraudulent felony conduct involving the  
taking of more than five hundred thousand dollars (\$500,000).

5 I declare under penalty of perjury, on information and belief,  
6 that the foregoing is true and correct.

7 Dated 04-05-2017 at Orange County, California.  
8 KS/AC 17F00372

9 TONY RACKAUCKAS, DISTRICT ATTORNEY

10  
11 by: /s/ SHADDI KAMIABIPOUR  
12 SHADDI KAMIABIPOUR, Deputy District Attorney

13 RESTITUTION CLAIMED

14 [ ] None  
15 [ ] \$ \_\_\_\_\_  
16 [ X ] To be determined

17 NOTICES:

18 The People request that defendant and counsel disclose, within  
19 15 days, all of the materials and information described in Penal  
20 Code section 1054.3, and continue to provide any later-acquired  
21 materials and information subject to disclosure, and without  
further request or order.

22  
23 Pursuant to Welfare & Institutions Code §827 and California Rule  
24 of Court 5.552, notice is hereby given that the People will seek  
25 a court order to disseminate the juvenile case file of the  
26 defendant/minor, if any exists, to all parties in this action,  
through their respective attorneys of record, in the prosecution  
of this case.

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1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:36 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0815**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 MERVYN MILLER 10/31/51 ) OCDA WC16070011  
A3669468 ) OCDA WC15040015  
12 CHARLES TERRENCE BONNER 09/23/60 ) OCDA HF12110001  
13 C6521671 )  
14 AKA CHARLES T BONNER )  
15 Defendant(s))

16 The Orange County District Attorney charges that in Orange  
17 County, California, the law was violated as follows:

18 COUNT 1: On or about and between October 01, 2011 and January  
19 15, 2015, in violation of Section 550(a)(6) of the Penal Code  
20 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, MERVYN  
21 MILLER and CHARLES TERRENCE BONNER did unlawfully conspire with  
22 TANYA MORELAND KING AND CHRISTOPHER KING AND OTHER UNKNOWN  
23 INDIVIDUALS, with the intent to defraud, to make a false and  
24 fraudulent claim to WORKERS' COMPENSATION INSURANCE CARRIERS for  
25 payment of a health care benefit in an amount exceeding nine  
hundred fifty dollars (\$950). It is further alleged that  
26 pursuant to and for the purpose of carrying out the objects and  
27 purposes of the conspiracy, one and more of the conspirators  
28 committed the following overt acts:

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OVERT ACT 1

Defendants Charles Bonner and his pharmacy, Harbor Drug Co DBA Steven's Pharmacy in Costa Mesa, entered into an agreement with Tanya Moreland King and Monarch Medical Group to manufacture thousands of compound transdermal creams to be distributed to workers' compensation patients on or about September 13, 2011.

OVERT ACT 2

Defendant Mervyn Miller was the manager of Steven's Pharmacy and was the primary point of contact with Tanya Moreland King.

OVERT ACT 3

Tanya Moreland King, whom the defendants knew was not a physician, provided the defendants with the formula for these creams based solely on the medical fee schedule adopted by the department of industrial relations for workers' compensation carriers.

OVERT ACT 4

At Tanya Moreland King's direction, Defendants Bonner and Miller manufactured thousands of the "72-hour supply" of the transdermal compound creams and distributed them to the medical providers who were working with Tanya Moreland King.

OVERT ACT 5

Tanya Moreland King paid Steven's Pharmacy between \$16 and \$18 for each 72-hour supply mailed to her physicians.

OVERT ACT 6

Tanya Moreland King processed all the prescriptions issued by the physicians to make sure that an additional order for the "remaining month supply" was also written on the prescription prior to sending them to Steven's Pharmacy.

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OVERT ACT 7

Tanya Moreland King then paid Steven's Pharmacy \$40 for each transdermal compound cream that was manufactured and mailed to workers' compensation patients.

OVERT ACT 8

Defendants Bonner and Miller were instructed not to disclose the cost of the creams to the workers' compensation patients or carriers, so that Tanya Moreland King could bill the workers' compensation carriers well in excess of the fees permitted by California Labor Code.

OVERT ACT 9

Between October 2011 and January 2015, Tanya Moreland King, through her company Monarch Medical Group, paid Steven's Pharmacy in excess of \$1.2 million dollars.

OVERT ACT 10

A payment issued to Steven's Pharmacy by Monarch Medical Group was on January 15, 2015, for \$34,950 through an American Express Account ending in 22003 and paid by Christopher King, Co-Owner and CEO of Monarch Medical Group.

OVERT ACT 11

Tanya Moreland King changed the Compound Cream Formulas based on the their profitability relying on the reimbursement rate of California Workers Compensation fee schedule and notified Defendants Bonner and Defendant Miller of this change.

OVERT ACT 12

On January 2, 2015, Tanya Moreland King drafted (or had someone draft at her request) a letter entitled: "Re: Permission to change Topical Compound Creams to existing patients and new patients" to be signed and sent by the physicians who were in her "program" to "Harbor Drug Co. Inc. DBA Steven's Pharmacy" in order to give the appearance of legitimacy to formulas that she had created.

1 COUNT 2: On or about and between April 04, 2014 and January 15,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER Harbor Drug Co. Inc., DBA Steven's Pharmacy did  
5 unlawfully solicit, accept, and refer business to and from  
6 MONARCH MEDICAL GROUP INC., with the knowledge that, and with  
7 reckless disregard for whether MONARCH MEDICAL GROUP INC.  
8 intended to violate Penal Code section 550 and Insurance Code  
9 section 1871.4.

10 COUNT 3: On or about and between April 04, 2014 and January 15,  
11 2015, in violation of Section 549 of the Penal Code (FALSE AND  
12 FRAUDULENT CLAIM), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
13 BONNER Harbor Drug Co. Inc., DBA Steven's Pharmacy did  
14 unlawfully solicit, accept, and refer business to and from KING  
15 MEDICAL MANAGEMENT INC., with the knowledge that, and with  
16 reckless disregard for whether KING MEDICAL MANAGEMENT INC.  
17 intended to violate Penal Code section 550 and Insurance Code  
18 section 1871.4.

19 COUNT 4: On or about and between April 04, 2013 and October 31,  
20 2014, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
22 BONNER, with the intent to defraud, did unlawfully conceal and  
23 knowingly fail to disclose, and did knowingly assist with  
24 another person to conceal and fail to disclose the occurrence of  
25 an event and a fact that affected the initial and continued  
26 material right and entitlement of BERKSHIRE HATHAWAY HOMESTEAD  
27 COMPANIES to an insurance benefit and payment, and to the amount  
28 of a benefit and payment to which BERKSHIRE HATHAWAY HOMESTEAD  
COMPANIES was entitled, namely: Failed to disclose to the  
insurance company that Monarch Medical Group had paid Steven's  
Pharmacy a Flat Fee for manufacturing each compound cream and  
that the claims submitted to the insurance company by Monarch  
were not the actual claims submitted by Steven's Pharmacy.

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1 COUNT 5: On or about and between May 01, 2013 and November 03,  
2 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of DISNEYLAND to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which DISNEYLAND was entitled, namely: Failed to disclose to  
11 the insurance company that Monarch Medical Group had paid  
12 Steven's Pharmacy a Flat Fee for manufacturing each compound  
13 cream and that the claims submitted to the insurance company by  
14 Monarch were not the actual claims submitted by Steven's  
15 Pharmacy.

11 COUNT 6: On or about and between April 04, 2013 and February  
12 06, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
14 BONNER, with the intent to defraud, did unlawfully conceal and  
15 knowingly fail to disclose, and did knowingly assist with  
16 another person to conceal and fail to disclose the occurrence of  
17 an event and a fact that affected the initial and continued  
18 material right and entitlement of FARMERS INSURANCE to an  
19 insurance benefit and payment, and to the amount of a benefit  
20 and payment to which FARMERS INSURANCE was entitled, namely:  
21 Failed to disclose to the insurance company that Monarch Medical  
22 Group had paid Steven's Pharmacy a Flat Fee for manufacturing  
23 each compound cream and that the claims submitted to the  
24 insurance company by Monarch were not the actual claims  
25 submitted by Steven's Pharmacy.

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1 COUNT 7: On or about and between April 04, 2013 and September  
2 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of IWC to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 IWC was entitled, namely: Failed to disclose to the insurance  
11 company that Monarch Medical Group had paid Steven's Pharmacy a  
12 Flat Fee for manufacturing each compound cream and that the  
13 claims submitted to the insurance company by Monarch were not  
14 the actual claims submitted by Steven's Pharmacy.

11 COUNT 8: On or about and between April 04, 2013 and November  
12 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
14 BONNER, with the intent to defraud, did unlawfully conceal and  
15 knowingly fail to disclose, and did knowingly assist with  
16 another person to conceal and fail to disclose the occurrence of  
17 an event and a fact that affected the initial and continued  
18 material right and entitlement of FIREMAN'S FUND (VIA ALLIANZ)  
19 to an insurance benefit and payment, and to the amount of a  
20 benefit and payment to which FIREMAN'S FUND (VIA ALLIANZ) was  
21 entitled, namely: Failed to disclose to the insurance company  
22 that Monarch Medical Group had paid Steven's Pharmacy a Flat Fee  
23 for manufacturing each compound cream and that the claims  
24 submitted to the insurance company by Monarch were not the  
25 actual claims submitted by Steven's Pharmacy.

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1 COUNT 9: On or about and between April 04, 2013 and October 04,  
2 2013, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of LIBERTY MUTUAL INSURANCE to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which LIBERTY MUTUAL INSURANCE was entitled,  
11 namely: Failed to disclose to the insurance company that Monarch  
12 Medical Group had paid Steven's Pharmacy a Flat Fee for  
13 manufacturing each compound cream and that the claims submitted  
14 to the insurance company by Monarch were not the actual claims  
15 submitted by Steven's Pharmacy.

16 COUNT 10: On or about and between April 04, 2013 and September  
17 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
19 BONNER, with the intent to defraud, did unlawfully conceal and  
20 knowingly fail to disclose, and did knowingly assist with  
21 another person to conceal and fail to disclose the occurrence of  
22 an event and a fact that affected the initial and continued  
23 material right and entitlement of LOS ANGELES DEPARTMENT OF  
24 WATER & POWER to an insurance benefit and payment, and to the  
25 amount of a benefit and payment to which LOS ANGELES DEPARTMENT  
26 OF WATER & POWER was entitled, namely: Failed to disclose to the  
27 insurance company that Monarch Medical Group had paid Steven's  
28 Pharmacy a Flat Fee for manufacturing each compound cream and  
that the claims submitted to the insurance company by Monarch  
were not the actual claims submitted by Steven's Pharmacy.

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1 COUNT 11: On or about and between April 04, 2013 and September  
2 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of MARKEL (FIRSTCOMP) to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which MARKEL (FIRSTCOMP) was entitled, namely:  
Failed to disclose to the insurance company that Monarch Medical  
Group had paid Steven's Pharmacy a Flat Fee for manufacturing  
each compound cream and that the claims submitted to the  
insurance company by Monarch were not the actual claims  
submitted by Steven's Pharmacy.

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12 COUNT 12: On or about and between May 14, 2014 and October 15,  
13 2014, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
15 BONNER, with the intent to defraud, did unlawfully conceal and  
16 knowingly fail to disclose, and did knowingly assist with  
17 another person to conceal and fail to disclose the occurrence of  
18 an event and a fact that affected the initial and continued  
19 material right and entitlement of PACIFIC COMPENSATION INSURANCE  
20 to an insurance benefit and payment, and to the amount of a  
benefit and payment to which PACIFIC COMPENSATION INSURANCE was  
entitled, namely: Failed to disclose to the insurance company  
that Monarch Medical Management had paid Steven's Pharmacy a  
Flat Fee for manufacturing each compound cream and that the  
claims submitted to the insurance company by Monarch were not  
the actual claims submitted by Stevens Pharmacy..

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1 COUNT 13: On or about and between April 04, 2013 and June 26,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of REPUBLIC INDEMNITY COMPANY OF  
9 AMERICA to an insurance benefit and payment, and to the amount  
10 of a benefit and payment to which REPUBLIC INDEMNITY COMPANY OF  
11 AMERICA was entitled, namely: Failed to disclose to the  
insurance company that Monarch Medical Management had paid  
Steven?s Pharmacy a Flat Fee for manufacturing each compound  
cream and that the claims submitted to the insurance company by  
Monarch were not the actual claims submitted by Stevens  
Pharmacy..

12 COUNT 14: On or about and between April 04, 2013 and April 21,  
13 2016, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
15 BONNER, with the intent to defraud, did unlawfully conceal and  
16 knowingly fail to disclose, and did knowingly assist with  
17 another person to conceal and fail to disclose the occurrence of  
18 an event and a fact that affected the initial and continued  
19 material right and entitlement of STATE COMPENSATION INSURANCE  
20 FUND to an insurance benefit and payment, and to the amount of a  
21 benefit and payment to which STATE COMPENSATION INSURANCE FUND  
22 was entitled, namely: Failed to disclose to the insurance  
company that Monarch Medical Management had paid Steven?s  
Pharmacy a Flat Fee for manufacturing each compound cream and  
that the claims submitted to the insurance company by Monarch  
were not the actual claims submitted by Stevens Pharmacy..

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1 COUNT 15: On or about and between April 04, 2013 and July 08,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of HARTFORD INSURANCE to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which HARTFORD INSURANCE was entitled, namely:  
11 Failed to disclose to the insurance company that Monarch Medical  
12 Management had paid Steven?s Pharmacy a Flat Fee for  
13 manufacturing each compound cream and that the claims submitted  
14 to the insurance company by Monarch were not the actual claims  
15 submitted by Stevens Pharmacy..

11 COUNT 16: On or about and between April 04, 2013 and March 10,  
12 2016, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
14 BONNER, with the intent to defraud, did unlawfully conceal and  
15 knowingly fail to disclose, and did knowingly assist with  
16 another person to conceal and fail to disclose the occurrence of  
17 an event and a fact that affected the initial and continued  
18 material right and entitlement of TOTAL HEALTH & PRODUCTIVITY  
19 MANAGEMENT to an insurance benefit and payment, and to the  
20 amount of a benefit and payment to which TOTAL HEALTH &  
21 PRODUCTIVITY MANAGEMENT was entitled, namely: Failed to disclose  
22 to the insurance company that Monarch Medical Management had  
23 paid Steven?s Pharmacy a Flat Fee for manufacturing each  
24 compound cream and that the claims submitted to the insurance  
25 company by Monarch were not the actual claims submitted by  
26 Stevens Pharmacy..

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1 COUNT 17: On or about and between April 04, 2013 and August 31,  
2 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
4 BONNER, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of TRAVELERS INSURANCE to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which TRAVELERS INSURANCE was entitled, namely:  
11 Failed to disclose to the insurance company that Monarch Medical  
12 Management had paid Steven?s Pharmacy a Flat Fee for  
13 manufacturing each compound cream and that the claims submitted  
14 to the insurance company by Monarch were not the actual claims  
15 submitted by Stevens Pharmacy..

16 COUNT 18: On or about and between April 04, 2013 and September  
17 05, 2014, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, MERVYN MILLER and CHARLES TERRENCE  
19 BONNER, with the intent to defraud, did unlawfully conceal and  
20 knowingly fail to disclose, and did knowingly assist with  
21 another person to conceal and fail to disclose the occurrence of  
22 an event and a fact that affected the initial and continued  
23 material right and entitlement of ZURICH INSURANCE to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which ZURICH INSURANCE was entitled, namely:  
26 Failed to disclose to the insurance company that Monarch Medical  
27 Management had paid Steven?s Pharmacy a Flat Fee for  
28 manufacturing each compound cream and that the claims submitted  
to the insurance company by Monarch were not the actual claims  
submitted by Stevens Pharmacy..

ENHANCEMENT(S)

As to Count(s) 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,  
17 and 18, it is further alleged pursuant to Penal Code section  
12022.6(a)(3) (PROPERTY DAMAGE OVER \$1,300,000), that MERVYN  
MILLER and CHARLES TERRENCE BONNER intentionally took, damaged,  
and destroyed property valued in excess of one million three  
hundred thousand dollars (\$1,300,000) during the commission and  
attempted commission of the above offense.

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1 It is further alleged pursuant to Penal Code section 186.11(a)  
2 (1)/(2) (AGGRAVATED WHITE COLLAR CRIME - OVER \$500,000), that as  
3 to counts 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17  
4 and 18, defendants MERVYN MILLER and CHARLES TERRENCE BONNER  
5 engaged in a pattern of related fraudulent felony conduct  
6 involving the taking of more than five hundred thousand dollars  
7 (\$500,000).

6 As to Count(s) 2 and 3, it is further alleged pursuant to Penal  
7 Code section 12022.6(a)(2) (PROPERTY LOSS OVER \$200,000), that  
8 MERVYN MILLER and CHARLES TERRENCE BONNER intentionally took,  
9 damaged, and destroyed property valued in excess of two hundred  
10 thousand dollars (\$200,000) during the commission and attempted  
11 commission of the above offense.

11 I declare under penalty of perjury, on information and belief,  
12 that the foregoing is true and correct.

13 Dated 04-03-2017 at Orange County, California.  
14 KS/AC 17F00351

15 TONY RACKAUCKAS, DISTRICT ATTORNEY

16  
17 by: /s/ SHADDI KAMIABIPOUR  
18 SHADDI KAMIABIPOUR, Deputy District Attorney

19 RESTITUTION CLAIMED  
20 [ ] None  
21 [ ] \$ \_\_\_\_\_  
22 [ X ] To be determined

23 BAIL RECOMMENDATION:  
24 MERVYN MILLER - \$ 500,000.00  
25 CHARLES TERRENCE BONNER - \$ 500,000.00

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NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:11 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0816**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 JONATHAN LOUIS COHEN 06/10/59 ) OCDA WC16070011  
12 A8409917 )  
13 JOHN JOSEPH CASEY JR 08/31/51 )  
14 S0586107 )  
15 AKA JOHN JOSEPH CASEY )  
16 JOHN J CASEY )  
17 MOHAMED ADLY IBRAHIM 10/25/76 )  
18 B8127049 )  
19 AKA MOHAMED IBRAHIM )  
20 WILLIAM LOUIS PISTEL 10/05/63 )  
21 D2574900 )  
22 AKA WILLIAM PISTEL )  
23 )  
24 Defendant(s))

21 The Orange County District Attorney charges that in Orange  
22 County, California, the law was violated as follows:

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1 COUNT 1: On or about and between August 12, 2012 and August 12,  
2 2015, in violation of Section 550(a)(6) of the Penal Code  
3 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY,  
4 JONATHAN LOUIS COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM  
5 and WILLIAM LOUIS PISTEL did unlawfully conspire with Conspired  
6 with Tanya Moreland King and Christopher King and other Unknown  
7 individuals., with the intent to defraud, to make a false and  
8 fraudulent claim to Workers compensation Insurance Carriers in  
9 California for payment of a health care benefit in an amount  
exceeding nine hundred fifty dollars (\$950). It is further  
alleged that pursuant to and for the purpose of carrying out the  
objects and purposes of the conspiracy, one and more of the  
conspirators committed the following overt acts:

10 OVERT ACT 1

11 On or about August 14, 2012, Defendants John Casey M.D.,  
12 Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D.  
13 and their clinic, Stanislaus Orthopedic and Sports Medicine  
14 Clinic, entered into an agreement with Tanya Moreland King,  
15 Christopher King and their Companies King Medical Management  
Inc., and Monarch Medical Group Inc.

16 OVERT ACT 2

17 King Medical Management formulated and paid for a 3-day supply  
18 of the compound transdermal creams manufactured by Steven's  
19 Pharmacy, located in Costa Mesa, in the County of Orange, and  
20 arranged for Steven's Pharmacy to ship these creams to  
21 Defendants John Casey M.D., Jonathan Cohen, M.D. William,  
22 Pistel, D.O., Ibrahim Mohamed M.D. at their clinic, Stanislaus  
Orthopedic and Sports Medicine Clinic

23 OVERT ACT 3

24 Defendants John Casey M.D., Jonathan Cohen, M.D. William,  
25 Pistel, D.O., Ibrahim Mohamed M.D., prescribed the transdermal  
26 compound creams manufactured by Steven's Pharmacy to his workers  
compensation patients.

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OVERT ACT 4

Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. did not customize these compound transdermal creams to each workers compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D., then provided the billing information for each workers compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from their clinic.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$15.

OVERT ACT 7

King Medical Management Inc., gave Stanislaus Ortho & Sports Medicine Clinic, \$100 or 95% of the profits from the amount collected from the workers compensation carrier for the 3-day supply.

OVERT ACT 8

In return for the money they received from the billing on the 3-day supply of the transdermal creams, Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. were also required to write a prescription for the 30-day supply of transdermal compound creams which was shipped to their workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

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OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. prescribed to their patients, on 2/19/15, each signed a letter that Monarch Medical Group provided to him, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. patients, and cost Monarch Medical Management only \$60 per compound cream to manufacture.

OVERT ACT 11

Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to their workers compensation patients in return for financial consideration.

OVERT ACT 12

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. at their Clinic, Stanislaus Ortho and Sports Medicine Clinic.

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OVERT ACT 13

Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D., subjected their patients to a Urine Toxicology Test at their clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a qualitative test to One Source Labs per their agreement with Monarch Medical Group.

OVERT ACT 14

Monarch Medical Group then billed workers compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 80% of the profit on the amounts collected to Stanislaus Ortho & Sports Medicine Clinic.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs then billed workers compensation carriers in excess of \$700 for these quantitative tests.

OVERT ACT 17

Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. also entered into an agreement with Monarch Medical Group to distribute the oral medications that Monarch purchased from NuCare Pharmaceuticals located in the City of Orange, County of Orange.

OVERT ACT 18

Between 10/8/12 and 3/10/15, Monarch Medical Group paid Stanislaus Ortho and Sports Medicine Clinic, 80% of the profits on the net amounts collected from workers compensation carriers for distribution of the oral medications purchased by NuCare.

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OVERT ACT 19

On 3/10/15, Defendants John Casey M.D., Jonathan Cohen, M.D. William, Pistel, D.O., Ibrahim Mohamed M.D. also entered into an agreement with Monarch Medical Group to distribute the oral medications that Monarch purchased from A S Medication Solutions located in County of Orange.

OVERT ACT 20

Between 3/10/15 and 8/12/15, Monarch Medical Group paid Stanislaus Ortho and Sports Medicine Clinic, 80% of the profits on the net amounts collected from workers compensation carriers for distribution of the oral medications purchased by A S Medication Solutions located in the County of Orange.

OVERT ACT 21

Between 8/14/12 and 8/12/15, Monarch Medical Group and King Medical Management, paid Stanislaus Orthopedic and Sports Medicine Clinic in excess of \$248,000, and at least one check was issued on 8/12/15 in the amount of \$4714.98 and on check # 6910.

COUNT 2: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

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1 COUNT 3: On or about and between April 15, 2014 and January 15,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL did  
5 unlawfully solicit, accept, and refer business to and from King  
6 Medical Management Inc. and Monarch Medical Group Inc., with the  
7 knowledge that, and with reckless disregard for whether King  
8 Medical Management Inc. and Monarch Medical Group Inc. intended  
9 to violate Penal Code section 550 and Insurance Code section  
10 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

8 COUNT 4: On or about and between April 04, 2014 and August 12,  
9 2015, in violation of Section 650 of the Business & Professions  
10 Code (REBATES FOR PATIENT REFERRALS), a FELONY, JONATHAN LOUIS  
11 COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM  
12 LOUIS PISTEL, a person licensed under the Healing Arts Division  
13 of this Code and the Chiropractic Initiative Act, did unlawfully  
14 offer, deliver, receive, and accept any rebate, refund,  
15 commission, preference, patronage dividend, discount, and other  
16 consideration as compensation and inducement for referring  
17 patients, clients, and customers to Tanya Moreland King and her  
18 Business One Source Labs and King Medical Management Inc.

16 COUNT 5: On or about and between April 04, 2014 and August 12,  
17 2015, in violation of Section 650 of the Business & Professions  
18 Code (REBATES FOR PATIENT REFERRALS), a FELONY, JONATHAN LOUIS  
19 COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM  
20 LOUIS PISTEL, a person licensed under the Healing Arts Division  
21 of this Code and the Chiropractic Initiative Act, did unlawfully  
22 offer, deliver, receive, and accept any rebate, refund,  
23 commission, preference, patronage dividend, discount, and other  
24 consideration as compensation and inducement for referring  
25 patients, clients, and customers to Tanya Moreland King and her  
26 Business Monarch Medical Group.

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1 COUNT 6: On or about and between April 14, 2014 and August 12,  
2 2015, in violation of Section 650 of the Business & Professions  
3 Code (REBATES FOR PATIENT REFERRALS), a FELONY, JONATHAN LOUIS  
4 COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM  
5 LOUIS PISTEL, a person licensed under the Healing Arts Division  
6 of this Code and the Chiropractic Initiative Act, did unlawfully  
7 offer, deliver, receive, and accept any rebate, refund,  
8 commission, preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to Steven's Pharmacy and Tanya  
Moreland King and her Business Monarch Medical Group Inc.

9 COUNT 7: On or about and between January 15, 2015 and August  
10 12, 2015, in violation of Section 650 of the Business &  
11 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
12 JONATHAN LOUIS COHEN, JOHN JOSEPH CASEY JR, MOHAMED ADLY IBRAHIM  
13 and WILLIAM LOUIS PISTEL, a person licensed under the Healing  
14 Arts Division of this Code and the Chiropractic Initiative Act,  
15 did unlawfully offer, deliver, receive, and accept any rebate,  
16 refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to Steven's Pharmacy  
and Tanya Moreland King and her Business Monarch Medical Group  
Inc.

17 COUNT 8: On or about and between April 04, 2013 and August 26,  
18 2013, in violation of Section 550(b)(3) of the Penal Code  
19 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
20 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
21 the intent to defraud, did unlawfully conceal and knowingly  
22 fail to disclose, and did knowingly assist with another person  
23 to conceal and fail to disclose the occurrence of an event and a  
24 fact that affected the initial and continued material right and  
25 entitlement of Allianz to an insurance benefit and payment, and  
26 to the amount of a benefit and payment to which Allianz was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe oral medications,  
Compound Creams and Urine Toxicology Tests to his workers  
compensation patients.

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1 COUNT 9: On or about and between April 04, 2013 and June 04,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of AIG to an insurance benefit and payment, and to  
10 the amount of a benefit and payment to which AIG was entitled,  
11 namely: Defendant had a financial interest in and received  
12 financial incentives to prescribe oral medications, Compound  
13 Creams and Urine Toxicology Tests to his workers compensation  
14 patients.

15 COUNT 10: On or about and between April 04, 2013 and September  
16 22, 2015, in violation of Section 550(b)(3) of the Penal Code  
17 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
18 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
19 the intent to defraud, did unlawfully conceal and knowingly  
20 fail to disclose, and did knowingly assist with another person  
21 to conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of California Insurance Co. Applied Underwriters to  
24 an insurance benefit and payment, and to the amount of a benefit  
25 and payment to which California Insurance Co. Applied  
26 Underwriters was entitled, namely: Defendant had a financial  
27 interest in and received financial incentives to prescribe oral  
28 medications, Compound Creams and Urine Toxicology Tests to his  
workers compensation patients.

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1 COUNT 11: On or about and between April 15, 2014 and January  
2 15, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of Berkshire Hathaway Homestead Companies to an  
10 insurance benefit and payment, and to the amount of a benefit  
11 and payment to which Berkshire Hathaway Homestead Companies was  
12 entitled, namely: Defendant had a financial interest in and  
13 received financial incentives to prescribe Compound Creams and  
14 Urine Toxicology Tests to his workers compensation patients.

11 COUNT 12: On or about and between April 04, 2013 and May 28,  
12 2014, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
14 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
15 the intent to defraud, did unlawfully conceal and knowingly  
16 fail to disclose, and did knowingly assist with another person  
17 to conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of Employers to an insurance benefit and payment,  
20 and to the amount of a benefit and payment to which Employers  
21 was entitled, namely: Defendant had a financial interest in and  
22 received financial incentives to prescribe oral medications,  
23 Compound Creams and Urine Toxicology Tests to his workers  
24 compensation patients.

21 COUNT 13: On or about and between April 04, 2013 and January  
22 21, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
24 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
25 the intent to defraud, did unlawfully conceal and knowingly  
26 fail to disclose, and did knowingly assist with another person  
27 to conceal and fail to disclose the occurrence of an event and a  
28 fact that affected the initial and continued material right and  
entitlement of Farmers Insurance to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
Farmers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe Compound Creams and Urine Toxicology Tests to his  
workers compensation patients.

1 COUNT 14: On or about and between April 04, 2013 and September  
2 16, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of ICW to an insurance benefit and payment, and to  
10 the amount of a benefit and payment to which ICW was entitled,  
11 namely: Defendant had a financial interest in and received  
12 financial incentives to prescribe Compound Creams and oral  
13 medication and to order Urine Toxicology Tests to his workers  
14 compensation patients.

11 COUNT 15: On or about and between April 04, 2013 and August 24,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
14 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
15 the intent to defraud, did unlawfully conceal and knowingly  
16 fail to disclose, and did knowingly assist with another person  
17 to conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of Liberty Mutual Insurance to an insurance benefit  
20 and payment, and to the amount of a benefit and payment to which  
21 Liberty Mutual Insurance was entitled, namely: Defendant had a  
22 financial interest in and received financial incentives to  
23 prescribe compound creams and oral medications and to order  
24 Urine Toxicology Tests to his workers compensation patients.

21 COUNT 16: On or about and between April 04, 2013 and May 04,  
22 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
24 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
25 the intent to defraud, did unlawfully conceal and knowingly  
26 fail to disclose, and did knowingly assist with another person  
27 to conceal and fail to disclose the occurrence of an event and a  
28 fact that affected the initial and continued material right and  
entitlement of Markel (First Comp) to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
Markel (First Comp) was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe Compound Creams and oral  
medications to his workers compensation patients.

1 COUNT 17: On or about and between April 04, 2013 and August 24,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
10 benefit and payment, and to the amount of a benefit and payment  
11 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
12 Defendant had a financial interest in and received financial  
13 incentives to prescribe oral medications, Compound Creams and  
14 Urine Toxicology Tests to his workers compensation patients.

11 COUNT 18: On or about and between April 04, 2013 and September  
12 10, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
14 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
15 the intent to defraud, did unlawfully conceal and knowingly  
16 fail to disclose, and did knowingly assist with another person  
17 to conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of THE HARTFORD to an insurance benefit and payment,  
20 and to the amount of a benefit and payment to which THE HARTFORD  
21 was entitled, namely: Defendant had a financial interest in and  
22 received financial incentives to order Urine Toxicology Tests  
23 and prescribe Compound Creams and oral medications to his  
24 workers compensation patients.

21 COUNT 19: On or about and between April 04, 2013 and July 25,  
22 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
24 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
25 the intent to defraud, did unlawfully conceal and knowingly  
26 fail to disclose, and did knowingly assist with another person  
27 to conceal and fail to disclose the occurrence of an event and a  
28 fact that affected the initial and continued material right and  
entitlement of TRAVELERS INSURANCE to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
TRAVELERS INSURANCE was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe Compound Creams and oral  
medications to his workers compensation patients.

1 COUNT 20: On or about and between April 04, 2013 and August 24,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of TRISTAR INSURANCE GROUP to an insurance benefit  
10 and payment, and to the amount of a benefit and payment to which  
11 TRISTAR INSURANCE GROUP was entitled, namely: Defendant had a  
12 financial interest in and received financial incentives to order  
13 Urine Toxicology Tests and prescribe Compound Creams and oral  
14 medications to his workers compensation patients.

11 COUNT 21: On or about and between April 04, 2013 and April 16,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
14 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
15 the intent to defraud, did unlawfully conceal and knowingly  
16 fail to disclose, and did knowingly assist with another person  
17 to conceal and fail to disclose the occurrence of an event and a  
18 fact that affected the initial and continued material right and  
19 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
20 and payment, and to the amount of a benefit and payment to which  
21 YORK RISK SERVICE GROUP was entitled, namely: Defendant had a  
22 financial interest in and received financial incentives to order  
23 Urine Toxicology Tests and prescribe Compound Creams and oral  
24 medications to his workers compensation patients.

21 COUNT 22: On or about and between April 04, 2013 and August 24,  
22 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
24 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
25 the intent to defraud, did unlawfully conceal and knowingly  
26 fail to disclose, and did knowingly assist with another person  
27 to conceal and fail to disclose the occurrence of an event and a  
28 fact that affected the initial and continued material right and  
entitlement of ZURICH NORTH AMERICA to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
ZURICH NORTH AMERICA was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe Compound Creams and oral  
medications to his workers compensation patients.

1 COUNT 23: On or about and between April 03, 2013 and August 04,  
2 2016, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JONATHAN LOUIS COHEN, JOHN JOSEPH  
4 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL, with  
5 the intent to defraud, did unlawfully conceal and knowingly  
6 fail to disclose, and did knowingly assist with another person  
7 to conceal and fail to disclose the occurrence of an event and a  
8 fact that affected the initial and continued material right and  
9 entitlement of ZENITH to an insurance benefit and payment, and  
10 to the amount of a benefit and payment to which ZENITH was  
11 entitled, namely: Defendant had a financial interest in and  
12 received financial incentives to order Urine Toxicology Tests  
13 and prescribe Compound Creams and oral medications to his  
14 workers' compensation patients.

11 ENHANCEMENT(S)

12 As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
13 15, 16, 17, 18, 19, 20, 21, 22 and 23, it is further alleged  
14 pursuant to Penal Code section 12022.6(a)(2) (PROPERTY LOSS OVER  
15 \$200,000), that JONATHAN LOUIS COHEN, JOHN JOSEPH CASEY JR,  
16 MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL intentionally  
17 took, damaged, and destroyed property valued in excess of two  
18 hundred thousand dollars (\$200,000) during the commission and  
19 attempted commission of the above offense.

18 It is further alleged pursuant to Penal Code section 186.11(a)  
19 (1)/(3) (AGGRAVATED WHITE COLLAR CRIME - OVER \$100,000), that as  
20 to counts 1, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20,  
21 21, 22 and 23, defendants JONATHAN LOUIS COHEN, JOHN JOSEPH  
22 CASEY JR, MOHAMED ADLY IBRAHIM and WILLIAM LOUIS PISTEL engaged  
23 in a pattern of related fraudulent felony conduct involving the  
24 taking of more than one hundred thousand dollars (\$100,000) but  
25 less than five hundred thousand dollars (\$500,000).

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2 I declare under penalty of perjury, on information and belief,  
3 that the foregoing is true and correct.

4 Dated 04-03-2017 at Orange County, California.  
5 KS/MO 17F00371

6 TONY RACKAUCKAS, DISTRICT ATTORNEY

7  
8 by: /s/ SHADDI KAMIABIPOUR  
9 SHADDI KAMIABIPOUR, Deputy District Attorney

10 RESTITUTION CLAIMED

11 [ ] None  
12 [ ] \$ \_\_\_\_\_  
13 [ X ] To be determined

14 BAIL RECOMMENDATION:

15 JONATHAN LOUIS COHEN - \$ 200,000.00  
16 JOHN JOSEPH CASEY JR - \$ 200,000.00  
17 MOHAMED ADLY IBRAHIM - \$ 200,000.00  
18 WILLIAM LOUIS PISTEL - \$ 200,000.00

19 NOTICES:

20 The People request that defendant and counsel disclose, within  
21 15 days, all of the materials and information described in Penal  
22 Code section 1054.3, and continue to provide any later-acquired  
23 materials and information subject to disclosure, and without  
24 further request or order.

25 Pursuant to Welfare & Institutions Code §827 and California Rule  
26 of Court 5.552, notice is hereby given that the People will seek  
27 a court order to disseminate the juvenile case file of the  
28 defendant/minor, if any exists, to all parties in this action,  
through their respective attorneys of record, in the prosecution  
of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:05 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0795**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 CHRISTOPHER CHEN MD 08/27/61 ) OCDA WC16070011  
12 U0199616 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between October 30, 2013 and January  
17 15, 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY,  
19 CHRISTOPHER CHEN MD did unlawfully conspire with TANYA MORELAND  
20 KING AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with  
21 the intent to defraud, to make a false and fraudulent claim to  
22 WORKERS COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
24 hundred fifty dollars (\$950). It is further alleged that  
25 pursuant to and for the purpose of carrying out the objects and  
26 purposes of the conspiracy, one and more of the conspirators  
27 committed the following overt acts:

28 OVERT ACT 1

26 On or about February 15, 2014, Defendants Christopher Chen M.D.,  
27 entered into an agreement with King Medical Management Inc. and  
28 Monarch Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Christopher Chen, M.D., at his clinics.

OVERT ACT 3

Defendant Christopher Chen, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant Christopher Chen did not customize these compound transdermal creams to each workers' compensation patient and used the formulas given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Christopher Chen, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream, and did not disclose the documented paid cost, which was \$16 per cream.

OVERT ACT 7

King Medical Management Inc., gave Defendant Christopher Chen, M.D. \$75 for each 3-day supply of the compound transdermal cream distributed to his workers compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Christopher Chen, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that he prescribed to his patients, on 1/13/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Christopher Chen's patients, and cost Monarch Medical Group only \$45 per compound cream to manufacture.

OVERT ACT 11

Defendant Christopher Chen also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers compensation patients in return for financial consideration.

OVERT ACT 12

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant Christopher Chen, M.D.

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OVERT ACT 13

Defendant Christopher Chen, ordered Urine Toxicology Test for his patients at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

OVERT ACT 14

Monarch Medical Group then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave \$100 for each claim to Dr. Christopher Chen.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendant Christopher Chen then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs then billed workers' compensation carriers in excess of \$700 for these quantitative tests.

OVERT ACT 17

On October 30, 2013, Defendant Christopher Chen also entered into an agreement with Monarch Medical Group Inc. in which he agreed to dispense oral medication purchased by Monarch to his workers' compensation patients.

OVERT ACT 18

Monarch Medical Group purchased oral medication from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the medication to Defendant Christopher Chen, M.D.

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OVERT ACT 19

Once Defendant Christopher Chen dispensed the medication to his workers' compensation patients, he forwarded the patient demographics and billing information to Monarch Medical Group.

OVERT ACT 20

Monarch Medical Group then submitted claims to workers compensation carriers using the medical fee schedule and without regard to the cost of the drug dispensed at the Defendant Chen's office and gave 75% of the profit on the collection of each claim to the Defendant.

OVERT ACT 21

Defendant Christopher did not disclose to his workers' compensation patients that he financially profited from ordering the urine toxicology examination, and dispensing the Oral medication and compound transdermal creams at his clinic.

OVERT ACT 22

On and between 8/14/12 and 1/15/15, Monarch Medical Group and King Medical Management paid Defendant Christopher Chen, M.D., in excess of \$289,000, and at least one payment was for \$10,650 on 8/12/14 on check #6488.

COUNT 2: On or about and between April 15, 2014 and January 15, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, CHRISTOPHER CHEN MD did unlawfully solicit, accept, and refer business to and from KING MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC., with the knowledge that, and with reckless disregard for whether KING MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (URINE TOXICOLOGY)

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1 COUNT 3: On or about and between April 15, 2014 and September  
2 01, 2015, in violation of Section 549 of the Penal Code (FALSE  
3 AND FRAUDULENT CLAIM), a FELONY, CHRISTOPHER CHEN MD did  
4 unlawfully solicit, accept, and refer business to and from KING  
5 MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC., with the  
6 knowledge that, and with reckless disregard for whether KING  
7 MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC. intended  
8 to violate Penal Code section 550 and Insurance Code section  
9 1871.4. (COMPOUND TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY)

10 COUNT 4: On or about and between April 15, 2014 and January  
11 15, 2015, in violation of Section 650 of the Business &  
12 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
13 CHRISTOPHER CHEN MD, a person licensed under the Healing Arts  
14 Division of this Code and the Chiropractic Initiative Act, did  
15 unlawfully offer, deliver, receive, and accept any rebate,  
16 refund, commission, preference, patronage dividend, discount,  
17 and other consideration as compensation and inducement for  
18 referring patients, clients, and customers to TANYA MORELAND  
19 KING AND HER BUSINESS ONE SOURCE LABS AND KING MEDICAL  
20 MANAGEMENT INC.

21 COUNT 5: On or about and between April 15, 2014 and January  
22 15, 2015, in violation of Section 650 of the Business &  
23 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
24 CHRISTOPHER CHEN MD, a person licensed under the Healing Arts  
25 Division of this Code and the Chiropractic Initiative Act, did  
26 unlawfully offer, deliver, receive, and accept any rebate,  
27 refund, commission, preference, patronage dividend, discount,  
28 and other consideration as compensation and inducement for  
referring patients, clients, and customers to TANYA MORELAND  
KING AND HER BUSINESS ONE SOURCE LABS AND KING MEDICAL  
MANAGEMENT.

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1 COUNT 6: On or about and between April 15, 2014 and January  
2 15, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 CHRISTOPHER CHEN MD, a person licensed under the Healing Arts  
5 Division of this Code and the Chiropractic Initiative Act, did  
6 unlawfully offer, deliver, receive, and accept any rebate,  
7 refund, commission, preference, patronage dividend, discount,  
8 and other consideration as compensation and inducement for  
referring patients, clients, and customers to STEVEN'S PHARMACY  
AND TANYA MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP  
INC.

9 COUNT 7: On or about and between April 15, 2014 and January  
10 15, 2015, in violation of Section 650 of the Business &  
11 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
12 CHRISTOPHER CHEN MD, a person licensed under the Healing Arts  
13 Division of this Code and the Chiropractic Initiative Act, did  
14 unlawfully offer, deliver, receive, and accept any rebate,  
15 refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to TANYA MORELAND  
KING AND HER BUSINESS MONARCH MEDICAL GROUP INC.

16 COUNT 8: On or about and between November 29, 2013 and February  
17 16, 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of FIREMAN'S FUND INSURANCE CO. to an insurance  
24 benefit and payment, and to the amount of a benefit and payment  
25 to which FIREMAN'S FUND INSURANCE CO. was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST AND RECEIVED FINANCIAL  
INCENTIVES WHEN HE ORDERED THE URINE TOXICOLOGY TESTS,  
MEDICATION AND COMPOUND CREAMS TO HIS WORKERS' COMPENSATION  
PATIENTS.

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1 COUNT 9: On or about and between October 30, 2013 and April 28,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ZURICH to an insurance benefit and payment, and  
9 to the amount of a benefit and payment to which ZURICH was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
RECEIVED FINANCIAL INCENTIVES WHEN HE ORDERED THE URINE  
TOXICOLOGY TESTS, MEDICATION AND COMPOUND CREAMS TO HIS WORKERS'  
COMPENSATION PATIENTS

10 COUNT 10: On or about and between February 18, 2014 and  
11 February 02, 2016, in violation of Section 550(b)(3) of the  
12 Penal Code (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD,  
13 with the intent to defraud, did unlawfully conceal and  
14 knowingly fail to disclose, and did knowingly assist with  
15 another person to conceal and fail to disclose the occurrence of  
16 an event and a fact that affected the initial and continued  
17 material right and entitlement of BERKSHIRE HATHAWAY AND  
18 HOMESTEAD COMPANIES to an insurance benefit and payment, and to  
19 the amount of a benefit and payment to which BERKSHIRE HATHAWAY  
AND HOMESTEAD COMPANIES was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
ORDERED THE URINE TOXICOLOGY TESTS, MEDICATION AND COMPOUND  
CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

20 COUNT 11: On or about and between November 11, 2013 and October  
21 31, 2014, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of FARMERS INSURANCE to an insurance benefit and  
28 payment, and to the amount of a benefit and payment to which  
FARMERS INSURANCE was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
ORDERED THE URINE TOXICOLOGY TESTS, MEDICATION AND COMPOUND  
CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 12: On or about and between January 04, 2014 and January  
2 31, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ICW to an insurance benefit and payment, and to  
9 the amount of a benefit and payment to which ICW was entitled,  
10 namely: DEFENDANT HAD A FINANCIAL INTEREST AND RECEIVED  
11 FINANCIAL INCENTIVES WHEN HE ORDERED THE URINE TOXICOLOGY TESTS,  
12 MEDICATION AND COMPOUND CREAMS TO HIS WORKERS' COMPENSATION  
13 PATIENTS.

10 COUNT 13: On or about and between May 16, 2014 and June 11,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of ZENITH to an insurance benefit and payment, and  
18 to the amount of a benefit and payment to which ZENITH was  
19 entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
20 RECEIVED FINANCIAL INCENTIVES TO ORDER THE URINE TOXICOLOGY  
21 TESTS GIVEN TO HIS WORKERS' COMPENSATION PATIENTS.

19 COUNT 14: On or about and between February 14, 2014 and April  
20 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of HARTFORD INS. to an insurance benefit and  
27 payment, and to the amount of a benefit and payment to which  
28 HARTFORD INS. was entitled, namely: DEFENDANT HAD A FINANCIAL  
INTEREST AND RECEIVED FINANCIAL INCENTIVES TO ORDER THE URINE  
TOXICOLOGY TESTS GIVEN TO WORKERS' COMPENSATION PATIENTS.

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1 COUNT 15: On or about and between November 11, 2013 and April  
2 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LIBERTY MUTUAL INSURANCE to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
LIBERTY MUTUAL INSURANCE was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTERESTING AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
ORDERED THE URINE TOXICOLOGY TESTS, MEDICATION AND COMPOUND  
CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

10 COUNT 16: On or about and between July 29, 2014 and August 30,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of MARKEL (FIRST COMP) to an insurance benefit and  
18 payment, and to the amount of a benefit and payment to which  
MARKEL (FIRST COMP) was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
ORDERED THE URINE TOXICOLOGY TESTS, MEDICATION AND COMPOUND  
CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

19 COUNT 17: On or about and between April 04, 2013 and November  
20 25, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of RISK SERVICE GROUP to an insurance benefit and  
27 payment, and to the amount of a benefit and payment to which  
RISK SERVICE GROUP was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
ORDERED THE URINE TOXICOLOGY TESTS, MEDICATION AND COMPOUND  
CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 18: On or about and between November 20, 2013 and April  
2 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRAVELERS to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which TRAVELERS  
10 was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
11 RECEIVED FINANCIAL INCENTIVES WHEN HE ORDERED THE URINE  
12 TOXICOLOGY TESTS, MEDICATION AND COMPOUND CREAMS TO HIS WORKERS'  
13 COMPENSATION PATIENTS.

14 COUNT 19: On or about and between October 30, 2013 and April  
15 30, 2015, in violation of Section 550(b)(3) of the Penal Code  
16 (INSURANCE FRAUD), a FELONY, CHRISTOPHER CHEN MD, with the  
17 intent to defraud, did unlawfully conceal and knowingly fail to  
18 disclose, and did knowingly assist with another person to  
19 conceal and fail to disclose the occurrence of an event and a  
20 fact that affected the initial and continued material right and  
21 entitlement of ZURICH to an insurance benefit and payment, and  
22 to the amount of a benefit and payment to which ZURICH was  
23 entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
24 RECEIVED FINANCIAL INCENTIVES WHEN HE ORDERED THE URINE  
25 TOXICOLOGY TESTS, MEDICATION AND COMPOUND CREAMS TO HIS WORKERS'  
26 COMPENSATION PATIENTS.

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As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
15, 16, 17, 18 and 19, it is further alleged pursuant to Penal  
Code section 12022.6(a)(2) (PROPERTY LOSS OVER \$200,000), that  
CHRISTOPHER CHEN MD intentionally took, damaged, and destroyed  
property valued in excess of two hundred thousand dollars  
(\$200,000) during the commission and attempted commission of the  
above offense.

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1 It is further alleged pursuant to Penal Code section 186.11(a)  
2 (1)/(3) (AGGRAVATED WHITE COLLAR CRIME - OVER \$100,000), that as  
3 to counts 1, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19,  
4 defendant CHRISTOPHER CHEN MD engaged in a pattern of related  
5 fraudulent felony conduct involving the taking of more than one  
6 hundred thousand dollars (\$100,000) but less than five hundred  
7 thousand dollars (\$500,000).

6 I declare under penalty of perjury, on information and belief,  
7 that the foregoing is true and correct.

8 Dated 04-03-2017 at Orange County, California.  
9 KS/AC 17F00366

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11 TONY RACKAUCKAS, DISTRICT ATTORNEY

12 by: /s/ SHADDI KAMIABIPOUR

13 SHADDI KAMIABIPOUR, Deputy District Attorney

14 RESTITUTION CLAIMED

15 [ ] None

16 [ ] \$ \_\_\_\_\_

17 [ X ] To be determined

18 BAIL RECOMMENDATION:

19 CHRISTOPHER CHEN MD - \$ 200,000.00  
20

21 NOTICES:

22 The People request that defendant and counsel disclose, within  
23 15 days, all of the materials and information described in Penal  
24 Code section 1054.3, and continue to provide any later-acquired  
25 materials and information subject to disclosure, and without  
26 further request or order.

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Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:03 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0810**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 DUKE AHN 05/26/67 ) OCDA WC16070011  
12 B9405990 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between February 14, 2014 and  
17 September 01, 2015, in violation of Section 550(a)(6) of the  
18 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a  
19 FELONY, DUKE AHN did unlawfully conspire with TANYA MORELAND  
20 KING AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with  
21 the intent to defraud, to make a false and fraudulent claim to  
22 WORKERS' COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
24 hundred fifty dollars (\$950). It is further alleged that  
25 pursuant to and for the purpose of carrying out the objects and  
26 purposes of the conspiracy, one and more of the conspirators  
27 committed the following overt acts:

24 OVERT ACT 1

26 On or about 5/1/13, Defendants Duke Ahn M.D., entered into an  
27 agreement with Tanya Moreland King, Christopher King and their  
28 companies, King Medical Management Inc. and Monarch Medical  
Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Duke Ahn, M.D.

OVERT ACT 3

Defendant Duke Ahn, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers compensation patients.

OVERT ACT 4

Defendant Duke Ahn did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Duke Ahn, M.D., then provided the billing information for each workers compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., paid Defendant Duke Ahn, M.D. 80% of the profits from the amount collected from the workers compensation carrier for each of the 3-day of the compound creams he dispensed to his workers compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Duke Ahn, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant Duke Ahn, MD, prescribed to his patients, he signed a letter, dated 1/20/2015, that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Duke Ahn's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 11

On or about 8/5/14, Defendant Duke Ahn. M.D. also entered into an agreement with King Medical Management and One Source Labs Inc., companies owned by Christopher King and Tanya Moreland King, in which he agreed to order Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Defendant Duke Ahn M.D. subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with King Medical Management.

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OVERT ACT 13

King Medical Management billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 80% of the profit on the amounts collected to Defendant Duke Ahn, M.D.

OVERT ACT 14

On or about July 1, 2013, Defendant Duke Ahn, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from NuCare Pharmaceuticals, located in the City of Orange, In the County of Orange.

OVERT ACT 15

Monarch paid 80 percent of the net receivable collected from workers' compensation carriers to Defendant Duke Ahn, M.D. for the medications he dispensed to his workers' compensation patients which were supplied by NuCare Pharmaceuticals, in the City of Orange.

OVERT ACT 16

On or about 4/29/2014, Defendant Duke Ahn entered into an agreement with King Medical Management to dispense "Active Kits" which Monarch purchased from NuCare Pharmaceuticals, in Orange, to Defendant Duke Ahn's workers' compensation patients.

OVERT ACT 17

Defendant Duke Ahn dispensed the "Active Kits", shared the patient demographics and billing information with Monarch, who billed workers compensation insurance carriers and shared 80% of the profit from the payments received from workers' compensation carriers with Defendant Duke Ahn.

OVERT ACT 18

On or about February 19, 2015, Defendant Duke Ahn, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, doing business in the City of Costa Mesa, in the County of Orange.

OVERT ACT 19

Monarch paid 80 percent of the net receivable collected from workers' compensation carriers to Defendant Duke Ahn, M.D. for the medications he dispensed to his workers' compensation patients which were supplied to him directly by A S Medication Solutions, in the City of Costa Mesa.

OVERT ACT 20

Between 11/12/14 and 8/12/15, Christopher King and Tanya Moreland King, through their companies, Monarch Medical Group and King Medical Management, paid Defendant Duke Ahn in excess of \$80,114 and at least one payment was issued in the amount of \$1,079.37 on 6/11/15 on Check # 6832.

COUNT 2: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

COUNT 3: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

COUNT 4: On or about and between April 04, 2014 and February 19, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (For Medication Monarch purchased from NuCare Pharmaceuticals)



1 COUNT 5: On or about and between February 19, 2015 and  
2 September 09, 2015, in violation of Section 549 of the Penal  
3 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did  
4 unlawfully solicit, accept, and refer business to and from  
5 Monarch Medical Group Inc., with the knowledge that, and with  
6 reckless disregard for whether Monarch Medical Group Inc.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (For Medication Monarch purchased from NuCare  
Pharmaceuticals)

7  
8 COUNT 6: On or about and between September 04, 2014 and August  
9 12, 2015, in violation of Section 549 of the Penal Code (FALSE  
10 AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully  
11 solicit, accept, and refer business to and from Monarch Medical  
12 Group Inc., with the knowledge that, and with reckless disregard  
for whether Monarch Medical Group Inc. intended to violate Penal  
Code section 550 and Insurance Code section 1871.4. (For Active  
Kits purchased from NuCare)

13  
14 COUNT 7: On or about and between April 04, 2014 and August 12,  
15 2015, in violation of Section 650 of the Business & Professions  
16 Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE AHN, a  
17 person licensed under the Healing Arts Division of this Code and  
18 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
19 receive, and accept any rebate, refund, commission, preference,  
20 patronage dividend, discount, and other consideration as  
compensation and inducement for referring patients, clients, and  
customers to Tanya Moreland King and her Business One Source  
Labs and King Medical Management Inc..

21  
22 COUNT 8: On or about and between April 04, 2014 and August 12,  
23 2015, in violation of Section 650 of the Business & Professions  
24 Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE AHN, a  
25 person licensed under the Healing Arts Division of this Code and  
26 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
27 receive, and accept any rebate, refund, commission, preference,  
patronage dividend, discount, and other consideration as  
compensation and inducement for referring patients, clients, and  
customers to Tanya Moreland King and her Business Monarch  
Medical Group and King Medical Management.

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1 COUNT 9: On or about and between April 04, 2014 and September  
2 01, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE  
4 AHN, a person licensed under the Healing Arts Division of this  
5 Code and the Chiropractic Initiative Act, did unlawfully offer,  
6 deliver, receive, and accept any rebate, refund, commission,  
7 preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to Steven's Pharmacy, Tanya  
Moreland King and her Business Monarch Medical Group Inc..

8 COUNT 10: On or about and between July 23, 2013 and February  
9 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
10 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
11 defraud, did unlawfully conceal and knowingly fail to disclose,  
12 and did knowingly assist with another person to conceal and fail  
13 to disclose the occurrence of an event and a fact that affected  
14 the initial and continued material right and entitlement of  
15 Allianz to an insurance benefit and payment, and to the amount  
16 of a benefit and payment to which Allianz was entitled, namely:  
Defendant had a financial interest in and received financial  
incentives to prescribe Compound Creams, Oral Medications and  
Urine Toxicology Tests to his workers' compensation patients..

17 COUNT 11: On or about and between May 13, 2013 and March 20,  
18 2015, in violation of Section 550(b)(3) of the Penal Code  
19 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
20 defraud, did unlawfully conceal and knowingly fail to disclose,  
21 and did knowingly assist with another person to conceal and fail  
22 to disclose the occurrence of an event and a fact that affected  
23 the initial and continued material right and entitlement of  
24 California Insurance Company Applied Underwriters. to an  
25 insurance benefit and payment, and to the amount of a benefit  
and payment to which California Insurance Company Applied  
Underwriters. was entitled, namely: Defendant had a financial  
interest in and received financial incentives to prescribe  
Compound Creams, Oral Medications and Urine Toxicology Tests to  
his workers' compensation patients..

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1 COUNT 12: On or about and between May 03, 2013 and August 15,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 Disneyland (WDW Entertainment) to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Disneyland (WDW Entertainment) was entitled, namely: Defendant  
11 had a financial interest in and received financial incentives to  
12 prescribe oral medications and compound creams and to Order  
13 Urine Toxicology Tests to his workers' compensation patients..

10 COUNT 13: On or about and between May 09, 2013 and February 13,  
11 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of  
17 Employers Insurance to an insurance benefit and payment, and to  
18 the amount of a benefit and payment to which Employers Insurance  
19 was entitled, namely: Defendant had a financial interest in and  
20 received financial incentives to prescribe oral medications and  
21 compound creams and to Order Urine Toxicology Tests to his  
22 workers' compensation patients..

19 COUNT 14: On or about and between October 02, 2013 and June 25,  
20 2014, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
22 defraud, did unlawfully conceal and knowingly fail to disclose,  
23 and did knowingly assist with another person to conceal and fail  
24 to disclose the occurrence of an event and a fact that affected  
25 the initial and continued material right and entitlement of  
26 Farmers Insurance to an insurance benefit and payment, and to  
27 the amount of a benefit and payment to which Farmers Insurance  
28 was entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe compound creams and  
to Order Urine Toxicology Tests to his workers' compensation  
patients. (Patient: Shin S..

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1 COUNT 15: On or about and between November 12, 2013 and January  
2 29, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of The  
8 Hartford to an insurance benefit and payment, and to the amount  
9 of a benefit and payment to which The Hartford was entitled,  
10 namely: Defendant had a financial interest in and received  
11 financial incentives to order Urine Toxicology Tests and  
12 prescribed Compound Creams and oral medication to his workers'  
13 compensation patients. (Patient Edin D.).

10 COUNT 16: On or about and between May 09, 2013 and July 24,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of  
17 TRISTAR Insurance Group to an insurance benefit and payment, and  
18 to the amount of a benefit and payment to which TRISTAR  
19 Insurance Group was entitled, namely: Defendant had a financial  
20 interest in and received financial incentives to prescribe oral  
21 medication and to order Urine Toxicology Tests to his workers'  
22 compensation patients..

19 COUNT 17: On or about and between July 10, 2014 and July 16,  
20 2014, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to  
22 defraud, did unlawfully conceal and knowingly fail to disclose,  
23 and did knowingly assist with another person to conceal and fail  
24 to disclose the occurrence of an event and a fact that affected  
25 the initial and continued material right and entitlement of  
26 Zurich Insurance to an insurance benefit and payment, and to the  
27 amount of a benefit and payment to which Zurich Insurance was  
28 entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe to order Urine  
Toxicology Tests to his workers' compensation patients. (Patient  
Mathias S.).

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17, it is further alleged pursuant to Penal Code section 12022.6(a)(1) (PROPERTY DAMAGE/LOSS OVER \$65,000), that DUKE AHN intentionally took, damaged, and destroyed property valued in excess of sixty-five thousand dollars (\$65,000) during the commission and attempted commission of the above offense.

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00362

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

DUKE AHN - \$ 65,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

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Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:37 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0805**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 EDUARDO LIN 04/21/61 ) OCDA WC16070011  
12 A4758466 ) OCDA WC15040015  
13 AKA EDUARDO I TING LIN ) OCDA HF12110001  
14 EDUARDO I LIN )  
Defendant(s))

15 The Orange County District Attorney charges that in Orange  
16 County, California, the law was violated as follows:

17 COUNT 1: On or about and between February 14, 2014 and  
18 September 01, 2015, in violation of Section 550(a)(6) of the  
19 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a  
20 FELONY, EDUARDO LIN did unlawfully conspire with TANYA MORELAND  
21 KING AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with  
22 the intent to defraud, to make a false and fraudulent claim to  
23 WORKERS' COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
24 payment of a health care benefit in an amount exceeding nine  
25 hundred fifty dollars (\$950). It is further alleged that  
pursuant to and for the purpose of carrying out the objects and  
26 purposes of the conspiracy, one and more of the conspirators  
27 committed the following overt acts:

28 OVERT ACT 1

On or about February 14, 2014, Defendants Eduardo Lin M.D.,  
entered into an agreement with King Medical Management Inc. and  
Monarch Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Eduardo Lin, M.D., at his Clinic Oasis Pain and Wellness Center.

OVERT ACT 3

Defendant Eduardo Lin, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant Eduardo Lin did not customize these compound transdermal creams to each workers compensation patient and used the formulas given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Eduardo Lin, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$200 per cream even though the cream only cost \$15.

OVERT ACT 7

King Medical Management Inc., gave Defendant Eduardo Lin, M.D. 90% of the profits from the amount collected from the workers compensation carrier for the 3-day supply.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Eduardo Lin, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which was shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that he prescribed to his patients, on 1/26/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Eduardo Lin's patients, and cost Monarch Medical Management only \$40 per compound cream to manufacture.

OVERT ACT 11

Defendant Eduardo Lin also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant Eduardo Lin, M.D.

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OVERT ACT 13

Defendant Eduardo Lin, subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

OVERT ACT 14

Monarch Medical Group then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Dr. Eduardo Lin.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendant Eduardo Lin then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs then billed workers compensation carriers in excess of \$700 for these quantitative tests.

OVERT ACT 17

On and between 05-06-14 and 08-12-15, Monarch Medical Group and King Medical Management paid Defendant EDUARDO LIN, M.D., in excess of \$169,000.

COUNT 2: On or about and between April 14, 2014 and September 01, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, EDUARDO LIN and his company Oasis Pain and Wellness Center did unlawfully solicit, accept, and refer business to and from KING MEDICAL MANAGEMENT INC. AND ONE SOURCE LABS INC., with the knowledge that, and with reckless disregard for whether KING MEDICAL MANAGEMENT INC. AND ONE SOURCE LABS INC. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (URINE TOXICOLOGY)

1 COUNT 3: On or about and between April 14, 2014 and September  
2 01, 2015, in violation of Section 549 of the Penal Code (FALSE  
3 AND FRAUDULENT CLAIM), a FELONY, EDUARDO LIN and his company  
4 Oasis Pain and Wellness Center did unlawfully solicit, accept,  
5 and refer business to and from KING MEDICAL MANAGEMENT INC. AND  
6 ONE SOURCE LABS INC., with the knowledge that, and with reckless  
7 disregard for whether KING MEDICAL MANAGEMENT INC. AND ONE  
8 SOURCE LABS INC. intended to violate Penal Code section 550 and  
9 Insurance Code section 1871.4. (COMPOUND TRANSDERMAL CREAMS FROM  
10 STEVEN'S PHARMACY)

11 COUNT 4: On or about and between May 06, 2014 and December 11,  
12 2014, in violation of Section 650 of the Business & Professions  
13 Code (REBATES FOR PATIENT REFERRALS), a FELONY, EDUARDO LIN, a  
14 person licensed under the Healing Arts Division of this Code and  
15 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
16 receive, and accept any rebate, refund, commission, preference,  
17 patronage dividend, discount, and other consideration as  
18 compensation and inducement for referring patients, clients, and  
19 customers to TANYA MORELAND KING AND HER BUSINESS ONE SOURCE  
20 LABS AND KING'S MEDICAL MANAGEMENT INC..

21 COUNT 5: On or about and between January 15, 2015 and August  
22 12, 2015, in violation of Section 650 of the Business &  
23 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
24 EDUARDO LIN, a person licensed under the Healing Arts Division  
25 of this Code and the Chiropractic Initiative Act, did unlawfully  
26 offer, deliver, receive, and accept any rebate, refund,  
27 commission, preference, patronage dividend, discount, and other  
28 consideration as compensation and inducement for referring  
patients, clients, and customers to TANYA MORELAND KING AND HER  
BUSINESS ONE SOURCE LABS AND KING MEDICAL MANAGEMENT.

29 COUNT 6: On or about and between May 06, 2014 and December 11,  
30 2014, in violation of Section 650 of the Business & Professions  
31 Code (REBATES FOR PATIENT REFERRALS), a FELONY, EDUARDO LIN, a  
32 person licensed under the Healing Arts Division of this Code and  
33 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
34 receive, and accept any rebate, refund, commission, preference,  
35 patronage dividend, discount, and other consideration as  
36 compensation and inducement for referring patients, clients, and  
37 customers to STEVEN'S PHARMACY AND TANYA MORELAND KING AND HER  
38 BUSINESS MONARCH MEDICAL GROUP INC..

1 COUNT 7: On or about and between January 15, 2015 and August  
2 12, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 EDUARDO LIN, a person licensed under the Healing Arts Division  
5 of this Code and the Chiropractic Initiative Act, did unlawfully  
6 offer, deliver, receive, and accept any rebate, refund,  
7 commission, preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to STEVEN'S PHARMACY AND TANYA  
MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC..

8 COUNT 8: On or about and between February 26, 2014 and May 15,  
9 2015, in violation of Section 550(b)(3) of the Penal Code  
10 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
11 defraud, did unlawfully conceal and knowingly fail to disclose,  
12 and did knowingly assist with another person to conceal and fail  
13 to disclose the occurrence of an event and a fact that affected  
14 the initial and continued material right and entitlement of  
15 BERKSHIRE HATHAWAY HOMESTEAD COMPANIES to an insurance benefit  
16 and payment, and to the amount of a benefit and payment to which  
17 BERKSHIRE HATHAWAY HOMESTEAD COMPANIES was entitled, namely:  
18 DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
19 INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND URINE TOXICOLOGY  
20 TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

21 COUNT 9: On or about and between February 25, 2014 and October  
22 24, 2014, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
24 defraud, did unlawfully conceal and knowingly fail to disclose,  
25 and did knowingly assist with another person to conceal and fail  
26 to disclose the occurrence of an event and a fact that affected  
27 the initial and continued material right and entitlement of  
28 FARMERS INSURANCE to an insurance benefit and payment, and to  
the amount of a benefit and payment to which FARMERS INSURANCE  
was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
RECEIVED FINANCIAL INCENTIVES TO ORDER THE URINE TOXICOLOGY  
TESTS GIVEN TO WORKERS' COMPENSATION PATIENTS.

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1 COUNT 10: On or about and between March 06, 2014 and March 20,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of ICW  
8 to an insurance benefit and payment, and to the amount of a  
9 benefit and payment to which ICW was entitled, namely: DEFENDANT  
10 HAD A FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES TO  
11 ORDER THE URINE TOXICOLOGY TESTS GIVEN TO WORKERS' COMPENSATION  
12 PATIENTS.

9  
10 COUNT 11: On or about and between February 24, 2014 and  
11 September 30, 2015, in violation of Section 550(b)(3) of the  
12 Penal Code (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of LIBERTY MUTUAL INSURANCE to an insurance benefit  
18 and payment, and to the amount of a benefit and payment to which  
19 LIBERTY MUTUAL INSURANCE was entitled, namely: DEFENDANT HAD A  
20 FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES TO ORDER  
21 THE URINE TOXICOLOGY TESTS GIVEN TO WORKERS' COMPENSATION  
22 PATIENTS.

19  
20 COUNT 12: On or about and between March 14, 2014 and September  
21 05, 2015, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
23 defraud, did unlawfully conceal and knowingly fail to disclose,  
24 and did knowingly assist with another person to conceal and fail  
25 to disclose the occurrence of an event and a fact that affected  
26 the initial and continued material right and entitlement of  
27 MARKET (FIRST COMP) to an insurance benefit and payment, and to  
28 the amount of a benefit and payment to which MARKET (FIRST COMP)  
was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND  
URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 13: On or about and between February 26, 2014 and October  
2 01, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 PACIFIC COMPENSATION INSURANCE CO. to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 PACIFIC COMPENSATION INSURANCE CO. was entitled, namely:  
11 DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
12 INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND URINE TOXICOLOGY  
13 TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

14 COUNT 14: On or about and between March 01, 2014 and November  
15 10, 2015, in violation of Section 550(b)(3) of the Penal Code  
16 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
17 defraud, did unlawfully conceal and knowingly fail to disclose,  
18 and did knowingly assist with another person to conceal and fail  
19 to disclose the occurrence of an event and a fact that affected  
20 the initial and continued material right and entitlement of  
21 STATE COMPENSATION INSURANCE FUND to an insurance benefit and  
22 payment, and to the amount of a benefit and payment to which  
23 STATE COMPENSATION INSURANCE FUND was entitled, namely:  
24 DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
25 INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND URINE TOXICOLOGY  
26 TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

27 COUNT 15: On or about and between February 25, 2014 and August  
28 20, 2015, in violation of Section 550(b)(3) of the Penal Code  
(INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
defraud, did unlawfully conceal and knowingly fail to disclose,  
and did knowingly assist with another person to conceal and fail  
to disclose the occurrence of an event and a fact that affected  
the initial and continued material right and entitlement of  
HARTFORD INSURANCE to an insurance benefit and payment, and to  
the amount of a benefit and payment to which HARTFORD INSURANCE  
was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND  
URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 16: On or about and between December 05, 2014 and October  
2 27, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 TOTAL HEALTH & PRODUCTIVITY MANAGEMENT to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
TOTAL HEALTH & PRODUCTIVITY MANAGEMENT was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND URINE TOXICOLOGY  
TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

10 COUNT 17: On or about and between February 24, 2014 and August  
11 31, 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of  
17 TRAVELERS INSURANCE to an insurance benefit and payment, and to  
18 the amount of a benefit and payment to which TRAVELERS INSURANCE  
was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND  
URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

19 COUNT 18: On or about and between March 14, 2014 and September  
20 05, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
22 defraud, did unlawfully conceal and knowingly fail to disclose,  
23 and did knowingly assist with another person to conceal and fail  
24 to disclose the occurrence of an event and a fact that affected  
25 the initial and continued material right and entitlement of  
26 TRISTAR INSURANCE GROUP to an insurance benefit and payment, and  
27 to the amount of a benefit and payment to which TRISTAR  
INSURANCE GROUP was entitled, namely: DEFENDANT HAD A FINANCIAL  
INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE  
COMPOUND CREAMS AND URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

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1 COUNT 19: On or about and between January 29, 2014 and October  
2 20, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, EDUARDO LIN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 ZURICH INSURANCE to an insurance benefit and payment, and to the  
9 amount of a benefit and payment to which ZURICH INSURANCE was  
10 entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
11 RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND  
12 URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

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10 ENHANCEMENT(S)

11 As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
12 15, 16, 17, 18 and 19, it is further alleged pursuant to Penal  
13 Code section 12022.6(a)(2) (PROPERTY LOSS OVER \$200,000), that  
14 EDUARDO LIN intentionally took, damaged, and destroyed property  
15 valued in excess of two hundred thousand dollars (\$200,000)  
16 during the commission and attempted commission of the above  
17 offense.

18 It is further alleged pursuant to Penal Code section 186.11(a)  
19 (1)/(3) (AGGRAVATED WHITE COLLAR CRIME - OVER \$100,000), that as  
20 to counts 1, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19,  
21 defendant EDUARDO LIN engaged in a pattern of related fraudulent  
22 felony conduct involving the taking of more than one hundred  
23 thousand dollars (\$100,000) but less than five hundred thousand  
24 dollars (\$500,000).

25 I declare under penalty of perjury, on information and belief,  
26 that the foregoing is true and correct.

27 Dated 04-03-2017 at Orange County, California.

28 KS/AC 17F00353

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR

SHADDI KAMIABIPOUR, Deputy District Attorney

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RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

EDUARDO LIN - \$ 200,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:10 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0807**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 ERIC STEPHAN SCHMIDT 08/01/53 ) OCDA WC16070011  
12 A0918610 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between July 24, 2012 and August 12,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, ERIC  
19 STEPHAN SCHMIDT did unlawfully conspire with Conspired with  
20 Tanya Moreland King and Christopher King and other Unknown  
21 individuals., with the intent to defraud, to make a false and  
22 fraudulent claim to WORKERS' COMPENSATION INSURANCE CARRIERS IN  
23 CALIFORNIA for payment of a health care benefit in an amount  
24 exceeding nine hundred fifty dollars (\$950). It is further  
25 alleged that pursuant to and for the purpose of carrying out the  
26 objects and purposes of the conspiracy, one and more of the  
27 conspirators committed the following overt acts:

28 OVERT ACT 1

26 On or about 7/24/2012, Defendants Eric Schmidt M.D., entered  
27 into an agreement with King Medical Management Inc. and Monarch  
28 Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Eric Schmidt, M.D.

OVERT ACT 3

Defendant Eric Schmidt, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant Eric Schmidt did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Eric Schmidt, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., gave Defendant Eric Schmidt, M.D. 80% of the profits from the amount collected from the workers' compensation carrier for the 3-day supply.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Eric Schmidt, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which was shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that Defendant Eric Schmidt prescribed to his patients, on 1/26/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Eric Schmidt's patients, and cost Steven's Pharmacy only \$40 per compound cream to manufacture.

OVERT ACT 11

On August 28, 2012, Defendant Eric Schmidt. M.D. also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Defendant Eric Schmidt M.D. subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

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OVERT ACT 13

Monarch Medical Group then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Dr. Eric Schmidt.

OVERT ACT 14

In return for the payment on the "Point of Care" toxicology tests, Defendant Eric Schmidt then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 15

One Source Labs then billed workers' compensation carriers in excess of \$700 for these qualitative tests.

OVERT ACT 16

On August 28, 2012, Defendant Eric Schmidt, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from NuCare Pharmaceuticals, located in the City of Orange, In the County of Orange.

OVERT ACT 17

Monarch paid 80 percent of the net receivables collected from workers' compensation carriers to Defendant Eric Schmidt, M.D. for the medications he dispensed to his workers' compensation patients which were supplied by NuCare Pharmaceuticals, in the City of Orange.

OVERT ACT 18

On February 2, 2105, Defendant Eric Schmidt, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, located in the City of Costa Mesa, In the County of Orange.

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OVERT ACT 19

Monarch paid 80 percent of the net receivables collected from workers' compensation carriers to Defendant Eric Schmidt, M.D. for the medications he dispensed to his workers' compensation patients which were supplied by A S Medication Solutions, in the City of Costa Mesa.

OVERT ACT 20

Between 9/12/12 and 8/12/15, Monarch Medical Group and King Medical Management paid Defendant Eric Schmidt in excess of \$308,000 and at least one payment was issued in the amount of \$9,455.29 on 8/12/15 on Check # 6909.

COUNT 2: On or about and between April 04, 2014 and September 01, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, ERIC STEPHAN SCHMIDT did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

COUNT 3: On or about and between April 04, 2014 and September 01, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, ERIC STEPHAN SCHMIDT did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

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1 COUNT 4: On or about and between April 04, 2014 and January  
2 23, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, ERIC  
4 STEPHAN SCHMIDT, a person licensed under the Healing Arts  
5 Division of this Code and the Chiropractic Initiative Act, did  
6 unlawfully offer, deliver, receive, and accept any rebate,  
7 refund, commission, preference, patronage dividend, discount,  
8 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Monarch Medical  
Group Inc. (For Medication Monarch purchased from NuCare  
Pharmaceuticals)

9 COUNT 5: On or about and between May 13, 2015 and September  
10 09, 2015, in violation of Section 650 of the Business &  
11 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, ERIC  
12 STEPHAN SCHMIDT, a person licensed under the Healing Arts  
13 Division of this Code and the Chiropractic Initiative Act, did  
14 unlawfully offer, deliver, receive, and accept any rebate,  
15 refund, commission, preference, patronage dividend, discount,  
16 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Monarch Medical  
Group Inc. (For Medication Monarch purchased from A S  
Medication Solutions)

17 COUNT 6: On or about and between April 04, 2014 and September  
18 01, 2015, in violation of Section 650 of the Business &  
19 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, ERIC  
20 STEPHAN SCHMIDT, a person licensed under the Healing Arts  
21 Division of this Code and the Chiropractic Initiative Act, did  
22 unlawfully offer, deliver, receive, and accept any rebate,  
23 refund, commission, preference, patronage dividend, discount,  
24 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Tanya Moreland  
King and her Business One Source Labs and King Medical  
Management Inc.

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1 COUNT 7: On or about and between April 04, 2014 and September  
2 01, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, ERIC  
4 STEPHAN SCHMIDT, a person licensed under the Healing Arts  
5 Division of this Code and the Chiropractic Initiative Act, did  
6 unlawfully offer, deliver, receive, and accept any rebate,  
7 refund, commission, preference, patronage dividend, discount,  
8 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Tanya Moreland  
King and her Business Monarch Medical Group and King Medical  
Management.

9 COUNT 8: On or about and between April 04, 2014 and September  
10 01, 2015, in violation of Section 650 of the Business &  
11 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, ERIC  
12 STEPHAN SCHMIDT, a person licensed under the Healing Arts  
13 Division of this Code and the Chiropractic Initiative Act, did  
14 unlawfully offer, deliver, receive, and accept any rebate,  
15 refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to Steven's Pharmacy,  
Tanya Moreland King and her Business Monarch Medical Group Inc..

16 COUNT 9: On or about and between August 01, 2014 and September  
17 29, 2014, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
19 intent to defraud, did unlawfully conceal and knowingly fail to  
20 disclose, and did knowingly assist with another person to  
21 conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of Allianz Global Corporate and Speciality to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which Allianz Global Corporate and Speciality was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe Compound Creams to  
his workers' compensation patients (including Patient Thomas  
G.).

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1 COUNT 10: On or about and between April 04, 2013 and April 24,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Berkshire Hathaway Homestead Companies to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Berkshire Hathaway Homestead Companies was  
11 entitled, namely: Defendant had a financial interest in and  
12 received financial incentives to prescribe Compound Creams, Oral  
13 Medications and Urine Toxicology Tests to his workers'  
14 compensation patients.

11 COUNT 11: On or about and between April 04, 2013 and November  
12 06, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of California Insurance Company Applied Underwriters  
19 to an insurance benefit and payment, and to the amount of a  
20 benefit and payment to which California Insurance Company  
21 Applied Underwriters was entitled, namely: Defendant had a  
22 financial interest in and received financial incentives to  
23 prescribe and Urine Toxicology Tests to his workers'  
24 compensation patients.

21 COUNT 12: On or about and between April 04, 2013 and September  
22 15, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of Employers Insurance to an insurance benefit and  
payment, and to the amount of a benefit and payment to which  
Employers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe compound creams and oral medications and Order Urine  
Toxicology Tests to his workers' compensation patients.

1 COUNT 13: On or about and between April 09, 2013 and February  
2 11, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Farmers Insurance to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
Farmers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe Compound Creams and Urine Toxicology Tests to his  
workers' compensation patients.

10 COUNT 14: On or about and between April 26, 2013 and November  
11 25, 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of ICW to an insurance benefit and payment, and to  
18 the amount of a benefit and payment to which ICW was entitled,  
19 namely: Defendant had a financial interest in and received  
20 financial incentives to prescribe Compound Creams, oral  
21 medications and order Urine Toxicology Tests to his workers'  
22 compensation patients.

23 COUNT 15: On or about and between April 04, 2013 and November  
24 20, 2015, in violation of Section 550(b)(3) of the Penal Code  
25 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
26 intent to defraud, did unlawfully conceal and knowingly fail to  
27 disclose, and did knowingly assist with another person to  
28 conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of Liberty Mutual Insurance to an insurance benefit  
and payment, and to the amount of a benefit and payment to which  
Liberty Mutual Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe compound creams, and oral medication and order Urine  
Toxicology Tests to his workers' compensation patients.

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1 COUNT 16: On or about and between May 02, 2013 and August 25,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Markel (First Comp) to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
Markel (First Comp) was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribed compound creams, oral medication and order Urine  
Toxicology Tests to his workers' compensation patients.

10 COUNT 17: On or about and between April 03, 2013 and December  
11 20, 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of Pacific Compensation Insurance Co. to an  
18 insurance benefit and payment, and to the amount of a benefit  
19 and payment to which Pacific Compensation Insurance Co. was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe compound creams, and  
to order Urine Toxicology Tests to his workers' compensation  
patients.

20 COUNT 18: On or about and between May 28, 2013 and August 10,  
21 2015, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of Republic Indemnity Company of America to an  
28 insurance benefit and payment, and to the amount of a benefit  
and payment to which Republic Indemnity Company of America was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe compound creams, and  
oral medication and to order Urine Toxicology Tests to his  
workers' compensation patients.

1 COUNT 19: On or about and between April 04, 2013 and November  
2 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of State Compensation Insurance Fund to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which State Compensation Insurance Fund was entitled, namely:  
11 Defendant had a financial interest in and received financial  
12 incentives to order Urine Toxicology Tests and prescribed oral  
13 medication to his workers' compensation patients.

10 COUNT 20: On or about and between April 04, 2013 and October  
11 21, 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of Hartford Insurance to an insurance benefit and  
18 payment, and to the amount of a benefit and payment to which  
19 Hartford Insurance was entitled, namely: Defendant had a  
20 financial interest in and received financial incentives to order  
21 Urine Toxicology Tests and prescribe Compound Creams and oral  
22 medications to his workers' compensation patients.

19 COUNT 21: On or about and between September 19, 2013 and  
20 January 30, 2015, in violation of Section 550(b)(3) of the Penal  
21 Code (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of Total Health & Productivity Management to an  
27 insurance benefit and payment, and to the amount of a benefit  
28 and payment to which Total Health & Productivity Management was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe compound creams and  
order Urine Toxicology Tests to his workers' compensation  
patients.

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1 COUNT 22: On or about and between April 17, 2013 and August 24,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Travelers Insurance to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
Travelers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe compound creams to his  
workers' compensation patients.

10 COUNT 23: On or about and between April 04, 2013 and November  
11 03, 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of TRISTAR Insurance Group to an insurance benefit  
18 and payment, and to the amount of a benefit and payment to which  
TRISTAR Insurance Group was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe oral medication and to order Urine Toxicology Tests to  
his workers' compensation patients.

19 COUNT 24: On or about and between August 29, 2013 and July 27,  
20 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, ERIC STEPHAN SCHMIDT, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of Zurich Insurance to an insurance benefit and  
27 payment, and to the amount of a benefit and payment to which  
Zurich Insurance was entitled, namely: Defendant had a financial  
interest in and received financial incentives to prescribed  
compound creams and to order Urine Toxicology Tests to his  
workers' compensation patients.

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24, it is further alleged pursuant to Penal Code section 12022.6(a)(2) (PROPERTY LOSS OVER \$200,000), that ERIC STEPHAN SCHMIDT intentionally took, damaged, and destroyed property valued in excess of two hundred thousand dollars (\$200,000) during the commission and attempted commission of the above offense.

It is further alleged pursuant to Penal Code section 186.11(a)(1)/(3) (AGGRAVATED WHITE COLLAR CRIME - OVER \$100,000), that as to counts 1, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24, defendant ERIC STEPHAN SCHMIDT engaged in a pattern of related fraudulent felony conduct involving the taking of more than one hundred thousand dollars (\$100,000) but less than five hundred thousand dollars (\$500,000).

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00364

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$\_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

ERIC STEPHAN SCHMIDT - \$ 300,000.00

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NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:39 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0814**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 HOWARD WALLACE OLIVER 02/07/47 ) OCDA WC16070011  
C6121764 ) OCDA WC15040015  
12 RAFAEL UBALDO CHAVEZ 02/08/64 ) OCDA HF12110001  
13 C0570539 )  
14 AKA RAFAEL UBALDO CHAVEZ RUELAS )  
15 Defendant(s))

16 The Orange County District Attorney charges that in Orange  
17 County, California, the law was violated as follows:

18 COUNT 1: On or about and between February 14, 2014 and  
19 September 01, 2015, in violation of Section 550(a)(6) of the  
20 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a  
21 FELONY, HOWARD WALLACE OLIVER and RAFAEL UBALDO CHAVEZ did  
22 unlawfully conspire with Tanya Moreland King and Christopher  
23 King and other Unknown individuals., with the intent to defraud,  
24 to make a false and fraudulent claim to Workers' compensation  
25 Insurance Carriers in California for payment of a health care  
26 benefit in an amount exceeding nine hundred fifty dollars  
(\$950). It is further alleged that pursuant to and for the  
purpose of carrying out the objects and purposes of the  
conspiracy, one and more of the conspirators committed the  
following overt acts:

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OVERT ACT 1

On or about 04/18/2013, Defendants Howard Oliver and Rafael Chavez M.D., entered into an agreement with King Medical Management Inc. and Monarch Medical Group Inc.

OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Howard Oliver M.D. and his Physician's Assistant, Rafael Chavez, at his Central Desert Industrial Medical Group.

OVERT ACT 3

Defendant Howard Oliver M.D. and Defendant Rafael Chavez, P.A., agreed to prescribe the transdermal compound creams manufactured by Steven's Pharmacy to Defendant Oliver's workers' compensation patients.

OVERT ACT 4

Defendant Howard Oliver, M.D. and Defendant Rafael Chavez, P.A., agreed to provide the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams for their office.

OVERT ACT 5

In order to give the appearance of legitimacy of the compounded transdermal creams that Defendant Oliver prescribed to his patients, on 01/21/15, Defendant Oliver signed a letter that Monarch Medical Group provided to him and he did not prepare himself, purporting to give instructions to Steven's Pharmacy and customize the formula for the compound creams.

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OVERT ACT 6

King Medical Management Inc., agreed to give Defendant Howard Oliver, M.d. and Defendant Rafael Chavez, P.A. 90% of the profits from the amount collected from the workers' compensation carrier from the 3-day supply, as long as Defendants also wrote a prescription for the 30-day supply of transdermal compound creams which would be shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 7

Defendant Howard Oliver, M.D. and his Physician's Assistant entered into a contract with King Medical Management on 04/18/13, in which Monarch Medical Group agreed to purchase oral medications from NuCare Pharmaceuticals Inc., located in the County of Orange, to dispense to their workers' compensation patients at the defendants' Clinic Central Desert Industrial Medical Group.

OVERT ACT 8

Once the defendant distributed the medications to their workers' compensation patients, they provided the patients' demographics and billing information to Monarch Medical Group.

OVERT ACT 9

Monarch Medical Group then gave 80% of the profits received from workers' compensation carriers to the defendants.

OVERT ACT 10

Defendant Howard Oliver, M.D. and his Physician's Assistant Defendant Rafael Chavez, also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which they each agreed to prescribe Urine toxicology Drug testing to their workers' compensation patients in return for financial consideration.

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OVERT ACT 11

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant Howard Oliver, M.D. and Rafael Chavez, P.A. clinic, Central Desert Industrial Medical Group.

OVERT ACT 12

Defendant Howard Oliver, M.D. and Defendant Rafael Chavez, P.A., subjected their patients to a Urine Toxicology Test at their clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

OVERT ACT 13

Monarch Medical Group then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Dr. Howard Oliver and Rafael Chavez.

OVERT ACT 14

In return for the payment on the "Point of Care" toxicology tests, Defendant Howard Oliver and Rafael Chavez then permitted One Source Labs to do qualitative tests on all Urine samples submitted by the workers compensation patients, regardless of medical necessity or test results.

OVERT ACT 15

One Source Labs then billed workers compensation carriers in excess of \$700 for these qualitative tests.

OVERT ACT 16

Monarch Medical and King Medical paid Central Desert Industrial Medical Group in excess of \$94,000 between 07/08/13 and 08/12/15 with at least one payment being issued on 04/13/15 for \$1,609.86 with check number 6618.

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1 COUNT 2: On or about and between February 14, 2014 and  
2 September 01, 2015, in violation of Section 549 of the Penal  
3 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, HOWARD WALLACE  
4 OLIVER and RAFAEL UBALDO CHAVEZ and his company Central Desert  
5 Industrial Medical Group did unlawfully solicit, accept, and  
6 refer business to and from King Medical Management Inc. and One  
7 Source Labs Inc., with the knowledge that, and with reckless  
disregard for whether King Medical Management Inc. and One  
Source Labs Inc. intended to violate Penal Code section 550 and  
Insurance Code section 1871.4.

8 COUNT 3: On or about and between February 14, 2014 and  
9 September 01, 2015, in violation of Section 549 of the Penal  
10 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, HOWARD WALLACE  
11 OLIVER and RAFAEL UBALDO CHAVEZ and his company Central Desert  
12 Industrial Medical Group did unlawfully solicit, accept, and  
13 refer business to and from King Medical Management Inc. and  
14 Monarch Medical Group Inc., with the knowledge that, and with  
reckless disregard for whether King Medical Management Inc. and  
Monarch Medical Group Inc. intended to violate Penal Code  
section 550 and Insurance Code section 1871.4.

15 COUNT 4: On or about and between May 06, 2014 and December 11,  
16 2014, in violation of Section 650 of the Business & Professions  
17 Code (REBATES FOR PATIENT REFERRALS), a FELONY, HOWARD WALLACE  
18 OLIVER and RAFAEL UBALDO CHAVEZ, a person licensed under the  
19 Healing Arts Division of this Code and the Chiropractic  
20 Initiative Act, did unlawfully offer, deliver, receive, and  
21 accept any rebate, refund, commission, preference, patronage  
22 dividend, discount, and other consideration as compensation and  
inducement for referring patients, clients, and customers to  
Tanya Moreland Kng and her Business One Source Labs and King  
Medical Management Inc.

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1 COUNT 5: On or about and between January 15, 2015 and August  
2 12, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 HOWARD WALLACE OLIVER and RAFAEL UBALDO CHAVEZ, a person  
5 licensed under the Healing Arts Division of this Code and the  
6 Chiropractic Initiative Act, did unlawfully offer, deliver,  
7 receive, and accept any rebate, refund, commission, preference,  
8 patronage dividend, discount, and other consideration as  
9 compensation and inducement for referring patients, clients, and  
10 customers to TANYA MORELAND KING AND HER BUSINESS ONE SOURCE  
11 LABS AND KING MEDICAL MANAGEMENT.

9 COUNT 6: On or about and between May 06, 2014 and December 11,  
2014, in violation of Section 650 of the Business & Professions  
10 Code (REBATES FOR PATIENT REFERRALS), a FELONY, HOWARD WALLACE  
11 OLIVER and RAFAEL UBALDO CHAVEZ, a person licensed under the  
12 Healing Arts Division of this Code and the Chiropractic  
13 Initiative Act, did unlawfully offer, deliver, receive, and  
14 accept any rebate, refund, commission, preference, patronage  
15 dividend, discount, and other consideration as compensation and  
16 inducement for referring patients, clients, and customers to  
17 STEVEN'S PHARMACY AND TANYA MORELAND KING AND HER BUSINESS  
18 MONARCH MEDICAL GROUP INC.

17 COUNT 7: On or about and between May 28, 2014 and August 12,  
2015, in violation of Section 650 of the Business & Professions  
18 Code (REBATES FOR PATIENT REFERRALS), a FELONY, HOWARD WALLACE  
19 OLIVER and RAFAEL UBALDO CHAVEZ, a person licensed under the  
20 Healing Arts Division of this Code and the Chiropractic  
21 Initiative Act, did unlawfully offer, deliver, receive, and  
22 accept any rebate, refund, commission, preference, patronage  
23 dividend, discount, and other consideration as compensation and  
24 inducement for referring patients, clients, and customers to  
25 STEVEN'S PHARMACY AND TANYA MORELAND KING AND HER BUSINESS  
26 MONARCH MEDICAL GROUP INC.

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1 COUNT 8: On or about and between May 28, 2014 and December 11,  
2 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
4 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
5 conceal and knowingly fail to disclose, and did knowingly assist  
6 with another person to conceal and fail to disclose the  
7 occurrence of an event and a fact that affected the initial and  
8 continued material right and entitlement of FARMERS INSURANCE to  
9 an insurance benefit and payment, and to the amount of a benefit  
and payment to which FARMERS INSURANCE was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND URINE TOXICOLOGY  
TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

10 COUNT 9: On or about and between June 11, 2013 and October 15,  
11 2013, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
13 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
14 conceal and knowingly fail to disclose, and did knowingly assist  
15 with another person to conceal and fail to disclose the  
16 occurrence of an event and a fact that affected the initial and  
17 continued material right and entitlement of ICW to an insurance  
18 benefit and payment, and to the amount of a benefit and payment  
to which ICW was entitled, namely: DEFENDANT HAD A FINANCIAL  
INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE  
COMPOUND CREAMS AND URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

19 COUNT 10: On or about and between May 21, 2013 and July 22,  
20 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
22 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
23 conceal and knowingly fail to disclose, and did knowingly assist  
24 with another person to conceal and fail to disclose the  
25 occurrence of an event and a fact that affected the initial and  
26 continued material right and entitlement of Liberty Mutual  
27 Insurance to an insurance benefit and payment, and to the amount  
28 of a benefit and payment to which Liberty Mutual Insurance was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe Oral Medication and  
Urine Toxicology Tests, and that he did not author the reports  
billed on the healthcare claims to his workers' compensation  
patients.

1 COUNT 11: On or about and between October 21, 2013 and July 16,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
4 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
5 conceal and knowingly fail to disclose, and did knowingly assist  
6 with another person to conceal and fail to disclose the  
7 occurrence of an event and a fact that affected the initial and  
8 continued material right and entitlement of State Compensation  
9 Insurance Fund to an insurance benefit and payment, and to the  
10 amount of a benefit and payment to which State Compensation  
11 Insurance Fund was entitled, namely: Defendant had a financial  
interest in and received financial incentives to order Urine  
Toxicology Tests and prescribe Oral Meds to his workers'  
compensation patients; Defendant also did not author the reports  
billed on the healthcare claims, to his workers compensation  
patients.

12 COUNT 12: On or about and between May 07, 2013 and December 29,  
13 2015, in violation of Section 550(b)(3) of the Penal Code  
14 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
15 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
16 conceal and knowingly fail to disclose, and did knowingly assist  
17 with another person to conceal and fail to disclose the  
18 occurrence of an event and a fact that affected the initial and  
19 continued material right and entitlement of Travelers Insurance  
20 to an insurance benefit and payment, and to the amount of a  
21 benefit and payment to which Travelers Insurance was entitled,  
22 namely: Defendant had a financial interest in and received  
23 financial incentives to order Urine Toxicology Tests and  
24 prescribe Oral Meds to his workers' compensation patients;  
25 Defendant also did not author the reports which were billed on  
26 Healthcare Claims.

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1 COUNT 13: On or about and between May 20, 2013 and September  
2 25, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, HOWARD WALLACE OLIVER and RAFAEL  
4 UBALDO CHAVEZ, with the intent to defraud, did unlawfully  
5 conceal and knowingly fail to disclose, and did knowingly assist  
6 with another person to conceal and fail to disclose the  
7 occurrence of an event and a fact that affected the initial and  
8 continued material right and entitlement of Zurich Insurance to  
9 an insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Zurich Insurance was entitled, namely:  
11 Defendant had a financial interest in and received financial  
12 incentives to order Urine Toxicology Tests, prescribe Compound  
13 Creams and oral medications to his workers' compensation  
14 patients; and Defendant did not author the reports which were  
15 billed in the Healthcare Claim Forms.

11 ENHANCEMENT(S)

12  
13 As to Count(s) 1, 2, 3, 4, 8, 10, 11, 12 and 13, it is further  
14 alleged pursuant to Penal Code section 12022.6(a)(1) (PROPERTY  
15 DAMAGE/LOSS OVER \$65,000), that HOWARD WALLACE OLIVER and RAFAEL  
16 UBALDO CHAVEZ intentionally took, damaged, and destroyed  
17 property valued in excess of sixty-five thousand dollars  
18 (\$65,000) during the commission and attempted commission of the  
19 above offense.

18 I declare under penalty of perjury, on information and belief,  
19 that the foregoing is true and correct.

20 Dated 04-03-2017 at Orange County, California.  
21 KS/DM 17F00314

22  
23 TONY RACKAUCKAS, DISTRICT ATTORNEY

24 by: /s/ SHADDI KAMIABIPOUR  
25 SHADDI KAMIABIPOUR, Deputy District Attorney

26 RESTITUTION CLAIMED

- 27 [ ] None  
28 [ ] \$ \_\_\_\_\_  
[ X ] To be determined



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BAIL RECOMMENDATION:

HOWARD WALLACE OLIVER - \$ 94,000.00  
RAFAEL UBALDO CHAVEZ - \$ 94,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:17 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0799**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 ISMAEL SILVA JR 09/17/54 ) OCDA WC16070011  
12 C2494451 ) OCDA WC15040015  
13 ISMAEL GELI SILVA 11/09/78 ) OCDA HF12110001  
14 D2945698 )  
15 AKA I GELI SILVA )  
16 ISMAEL GIELI SILVA )  
17 Defendant(s))

17 The Orange County District Attorney charges that in Orange  
18 County, California, the law was violated as follows:

19 COUNT 1: On or about and between October 01, 2011 and December  
20 01, 2014, in violation of Section 550(a)(6) of the Penal Code  
21 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, ISMAEL  
22 SILVA JR and ISMAEL GELI SILVA did unlawfully conspire with  
23 Conspired with Tanya Moreland King and Christopher King and  
24 other Unknown individuals, with the intent to defraud, to make a  
25 false and fraudulent claim to Workers compensation Insurance  
26 Carriers in California for payment of a health care benefit in  
27 an amount exceeding nine hundred fifty dollars (\$950). It is  
28 further alleged that pursuant to and for the purpose of carrying  
out the objects and purposes of the conspiracy, one and more of  
the conspirators committed the following overt acts:

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OVERT ACT 1

On or about October of 2011, Defendants Ismael Silva, Jr., M.D., entered into an agreement with Tanya Moreland King wherein Tanya Moreland King agreed to pay Defendant Silva a kickback in the amount of \$20,000 a month.

OVERT ACT 2

In order to avoid detection as a kickback, Tanya King paid Defendant Ismael Silva Jr. M.D. through his son's company named Starbase Inc,.

OVERT ACT 3

Starbase Inc., was owned by Defendant Ismael Geli Silva, and Defendant Ismael Geli Silva accepted payments from Tanya King, for his father Defendant Ismael Silva Jr., M.D..

OVERT ACT 4

Tanya King made payments to Starbase using the Citibank account ending in 3222 belonging to her company First Meditech between October 20, 2011 and September 1, 2012.

OVERT ACT 5

Tanya King made at least one payment to Starbase using her JP Morgan account ending in 2558 belonging to her company named Preferred Medical on July 16, 2012.

OVERT ACT 6

Tanya King made at least seven payments to Starbase, using her JP Morgan account ending in 5072 belonging to her company named One Source Labs between February 20, 2013 and November 3, 2014.

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OVERT ACT 7

In consideration for these kickback payments, Defendant Ismael Silva Jr., M.D., permitted Tanya King's employees to come to his (8) eight clinics, named Healthpointe, including the ones located in the City of Garden Grove and the City of Anaheim, in the County of Orange, to collect Urine samples from workers' compensation patients.

OVERT ACT 8

Tanya King's employees prepared the necessary paperwork, including the prescription from the physicians, to give the appearance of legitimacy to the Urine Toxicology Tests ordered by the Healthpointe physicians.

OVERT ACT 9

On 12/26/14, Defendant Ismael Geli Silva wrote an email to Christopher King confirming their agreement for payments of \$20,000 and requested payment of the outstanding balance of \$200,000 for 2013 and \$140,000 for 2014.

OVERT ACT 10

Between 10/20/11 and 12/26/14, Tanya Moreland King and Christopher King agreed to and in fact paid Defendants Ismael Geli Silva and Ismael Silva Jr. M.D. in excess of \$685,000.

COUNT 2: On or about and between April 04, 2014 and January 15, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, ISMAEL SILVA JR and ISMAEL GELI SILVA HealthPoint Clinics owned by Dr. Ismael Silva M.D., did unlawfully solicit, accept, and refer business to and from Monarch Medical Group, with the knowledge that, and with reckless disregard for whether Monarch Medical Group intended to violate Penal Code section 550 and Insurance Code section 1871.4.

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1 COUNT 3: On or about April 24, 2014, in violation of Section  
2 650 of the Business & Professions Code (REBATES FOR PATIENT  
3 REFERRALS), a FELONY, ISMAEL SILVA JR, a person licensed under  
4 the Healing Arts Division of this Code and the Chiropractic  
5 Initiative Act, did unlawfully offer, deliver, receive, and  
6 accept any rebate, refund, commission, preference, patronage  
7 dividend, discount, and other consideration as compensation and  
8 inducement for referring patients, clients, and customers to  
9 TANYA MORELAND KING AND HER BUSINESS ONE SOURCE LABS.

10 COUNT 4: On or about July 21, 2014, in violation of Section 650  
11 of the Business & Professions Code (REBATES FOR PATIENT  
12 REFERRALS), a FELONY, ISMAEL SILVA JR, a person licensed under  
13 the Healing Arts Division of this Code and the Chiropractic  
14 Initiative Act, did unlawfully offer, deliver, receive, and  
15 accept any rebate, refund, commission, preference, patronage  
16 dividend, discount, and other consideration as compensation and  
17 inducement for referring patients, clients, and customers to  
18 TANYA MORELAND KING AND HER BUSINESS ONE SOURCE LABS.

19 COUNT 5: On or about August 28, 2014, in violation of Section  
20 650 of the Business & Professions Code (REBATES FOR PATIENT  
21 REFERRALS), a FELONY, ISMAEL SILVA JR, a person licensed under  
22 the Healing Arts Division of this Code and the Chiropractic  
23 Initiative Act, did unlawfully offer, deliver, receive, and  
24 accept any rebate, refund, commission, preference, patronage  
25 dividend, discount, and other consideration as compensation and  
26 inducement for referring patients, clients, and customers to  
27 TANYA MORELAND KING AND HER BUSINESS ONE SOURCE LABS.

28 COUNT 6: On or about November 03, 2014, in violation of Section  
650 of the Business & Professions Code (REBATES FOR PATIENT  
REFERRALS), a FELONY, ISMAEL SILVA JR, a person licensed under  
the Healing Arts Division of this Code and the Chiropractic  
Initiative Act, did unlawfully offer, deliver, receive, and  
accept any rebate, refund, commission, preference, patronage  
dividend, discount, and other consideration as compensation and  
inducement for referring patients, clients, and customers to  
TANYA MORELAND KING AND HER BUSINESS ONE SOURCE LABS.

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1 COUNT 7: On or about April 24, 2014, in violation of Section  
2 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
3 FELONY, ISMAEL SILVA JR and ISMAEL GELI SILVA did unlawfully  
4 offer, deliver, receive, and accept a rebate, refund,  
5 commission, preference, patronage, dividend, discount and other  
6 consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits.

7 COUNT 8: On or about July 21, 2014, in violation of Section 3215  
8 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
9 FELONY, ISMAEL SILVA JR and ISMAEL GELI SILVA did unlawfully  
10 offer, deliver, receive, and accept a rebate, refund,  
11 commission, preference, patronage, dividend, discount and other  
12 consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits.

13 COUNT 9: On or about August 28, 2014, in violation of Section  
14 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
15 FELONY, ISMAEL SILVA JR and ISMAEL GELI SILVA did unlawfully  
16 offer, deliver, receive, and accept a rebate, refund,  
17 commission, preference, patronage, dividend, discount and other  
18 consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits.

19 COUNT 10: On or about November 03, 2014, in violation of Section  
20 3215 of the Labor Code (REFERRAL OF CLIENTS FOR COMPENSATION), a  
21 FELONY, ISMAEL SILVA JR and ISMAEL GELI SILVA did unlawfully  
22 offer, deliver, receive, and accept a rebate, refund,  
23 commission, preference, patronage, dividend, discount and other  
24 consideration, as compensation and inducement for referring  
clients and patients to perform and obtain services and  
benefits.

25 ENHANCEMENT(S)

26 As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10, it is further  
27 alleged pursuant to Penal Code section 12022.6(a)(2) (PROPERTY  
28 LOSS OVER \$200,000), that ISMAEL SILVA JR and ISMAEL GELI SILVA  
intentionally took, damaged, and destroyed property valued in  
excess of two hundred thousand dollars (\$200,000) during the  
commission and attempted commission of the above offense.

1  
2 I declare under penalty of perjury, on information and belief,  
3 that the foregoing is true and correct.

4 Dated 04-03-2017 at Orange County, California.  
5 KS/AC 17F00352

6 TONY RACKAUCKAS, DISTRICT ATTORNEY

7  
8 by: /s/ SHADDI KAMIABIPOUR  
9 SHADDI KAMIABIPOUR, Deputy District Attorney

10 RESTITUTION CLAIMED

11 [ ] None  
12 [ ] \$ \_\_\_\_\_  
13 [ X ] To be determined

14 BAIL RECOMMENDATION:

15 ISMAEL SILVA JR - \$ 200,000.00  
16 ISMAEL GELI SILVA - \$ 200,000.00

17 NOTICES:

18 The People request that defendant and counsel disclose, within  
19 15 days, all of the materials and information described in Penal  
20 Code section 1054.3, and continue to provide any later-acquired  
21 materials and information subject to disclosure, and without  
22 further request or order.

23 Pursuant to Welfare & Institutions Code §827 and California Rule  
24 of Court 5.552, notice is hereby given that the People will seek  
25 a court order to disseminate the juvenile case file of the  
26 defendant/minor, if any exists, to all parties in this action,  
27 through their respective attorneys of record, in the prosecution  
28 of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:21 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0808**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 JEROME ANTHONY ROBSON 09/28/48 ) OCDA WC16070011  
C1715942 ) OCDA WC15040015  
12 ) OCDA HF12110001  
13 )  
Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between July 14, 2014 and August 12,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, JEROME  
19 ANTHONY ROBSON did unlawfully conspire with TTANYA MORELAND KING  
20 AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with the  
21 intent to defraud, to make a false and fraudulent claim to  
22 WORKERS' COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
hundred fifty dollars (\$950). It is further alleged that  
pursuant to and for the purpose of carrying out the objects and  
purposes of the conspiracy, one and more of the conspirators  
committed the following overt acts:

24  
25 OVERT ACT 1

26 On or about 7/14/14, Defendant JEROME ANTHONY ROBSON, M.D.,  
27 entered into an agreement with King Medical Management Inc. and  
Monarch Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant JEROME ANTHONY ROBSON, M.D.

OVERT ACT 3

Defendant JEROME ANTHONY ROBSON, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant JEROME ANTHONY ROBSON, M.D., did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant JEROME ANTHONY ROBSON, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., paid Defendant JEROME ANTHONY ROBSON, M.D., 70% of the profits from the amount collected from the workers' compensation carrier for each of the 3-day of the compound creams he dispensed to his workers' compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant JEROME ANTHONY ROBSON, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant JEROME ANTHONY ROBSON, M.D., prescribed to his patients, he signed a letter, dated "Jan 2 2015", that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant JEROME ANTHONY ROBSON's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 11

On or about 2/20/15, Defendant JEROME ANTHONY ROBSON, M.D., also entered into an agreement with King Medical Management and One Source Labs Inc., in which he agreed to order Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Defendant JEROME ANTHONY ROBSON, M.D., subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with King Medical Management.

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OVERT ACT 13

King Medical Management billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Defendant JEROME ANTHONY ROBSON, M.D.

OVERT ACT 14

On or about August 24, 2014, Defendant JEROME ANTHONY ROBSON, M.D., entered into a contract with Monarch Medical Group, to dispense medications Monarch purchased from NuCare Pharmaceuticals, located in the City of Orange, in the County of Orange.

OVERT ACT 15

Monarch paid 70 percent of the net receivable collected from workers' compensation carriers to Defendant JEROME ANTHONY ROBSON, M.D., for the medications he dispensed to his workers' compensation patients which were supplied by NuCare Pharmaceuticals, in the City of Orange.

OVERT ACT 16

On or about 8/24/2014, Defendant JEROME ANTHONY ROBSON, M.D., entered into an agreement with Monarch Medical Group to dispense "Active Kits" which Monarch purchased from NuCare Pharmaceuticals, in Orange, to Defendant JEROME ANTHONY ROBSON's workers' compensation patients.

OVERT ACT 17

Defendant JEROME ANTHONY ROBSON, M.D., dispensed the "Active Kits", share the patient demographics and billing information with Monarch who billed workers' compensation insurance carriers and shared 70% of the profit from the payments received from workers' compensation carriers with Defendant JEROME ANTHONY ROBSON, M.D.

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OVERT ACT 18

On or about February 19, 2105, Defendant JEROME ANTHONY ROBSON, M.D., entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, doing business in the City of Costa Mesa, in the County of Orange.

OVERT ACT 19

Monarch paid 70 percent of the net receivable collected from workers' compensation carriers to Defendant JEROME ANTHONY ROBSON, M.D., for the medications he dispensed to his workers' compensation patients which were supplied to him directly by A S Medication Solutions, in the City of Costa Mesa.

OVERT ACT 20

Between 11/12/14 and 8/12/15, Monarch Medical Group and King Medical Management paid Defendant JEROME ANTHONY ROBSON, M.D., in excess of \$175,710 and at least one payment was issued in the amount of \$17,028.21 on 5/12/15 on Check # 6812.

COUNT 2: On or about and between February 20, 2015 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, JEROME ANTHONY ROBSON did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

COUNT 3: On or about and between July 14, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, JEROME ANTHONY ROBSON did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

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1 COUNT 4: On or about and between September 04, 2014 and  
2 February 19, 2015, in violation of Section 549 of the Penal Code  
3 (FALSE AND FRAUDULENT CLAIM), a FELONY, JEROME ANTHONY ROBSON  
4 did unlawfully solicit, accept, and refer business to and from  
5 Monarch Medical Group Inc., with the knowledge that, and with  
6 reckless disregard for whether Monarch Medical Group Inc.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (For Medication Monarch purchased from NuCare  
Pharmaceuticals)

7  
8 COUNT 5: On or about and between February 19, 2015 and  
9 September 09, 2015, in violation of Section 549 of the Penal  
10 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, JEROME ANTHONY  
11 ROBSON did unlawfully solicit, accept, and refer business to and  
12 from Monarch Medical Group Inc., with the knowledge that, and  
13 with reckless disregard for whether Monarch Medical Group Inc.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (For Medication Monarch purchased from A S  
Medication Solutions)

14 COUNT 6: On or about and between September 04, 2014 and August  
15 12, 2015, in violation of Section 549 of the Penal Code (FALSE  
16 AND FRAUDULENT CLAIM), a FELONY, JEROME ANTHONY ROBSON did  
17 unlawfully solicit, accept, and refer business to and from  
18 Monarch Medical Group Inc., with the knowledge that, and with  
19 reckless disregard for whether Monarch Medical Group Inc.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (For Active Kits purchased from NuCare)

20 COUNT 7: On or about and between November 12, 2014 and August  
21 12, 2015, in violation of Section 650 of the Business &  
22 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
23 JEROME ANTHONY ROBSON, a person licensed under the Healing Arts  
24 Division of this Code and the Chiropractic Initiative Act, did  
25 unlawfully offer, deliver, receive, and accept any rebate,  
26 refund, commission, preference, patronage dividend, discount,  
27 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Tanya Moreland  
King and her Business One Source Labs and King's Medical  
Management Inc..

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1 COUNT 8: On or about and between November 12, 2014 and August  
2 12, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 JEROME ANTHONY ROBSON, a person licensed under the Healing Arts  
5 Division of this Code and the Chiropractic Initiative Act, did  
6 unlawfully offer, deliver, receive, and accept any rebate,  
7 refund, commission, preference, patronage dividend, discount,  
8 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Tanya Moreland  
King and her Business Monarch Medical Group and King Medical  
Management.

9 COUNT 9: On or about and between November 12, 2014 and  
10 September 01, 2015, in violation of Section 650 of the Business  
11 & Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
12 JEROME ANTHONY ROBSON, a person licensed under the Healing Arts  
13 Division of this Code and the Chiropractic Initiative Act, did  
14 unlawfully offer, deliver, receive, and accept any rebate,  
15 refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to Steven's Pharmacy,  
Tanya Moreland King and her Business Monarch Medical Group Inc..

16 COUNT 10: On or about and between September 15, 2014 and  
17 October 13, 2015, in violation of Section 550(b)(3) of the Penal  
18 Code (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with  
19 the intent to defraud, did unlawfully conceal and knowingly  
20 fail to disclose, and did knowingly assist with another person  
21 to conceal and fail to disclose the occurrence of an event and a  
22 fact that affected the initial and continued material right and  
23 entitlement of Berkshire Hathaway Homestead Companies to an  
24 insurance benefit and payment, and to the amount of a benefit  
25 and payment to which Berkshire Hathaway Homestead Companies was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe Compound Creams, Oral  
Medications and Urine Toxicology Tests to his workers'  
compensation patients..

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1 COUNT 11: On or about and between May 13, 2015 and September  
2 14, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of California Insurance Company - Applied  
9 Underwriters to an insurance benefit and payment, and to the  
10 amount of a benefit and payment to which California Insurance  
11 Company - Applied Underwriters was entitled, namely: Defendant  
12 had a financial interest in and received financial incentives to  
13 prescribe Compound Creams, Oral Medications and Urine Toxicology  
14 Tests to his workers' compensation patients..

11 COUNT 12: On or about and between September 11, 2014 and August  
12 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Employers Insurance to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
20 Employers Insurance was entitled, namely: Defendant had a  
21 financial interest in and received financial incentives to  
22 prescribe Compound Creams, Oral Medications and Urine Toxicology  
23 Tests to his workers' compensation patients..

20 COUNT 13: On or about and between July 16, 2014 and September  
21 08, 2015, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of ICW to an insurance benefit and payment, and to  
28 the amount of a benefit and payment to which ICW was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to prescribe Compound Creams, Oral  
Medications and Urine Toxicology Tests to his workers'  
compensation patients..

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1 COUNT 14: On or about and between October 01, 2014 and  
2 September 18, 2015, in violation of Section 550(b)(3) of the  
3 Penal Code (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON,  
4 with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Liberty Mutual Insurance to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Liberty Mutual Insurance was entitled,  
11 namely: Defendant had a financial interest in and received  
12 financial incentives to prescribe Compound Creams, Oral  
13 Medications and Urine Toxicology Tests to his workers'  
14 compensation patients..

11 COUNT 15: On or about and between June 24, 2013 and June 26,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Republic Indemnity Company of America to an  
19 insurance benefit and payment, and to the amount of a benefit  
20 and payment to which Republic Indemnity Company of America was  
21 entitled, namely: Defendant had a financial interest in and  
22 received financial incentives to prescribe Compound Creams, Oral  
23 Medications and Urine Toxicology Tests to his workers'  
24 compensation patients..

21 COUNT 16: On or about and between November 04, 2014 and August  
22 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
23 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
24 intent to defraud, did unlawfully conceal and knowingly fail to  
25 disclose, and did knowingly assist with another person to  
26 conceal and fail to disclose the occurrence of an event and a  
27 fact that affected the initial and continued material right and  
28 entitlement of State Compensation Insurance Fund to an insurance  
benefit and payment, and to the amount of a benefit and payment  
to which State Compensation Insurance Fund was entitled, namely:  
Defendant had a financial interest in and received financial  
incentives to prescribe Compound Creams, Oral Medications and  
Urine Toxicology Tests to his workers' compensation patients..



1 COUNT 17: On or about and between September 08, 2014 and June  
2 26, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of The Hartford to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which The Hartford  
was entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe Compound Creams, Oral  
Medications and Urine Toxicology Tests to his workers'  
compensation patients..

10 COUNT 18: On or about and between November 07, 2014 and  
11 September 01, 2015, in violation of Section 550(b)(3) of the  
12 Penal Code (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON,  
13 with the intent to defraud, did unlawfully conceal and  
14 knowingly fail to disclose, and did knowingly assist with  
15 another person to conceal and fail to disclose the occurrence of  
16 an event and a fact that affected the initial and continued  
17 material right and entitlement of Total Health & Productivity  
18 Management to an insurance benefit and payment, and to the  
19 amount of a benefit and payment to which Total Health &  
Productivity Management was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe compound creams to his  
workers' compensation patients.

20 COUNT 19: On or about and between September 16, 2014 and  
21 September 16, 2015, in violation of Section 550(b)(3) of the  
22 Penal Code (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON,  
23 with the intent to defraud, did unlawfully conceal and  
24 knowingly fail to disclose, and did knowingly assist with  
25 another person to conceal and fail to disclose the occurrence of  
26 an event and a fact that affected the initial and continued  
27 material right and entitlement of TRISTAR Insurance Group to an  
28 insurance benefit and payment, and to the amount of a benefit  
and payment to which TRISTAR Insurance Group was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to prescribe oral medication and to order  
Urine Toxicology Tests to his workers' compensation patients..

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1 COUNT 20: On or about and between August 25, 2014 and September  
2 23, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, JEROME ANTHONY ROBSON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Zurich Insurance to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Zurich Insurance was entitled, namely: Defendant had a financial  
11 interest in and received financial incentives to prescribe oral  
12 medication and to order Urine Toxicology Tests to his workers'  
13 compensation patients..

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
15, 16, 17, 18, 19 and 20, it is further alleged pursuant to  
Penal Code section 12022.6(a)(1) (PROPERTY DAMAGE/LOSS OVER  
\$65,000), that JEROME ANTHONY ROBSON intentionally took,  
damaged, and destroyed property valued in excess of sixty-five  
thousand dollars (\$65,000) during the commission and attempted  
commission of the above offense.

It is further alleged pursuant to Penal Code section 186.11(a)  
(1)/(3) (AGGRAVATED WHITE COLLAR CRIME - OVER \$100,000), that as  
to counts 1, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20,  
defendant JEROME ANTHONY ROBSON engaged in a pattern of related  
fraudulent felony conduct involving the taking of more than one  
hundred thousand dollars (\$100,000) but less than five hundred  
thousand dollars (\$500,000).

I declare under penalty of perjury, on information and belief,  
that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.

KS/AC 17F00363

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR

SHADDI KAMIABIPOUR, Deputy District Attorney

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RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

JEROME ANTHONY ROBSON - \$ 65,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:12 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0811**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 KEVIN SONGCHOL PARK 09/23/64 ) OCDA WC16070011  
C5563795 ) OCDA WC15040015  
12 AKA SONGCHOL PAK ) OCDA HF12110001  
13 KOUROSH SHAMLOU 05/13/67 )  
B3227047 )  
14 AKA KOUROSH KEVIN SHAMLOU )  
15 )  
16 Defendant(s))

17 The Orange County District Attorney charges that in Orange  
18 County, California, the law was violated as follows:

19 COUNT 1: On or about and between June 23, 2011 and August 12,  
20 2015, in violation of Section 550(a)(6) of the Penal Code  
21 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, KEVIN  
22 SONGCHOL PARK and KOUROSH SHAMLOU did unlawfully conspire with  
23 Tanya Moreland King and Christopher King and other Unknown  
24 individuals, with the intent to defraud, to make a false and  
25 fraudulent claim to WORKERS COMPENSATION INSURANCE CARRIERS IN  
26 CALIFORNIA for payment of a health care benefit in an amount  
exceeding nine hundred fifty dollars (\$950). It is further  
alleged that pursuant to and for the purpose of carrying out the  
objects and purposes of the conspiracy, one and more of the  
conspirators committed the following overt acts:

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OVERT ACT 1

On or Between March 17, 2011 and June 23, 2011, Defendants Kevin Park M.D. and Defendant Kevin Shamlou M.D., entered into an agreement with Christopher King, Tanya Moreland King and their companies King Medical Management Inc. and Monarch Medical Group Inc. and One Source Labs Inc.

OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Kevin Park and Defendant Kevin Shamlou M.D at their clinic Greater Los Angeles Orthopedic Group.

OVERT ACT 3

Defendant Kevin Park, M.D. and Defendant Kevin Shamlou M.D prescribed the transdermal compound creams manufactured by Steven's Pharmacy to their workers compensation patients.

OVERT ACT 4

Defendant Kevin Park and Defendant Kevin Shamlou M.D did not customize these compound transdermal creams to each workers compensation patient and used the formula given to them by Monarch Medical Group.

OVERT ACT 5

Defendant Kevin Park, M.D. and Defendant Kevin Shamlou M.D then provided the billing information for each workers compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from their office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$15.

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OVERT ACT 7

King Medical Management Inc., gave Defendant Kevin Park, M.D. and Defendant Kevin Shamlou M.D., a percentage of the profits from the amount collected from the workers compensation carrier for the 3-day supply.

OVERT ACT 8

In return for the money they received from the billing on the 3-day supply of the transdermal creams, Defendant Kevin Park, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which was shipped to their workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that both Defendant Kevin Park M.D. and Defendant Kevin Shamlou M.D. prescribed to their patients, on 1/16/15 each signed a letter that Monarch Medical Group provided to him, which each defendant did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Kevin Park's patients, and cost Monarch Medical Management only \$60 per compound cream to manufacture.

OVERT ACT 11

Defendant Kevin Park MD and Defendant Kevin Shamlou MD also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers compensation patients in return for financial consideration.

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OVERT ACT 12

Defendant Kevin Park and Defendant Kevin Shamlou, subjected their patients to a Urine Toxicology Test at their clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per their agreement with King Medical Management.

OVERT ACT 13

Monarch Medical Group then billed workers compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave a percentage of the profit on the amounts collected to Dr. Kevin Park and Dr. Kevin Shamlou.

OVERT ACT 14

In return for the payment on the "Point of Care" toxicology tests, Defendant Kevin Park and Defendant Kevin Shamlou then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers compensation patients, regardless of medical necessity or test results.

OVERT ACT 15

One Source Labs then billed workers compensation carriers in excess of \$700 for these qualitative tests.

OVERT ACT 16

Defendants Kevin Park and Kevin Shamlou, also entered into agreement with Monarch Medical Management to distribute Sprix Nasal Spray and Patches which were purchased by Monarch in exchange for a share in the profits from the amounts collected from Workers Compensation Carriers.

OVERT ACT 17

Between 6/23/11 and 8/12/15, Defendant Kevin Park was paid in excess of \$45,000 by King Medical Management and Monarch Medical Group, and at least one payment was in the amount of \$929.76 issued on check # 6279 on 9/12/14.

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OVERT ACT 18

Between 3/17/11 and 8/12/15 Defendant Kevin Shamlou was paid in excess of \$38,000 by King Medical Management and Monarch Medical Group, and at least one payment was in the amount of \$660.99 issued on check # 6672 on 1/15/15.

COUNT 2: On or about and between April 04, 2014 and September 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, KEVIN SONGCHOL PARK and KOUROSH SHAMLOU did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

COUNT 3: On or about and between April 04, 2014 and September 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, KEVIN SONGCHOL PARK and KOUROSH SHAMLOU did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

COUNT 4: On or about and between April 04, 2014 and September 12, 2015, in violation of Section 650 of the Business & Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, KEVIN SONGCHOL PARK and KOUROSH SHAMLOU, a person licensed under the Healing Arts Division of this Code and the Chiropractic Initiative Act, did unlawfully offer, deliver, receive, and accept any rebate, refund, commission, preference, patronage dividend, discount, and other consideration as compensation and inducement for referring patients, clients, and customers to Tanya Moreland King and her Business One Source Labs and King's Medical Management Inc.

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1 COUNT 5: On or about and between April 04, 2014 and September  
2 12, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 KEVIN SONGCHOL PARK and KOUROSH SHAMLOU, a person licensed under  
5 the Healing Arts Division of this Code and the Chiropractic  
6 Initiative Act, did unlawfully offer, deliver, receive, and  
7 accept any rebate, refund, commission, preference, patronage  
8 dividend, discount, and other consideration as compensation and  
inducement for referring patients, clients, and customers to  
Steven's Pharmacy and Tanya Moreland King and her Business  
Monarch Medical Group Inc.

9 COUNT 6: On or about and between April 04, 2013 and September  
10 12, 2015, in violation of Section 550(b)(3) of the Penal Code  
11 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
12 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
13 knowingly fail to disclose, and did knowingly assist with  
14 another person to conceal and fail to disclose the occurrence of  
15 an event and a fact that affected the initial and continued  
16 material right and entitlement of York Risk Service Group to an  
17 insurance benefit and payment, and to the amount of a benefit  
and payment to which York Risk Service Group was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to prescribe Compound Creams and Urine  
Toxicology Tests to his workers compensation patients.

18 COUNT 7: On or about and between April 04, 2013 and May 08,  
19 2015, in violation of Section 550(b)(3) of the Penal Code  
20 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
21 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
22 knowingly fail to disclose, and did knowingly assist with  
23 another person to conceal and fail to disclose the occurrence of  
24 an event and a fact that affected the initial and continued  
25 material right and entitlement of Zurich Insurance to an  
26 insurance benefit and payment, and to the amount of a benefit  
and payment to which Zurich Insurance was entitled, namely:  
Defendant had a financial interest in and received financial  
incentives to prescribe Compound Creams and Urine Toxicology  
Tests to his workers compensation patients.

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1 COUNT 8: On or about and between April 04, 2013 and September  
2 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Zenith Ins. to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which Zenith Ins.  
10 was entitled, namely: Defendant had a financial interest in and  
11 received financial incentives to prescribe Compound Creams and  
12 Urine Toxicology Tests to his workers compensation patients.

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10 COUNT 9: On or about and between April 04, 2013 and August 25,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
13 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
14 knowingly fail to disclose, and did knowingly assist with  
15 another person to conceal and fail to disclose the occurrence of  
16 an event and a fact that affected the initial and continued  
17 material right and entitlement of Tristar Insurance Group to an  
18 insurance benefit and payment, and to the amount of a benefit  
19 and payment to which Tristar Insurance Group was entitled,  
20 namely: Defendant had a financial interest in and received  
21 financial incentives to order Urine Toxicology Tests to his  
22 workers compensation patients.

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19 COUNT 10: On or about and between April 04, 2013 and September  
20 22, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of State Compensation Insurance Fund to an insurance  
27 benefit and payment, and to the amount of a benefit and payment  
28 to which State Compensation Insurance Fund was entitled, namely:  
29 Defendant had a financial interest in and received financial  
30 incentives to order Urine Toxicology Tests to his workers  
31 compensation patients.

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1 COUNT 11: On or about and between April 04, 2013 and March 13,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
4 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of The Hartford to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which The Hartford was entitled, namely: Defendant had a  
11 financial interest in and received financial incentives to order  
12 Urine Toxicology Tests and prescribe Compound Creams to his  
13 workers compensation patients.

10 COUNT 12: On or about and between April 04, 2013 and July 08,  
11 2016, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
13 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
14 knowingly fail to disclose, and did knowingly assist with  
15 another person to conceal and fail to disclose the occurrence of  
16 an event and a fact that affected the initial and continued  
17 material right and entitlement of Markel (Firstcomp) to an  
18 insurance benefit and payment, and to the amount of a benefit  
19 and payment to which Markel (Firstcomp) was entitled, namely:  
20 Defendant had a financial interest in and received financial  
21 incentives to order Urine Toxicology Tests to his workers  
22 compensation patients.

19 COUNT 13: On or about and between April 04, 2013 and June 05,  
20 2014, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
22 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
23 knowingly fail to disclose, and did knowingly assist with  
24 another person to conceal and fail to disclose the occurrence of  
25 an event and a fact that affected the initial and continued  
26 material right and entitlement of Pacific Compensation Insurance  
27 to an insurance benefit and payment, and to the amount of a  
28 benefit and payment to which Pacific Compensation Insurance was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to order Urine Toxicology Tests to  
his workers compensation patients.

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1 COUNT 14: On or about and between April 04, 2013 and April 04,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
4 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Liberty Mutual to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which Liberty Mutual was entitled, namely: Defendant had a  
11 financial interest in and received financial incentives to Urine  
12 Toxicology Tests and prescribe compound creams to his workers  
13 compensation patients.

10 COUNT 15: On or about and between April 04, 2013 and September  
11 05, 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of ICW Group Insurance Companies to an insurance  
18 benefit and payment, and to the amount of a benefit and payment  
19 to which ICW Group Insurance Companies was entitled, namely:  
20 Defendant had a financial interest in and received financial  
21 incentives to order Urine Toxicology tests and prescribe  
22 compound creams to his workers compensation patients.

19 COUNT 16: On or about and between April 04, 2013 and January  
20 07, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
22 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
23 knowingly fail to disclose, and did knowingly assist with  
24 another person to conceal and fail to disclose the occurrence of  
25 an event and a fact that affected the initial and continued  
26 material right and entitlement of Farmers Insurance to an  
27 insurance benefit and payment, and to the amount of a benefit  
28 and payment to which Farmers Insurance was entitled, namely:  
29 Defendant had a financial interest in and received financial  
30 incentives to order Urine Toxicology Tests and prescribe  
31 compound creams to his workers compensation patients.

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1 COUNT 17: On or about and between April 04, 2013 and August 03,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK and KOUROSH  
4 SHAMLOU, with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Employers Insurance to an  
9 insurance benefit and payment, and to the amount of a benefit  
and payment to which Employers Insurance was entitled, namely:  
Defendant had a financial interest in and received financial  
incentives to order Urine Toxicology Tests and prescribe  
Compound creams to his workers compensation patients.

10 COUNT 18: On or about and between April 04, 2013 and August 19,  
11 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, KOUROSH SHAMLOU, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of  
17 Allianz to an insurance benefit and payment, and to the amount  
18 of a benefit and payment to which Allianz was entitled, namely:  
Defendant had a financial interest in and received financial  
incentives to order Urine Toxicology Tests and prescribe  
Compound creams to his workers compensation patients.

19 COUNT 19: On or about and between April 04, 2013 and January  
20 28, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of AIG to an insurance benefit and payment, and to  
the amount of a benefit and payment to which AIG was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to order Urine Toxicology Tests and  
prescribe Compound creams to his workers compensation patients.

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1 COUNT 20: On or about and between April 04, 2013 and February  
2 13, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, KEVIN SONGCHOL PARK, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Accident Fund Group to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Accident Fund Group was entitled, namely: Defendant had a  
11 financial interest in and received financial incentives to order  
12 Urine Toxicology Tests and prescribe Compound creams to his  
13 workers compensation patients.

10 I declare under penalty of perjury, on information and belief,  
11 that the foregoing is true and correct.

12 Dated 04-03-2017 at Orange County, California.  
13 KS/AC 17F00361

14  
15 TONY RACKAUCKAS, DISTRICT ATTORNEY

16 by: /s/ SHADDI KAMIABIPOUR  
17 SHADDI KAMIABIPOUR, Deputy District Attorney

18 RESTITUTION CLAIMED  
19 [ ] None  
20 [ ] \$ \_\_\_\_\_  
21 [ X ] To be determined

22 BAIL RECOMMENDATION:  
23 KEVIN SONGCHOL PARK - \$ 50,000.00  
24 KOUROSH SHAMLOU - \$ 50,000.00

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NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:46 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0812**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 MANNIE JOEL 09/30/49 ) OCDA WC16070011  
12 C1045701 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between December 14, 2012 and June 11,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, MANNIE  
19 JOEL did unlawfully conspire with TANYA MORELAND KING AND  
20 CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with the intent  
21 to defraud, to make a false and fraudulent claim to WORKERS  
22 COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for payment of a  
23 health care benefit in an amount exceeding nine hundred fifty  
24 dollars (\$950). It is further alleged that pursuant to and for  
25 the purpose of carrying out the objects and purposes of the  
26 conspiracy, one and more of the conspirators committed the  
27 following overt acts:

24 OVERT ACT 1

26 On or about 12/14/12, Defendant MANNIE JOEL, M.D., entered into  
27 an agreement with TANYA MORELAND KING, CHRISTOPHER KING and  
28 their companies, King Medical Management Inc. and Monarch  
Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant MANNIE JOEL, M.D.

OVERT ACT 3

Defendant MANNIE JOEL, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers compensation patients.

OVERT ACT 4

Defendant MANNIE JOEL, M.D., did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant MANNIE JOEL, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$190 per cream even though the cream only cost \$16.

OVERT ACT 7

From 12/14/12 to 3/14/14, King Medical Management Inc., paid Defendant MANNIE JOEL, M.D., \$50 per compound cream dispensed to his workers' compensation patients.

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OVERT ACT 8

From 3/14/14 to 6/11/15, King Medical Management Inc., paid Defendant MANNIE JOEL, M.D., 95% of the profits from the amount collected from the workers compensation carrier for each of the 3-day of the compound creams he dispensed to his workers' compensation patients.

OVERT ACT 9

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant MANNIE JOEL, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 10

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant MANNIE JOEL, M.D., prescribed to his patients, on 3/19/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 11

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant MANNIE JOEL's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 12

Between 12-14-12 and 8-12-15, Monarch Medical Group and King Medical Management paid Defendant MANNIE JOEL, M.D., in excess of \$26,000 and at least one payment was issued in the amount of \$1376.19 on 2/11/15 on Check #6543.

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1 COUNT 2: On or about and between April 04, 2014 and June 11,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, MANNIE JOEL did unlawfully solicit,  
4 accept, and refer business to and from KING MEDICAL MANAGEMENT  
5 INC. AND MONARCH MEDICAL GROUP INC, with the knowledge that, and  
6 with reckless disregard for whether KING MEDICAL MANAGEMENT INC.  
AND MONARCH MEDICAL GROUP INC intended to violate Penal Code  
section 550 and Insurance Code section 1871.4. (COMPOUND  
TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY)

7  
8 COUNT 3: On or about and between April 04, 2014 and June 11,  
9 2015, in violation of Section 650 of the Business & Professions  
10 Code (REBATES FOR PATIENT REFERRALS), a FELONY, MANNIE JOEL, a  
11 person licensed under the Healing Arts Division of this Code and  
12 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
13 receive, and accept any rebate, refund, commission, preference,  
14 patronage dividend, discount, and other consideration as  
compensation and inducement for referring patients, clients, and  
customers to STEVEN'S PHARMACY, TANYA MORELAND KING AND HER  
BUSINESS MONARCH MEDICAL GROUP INC.

15 COUNT 4: On or about September 10, 2014, in violation of Section  
16 550(b)(3) of the Penal Code (INSURANCE FRAUD), a FELONY, MANNIE  
17 JOEL, with the intent to defraud, did unlawfully conceal and  
18 knowingly fail to disclose, and did knowingly assist with  
19 another person to conceal and fail to disclose the occurrence of  
20 an event and a fact that affected the initial and continued  
21 material right and entitlement of AIG to an insurance benefit  
22 and payment, and to the amount of a benefit and payment to which  
23 AIG was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN  
24 AND RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS  
25 TO HIS WORKERS' COMPENSATION PATIENTS. (PATIENT: KEVIN M.).

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1 COUNT 5: On or about and between April 08, 2013 and March 03,  
2 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 BERKSHIRE HATHAWAY HOMESTEAD COMPANIES to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
BERKSHIRE HATHAWAY HOMESTEAD COMPANIES was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO HIS WORKERS  
COMPENSATION PATIENTS. (PATIENTS ROXAS AND FITZMAURICE).

10 COUNT 6: On or about and between April 04, 2013 and March 11,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of  
17 FARMERS INS. to an insurance benefit and payment, and to the  
18 amount of a benefit and payment to which FARMERS INS. was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO  
HIS WORKERS' COMPENSATION PATIENTS. (PATIENTS: MICHAEL S. AND  
DON M.).

19 COUNT 7: On or about October 10, 2013, in violation of Section  
20 550(b)(3) of the Penal Code (INSURANCE FRAUD), a FELONY, MANNIE  
21 JOEL, with the intent to defraud, did unlawfully conceal and  
22 knowingly fail to disclose, and did knowingly assist with  
23 another person to conceal and fail to disclose the occurrence of  
24 an event and a fact that affected the initial and continued  
25 material right and entitlement of STATE COMPENSATION INSURANCE  
26 FUND to an insurance benefit and payment, and to the amount of a  
27 benefit and payment to which STATE COMPENSATION INSURANCE FUND  
was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO  
HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 8: On or about and between September 10, 2013 and July  
2 24, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of THE  
8 HARTFORD FINANCIAL SERVICES to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which THE HARTFORD  
10 FINANCIAL SERVICES was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
12 PRESCRIBE COMPOUND CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

9 COUNT 9: On or about and between May 17, 2013 and September 18,  
10 2014, in violation of Section 550(b)(3) of the Penal Code  
11 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
12 defraud, did unlawfully conceal and knowingly fail to disclose,  
13 and did knowingly assist with another person to conceal and fail  
14 to disclose the occurrence of an event and a fact that affected  
15 the initial and continued material right and entitlement of  
16 TRAVELERS to an insurance benefit and payment, and to the amount  
17 of a benefit and payment to which TRAVELERS was entitled,  
18 namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED  
19 FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS AND TO ORDER  
20 URINE TOXICOLOGY TESTING TO HIS WORKERS' COMPENSATION PATIENTS.

18 COUNT 10: On or about and between May 20, 2013 and September  
19 18, 2014, in violation of Section 550(b)(3) of the Penal Code  
20 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
21 defraud, did unlawfully conceal and knowingly fail to disclose,  
22 and did knowingly assist with another person to conceal and fail  
23 to disclose the occurrence of an event and a fact that affected  
24 the initial and continued material right and entitlement of YORK  
25 RISK SERVICES GROUP to an insurance benefit and payment, and to  
26 the amount of a benefit and payment to which YORK RISK SERVICES  
27 GROUP was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST  
28 IN AND RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND  
CREAMS AND TO ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

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1 COUNT 11: On or about and between April 23, 2013 and June 13,  
2 2013, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MANNIE JOEL, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 ZURICH to an insurance benefit and payment, and to the amount of  
9 a benefit and payment to which ZURICH was entitled, namely:  
10 DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
11 INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO HIS WORKERS'  
12 COMPENSATION PATIENTS.

9 I declare under penalty of perjury, on information and belief,  
10 that the foregoing is true and correct.

11 Dated 04-03-2017 at Orange County, California.  
12 KS/AC 17F00359

13  
14 TONY RACKAUCKAS, DISTRICT ATTORNEY

15 by: /s/ SHADDI KAMIABIPOUR  
16 SHADDI KAMIABIPOUR, Deputy District Attorney

17 RESTITUTION CLAIMED

18  
19 [ ] None  
20 [ ] \$ \_\_\_\_\_  
21 [ X ] To be determined

22 BAIL RECOMMENDATION:

23 MANNIE JOEL - \$ 30,000.00

24 NOTICES:

25 The People request that defendant and counsel disclose, within  
26 15 days, all of the materials and information described in Penal  
27 Code section 1054.3, and continue to provide any later-acquired  
28 materials and information subject to disclosure, and without  
further request or order.

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Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:19 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0797**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 MICHAEL JEROME HENRY 03/11/56 ) OCDA WC16070011  
12 N2041028 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between April 28, 2014 and June 11,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY,  
19 MICHAEL JEROME HENRY did unlawfully conspire with TANYA MORELAND  
20 KING AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with  
21 the intent to defraud, to make a false and fraudulent claim to  
22 WORKERS COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
24 hundred fifty dollars (\$950). It is further alleged that  
25 pursuant to and for the purpose of carrying out the objects and  
26 purposes of the conspiracy, one and more of the conspirators  
27 committed the following overt acts:

24 OVERT ACT 1

26 On or about April 28, 2014, Defendant Michael Henry M.D.,  
27 entered into an agreement with Tanya Moreland King, Christopher  
28 King and their companies King Medical Management Inc. and  
Monarch Medical Group Inc

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Michael Henry, M.D., at his Clinic Rehabilitation Management System.

OVERT ACT 3

Defendant Michael Henry, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant Michael Henry did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Michael Henry, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., gave Defendant Michael Henry, M.D. \$50 for each 3-day supply of the compound transdermal cream distributed to his workers' compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Michael Henry, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy of the compounded transdermal creams that he prescribed to his patients, on 1/20/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Michael Henry's patients, and cost Monarch Medical Management only \$60 per compound cream to manufacture.

OVERT ACT 11

Defendant Michael Henry also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant Michael Henry, M.D.

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OVERT ACT 13

Defendant Michael Henry, ordered Urine Toxicology Test for his patients at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

OVERT ACT 14

Monarch Medical Group then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave \$100 for each claim to Dr. Michael Henry.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendant Michael Henry then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs then billed workers compensation carriers in excess of \$700 for these qualitative tests.

OVERT ACT 17

Between 6/11/14 and 6/11/15, Monarch Medical Group and King Medical Management paid Defendant Michael Henry, M.D. in excess of \$37,000 and at least one of those payments was for \$600 on 3/12/15 by check # 6583 for "February Active Kits."

COUNT 2: On or about and between May 20, 2015 and June 11, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, MICHAEL JEROME HENRY did unlawfully solicit, accept, and refer business to and from KING MEDICAL MANAGEMENT INC. AND ONE SOURCE LABS INC, with the knowledge that, and with reckless disregard for whether KING MEDICAL MANAGEMENT INC. AND ONE SOURCE LABS INC intended to violate Penal Code section 550 and Insurance Code section 1871.4.(URINE TOXICOLOGY)

1 COUNT 3: On or about and between April 28, 2014 and June 11,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, MICHAEL JEROME HENRY did unlawfully  
4 solicit, accept, and refer business to and from KING MEDICAL  
5 MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC, with the  
6 knowledge that, and with reckless disregard for whether KING  
7 MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC intended  
8 to violate Penal Code section 550 and Insurance Code section  
9 1871.4.(COMPOUND TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY)

10 COUNT 4: On or about and between May 20, 2015 and June 11,  
11 2015, in violation of Section 650 of the Business & Professions  
12 Code (REBATES FOR PATIENT REFERRALS), a FELONY, MICHAEL JEROME  
13 HENRY, a person licensed under the Healing Arts Division of this  
14 Code and the Chiropractic Initiative Act, did unlawfully offer,  
15 deliver, receive, and accept any rebate, refund, commission,  
16 preference, patronage dividend, discount, and other  
17 consideration as compensation and inducement for referring  
18 patients, clients, and customers to TANYA MORELAND KING AND HER  
19 BUSINESS ONE SOURCE LABS AND KING'S MEDICAL MANAGEMENT INC.

20 COUNT 5: On or about and between April 28, 2014 and June 11,  
21 2015, in violation of Section 650 of the Business & Professions  
22 Code (REBATES FOR PATIENT REFERRALS), a FELONY, MICHAEL JEROME  
23 HENRY, a person licensed under the Healing Arts Division of this  
24 Code and the Chiropractic Initiative Act, did unlawfully offer,  
25 deliver, receive, and accept any rebate, refund, commission,  
26 preference, patronage dividend, discount, and other  
27 consideration as compensation and inducement for referring  
28 patients, clients, and customers to STEVEN'S PHARMACY AND TANYA  
MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC.

COUNT 6: On or about and between May 23, 2014 and January 15,  
2015, in violation of Section 550(b)(3) of the Penal Code  
(INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
intent to defraud, did unlawfully conceal and knowingly fail to  
disclose, and did knowingly assist with another person to  
conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of AIG to an insurance benefit and payment, and to  
the amount of a benefit and payment to which AIG was entitled,  
namely: DEFENDANT HAD A FINANCIAL INTEREST AND RECEIVED  
FINANCIAL INCENTIVES WHEN HE PRESCRIBED COMPOUND CREAMS TO HIS  
WORKERS COMPENSATION PATIENTS.

1 COUNT 7: On or about and between June 04, 2014 and January 19,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of FARMERS to an insurance benefit and payment, and  
9 to the amount of a benefit and payment to which FARMERS was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST AND  
RECEIVED FINANCIAL INCENTIVES WHEN HE ORDERED THE URINE  
TOXICOLOGY TESTS, AND PRESCRIBED COMPOUND CREAMS TO HIS WORKERS  
COMPENSATION PATIENTS.

10 COUNT 8: On or about and between August 14, 2014 and October  
11 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of LIBERTY MUTUAL INSURANCE COMPANY to an insurance  
18 benefit and payment, and to the amount of a benefit and payment  
19 to which LIBERTY MUTUAL INSURANCE COMPANY was entitled, namely:  
20 DEFENDANT HAD A FINANCIAL INTEREST AND RECEIVED FINANCIAL  
21 INCENTIVES WHEN HE ORDERED THE URINE TOXICOLOGY TESTS, TO HIS  
22 WORKERS COMPENSATION PATIENTS.

23 COUNT 9: On or about and between May 19, 2014 and March 02,  
24 2015, in violation of Section 550(b)(3) of the Penal Code  
25 (INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
26 intent to defraud, did unlawfully conceal and knowingly fail to  
27 disclose, and did knowingly assist with another person to  
28 conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
benefit and payment, and to the amount of a benefit and payment  
to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST AND RECEIVED FINANCIAL  
INCENTIVES TO ORDER URINE TOXICOLOGY TESTS GIVEN TO HIS WORKERS'  
COMPENSATION PATIENTS.

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1 COUNT 10: On or about and between May 30, 2014 and May 03,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRAVELERS INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 TRAVELERS INSURANCE was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES TO ORDER  
12 THE URINE TOXICOLOGY TESTS AND PRESCRIBE COMPOUND CREAMS TO HIS  
13 WORKERS COMPENSATION PATIENTS.

14 COUNT 11: On or about and between May 22, 2014 and February 27,  
15 2015, in violation of Section 550(b)(3) of the Penal Code  
16 (INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
17 intent to defraud, did unlawfully conceal and knowingly fail to  
18 disclose, and did knowingly assist with another person to  
19 conceal and fail to disclose the occurrence of an event and a  
20 fact that affected the initial and continued material right and  
21 entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
22 and payment, and to the amount of a benefit and payment to which  
23 YORK RISK SERVICE GROUP was entitled, namely: DEFENDANT HAD A  
24 FINANCIAL INTEREST AND RECEIVED FINANCIAL INCENTIVES WHEN HE  
25 ORDERED URINE TOXICOLOGY TESTS, AND PRESCRIBED COMPOUND CREAMS  
26 TO HIS WORKERS COMPENSATION PATIENTS.

27 COUNT 12: On or about and between April 29, 2014 and February  
28 23, 2015, in violation of Section 550(b)(3) of the Penal Code  
(INSURANCE FRAUD), a FELONY, MICHAEL JEROME HENRY, with the  
intent to defraud, did unlawfully conceal and knowingly fail to  
disclose, and did knowingly assist with another person to  
conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of ZURICH to an insurance benefit and payment, and  
to the amount of a benefit and payment to which ZURICH was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTERST AND RECEIVED  
FINANCIAL INCENTIVES WHEN HE ORDERED URINE TOXICOLOGY TESTS, AND  
PRESCRIBED COMPOUND CREAMS TO HIS WORKERS COMPENSATION PATIENTS.

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I declare under penalty of perjury, on information and belief,  
that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00356

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

MICHAEL JEROME HENRY - \$ 30,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:40 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0813**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 PARVEZ MEHBOOB FATTEH 11/23/70 ) OCDA WC16070011  
B9628103 ) OCDA WC15040015  
12 ) OCDA HF12110001  
13 )  
Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between December 10, 2013 and August  
17 12, 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, PARVEZ  
19 MEHBOOB FATTEH did unlawfully conspire with TANYA MORELAND KING  
20 AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with the  
21 intent to defraud, to make a false and fraudulent claim to  
22 WORKERS' COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
hundred fifty dollars (\$950). It is further alleged that  
24 pursuant to and for the purpose of carrying out the objects and  
25 purposes of the conspiracy, one and more of the conspirators  
26 committed the following overt acts:

27 OVERT ACT 1

28 On or about 12/10/13, Defendants PARVEZ FATTEH M.D., entered  
into an agreement with TANYA MORELAND KING, CHRISTOPHER KING  
and their companies, King Medical Management Inc. and Monarch  
Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant PARVEZ FATTEH, M.D.

OVERT ACT 3

Defendant PARVEZ FATTEH, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers compensation patients.

OVERT ACT 4

Defendant PARVEZ FATTEH did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant PARVEZ FATTEH, M.D., then provided the billing information to each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$190 per cream even though the cream only cost \$16.

OVERT ACT 7

From 12/10/13 to 8/12/15, King Medical Management Inc., paid Defendant PARVEZ FATTEH, M.D. \$50 per compound cream dispensed to his workers compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant PARVEZ FATTEH, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant PARVEZ FATTEH, M.D., prescribed to his patients, on 1/22/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant PARVEZ FATTEH's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 11

ON 5/6/14, Defendant PARVEZ FATTEH M.D. also entered into an agreement with King Medical Management and One Source Labs Inc., in which he agreed to prescribe Urine Toxicology Drug testing to his workers compensation patients in return for financial consideration.

OVERT ACT 12

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant PARVEZ FATTEH, M.D.

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OVERT ACT 13

Defendant PARVEZ FATTEH, M.D., ordered Urine Toxicology Test for his patients at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

OVERT ACT 14

Monarch Medical Group then billed workers compensation insurance carriers for the "Point of Care" Toxicology test that was performed at the clinic, and gave \$100 for each claim to Defendant PARVEZ FATTEH, M.D.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendant PARVEZ FATTEH, M.D., then permitted One Source Labs to do qualitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs then billed workers compensation carriers in excess of \$700 for these quantitative tests.

OVERT ACT 17

Between 12/10/13 and 8/12/15, Monarch Medical Group and King Medical Management paid Defendant PARVEZ FATTEH in excess of \$51,000 and at least one payment was issued in the amount of \$400 on 4/13/15 on Check #6623.

COUNT 2: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, PARVEZ MEHBOOB FATTEH did unlawfully solicit, accept, and refer business to and from KING MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUPS INC., with the knowledge that, and with reckless disregard for whether KING MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUPS INC. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (COMPOUND TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY.)

1 COUNT 3: On or about and between April 04, 2014 and August 12,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, PARVEZ MEHBOOB FATTEH did  
4 unlawfully solicit, accept, and refer business to and from KING  
5 MEDICAL MANAGMENT INC. AND MONARCH MEDICAL GROUP INC., with the  
6 knowledge that, and with reckless disregard for whether KING  
7 MEDICAL MANAGMENT INC. AND MONARCH MEDICAL GROUP INC. intended  
8 to violate Penal Code section 550 and Insurance Code section  
9 1871.4. (SPRIX NASAL SPRAY)

10 COUNT 4: On or about and between April 04, 2014 and August 12,  
11 2015, in violation of Section 549 of the Penal Code (FALSE AND  
12 FRAUDULENT CLAIM), a FELONY, PARVEZ MEHBOOB FATTEH did  
13 unlawfully solicit, accept, and refer business to and from KING  
14 MEDICAL MANAGEMENT INC. AND ONE SOURCE LABS, with the knowledge  
15 that, and with reckless disregard for whether KING MEDICAL  
16 MANAGEMENT INC. AND ONE SOURCE LABS intended to violate Penal  
17 Code section 550 and Insurance Code section 1871.4. (URINE  
18 TOXICOLOGY TESTS)

19 COUNT 5: On or about and between April 04, 2014 and August 12,  
20 2015, in violation of Section 650 of the Business & Professions  
21 Code (REBATES FOR PATIENT REFERRALS), a FELONY, PARVEZ MEHBOOB  
22 FATTEH, a person licensed under the Healing Arts Division of  
23 this Code and the Chiropractic Initiative Act, did unlawfully  
24 offer, deliver, receive, and accept any rebate, refund,  
25 commission, preference, patronage dividend, discount, and other  
26 consideration as compensation and inducement for referring  
27 patients, clients, and customers to STEVEN'S PHARMACY, TANYA  
28 MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC.

COUNT 6: On or about and between April 04, 2014 and August 12,  
2015, in violation of Section 650 of the Business & Professions  
Code (REBATES FOR PATIENT REFERRALS), a FELONY, PARVEZ MEHBOOB  
FATTEH, a person licensed under the Healing Arts Division of  
this Code and the Chiropractic Initiative Act, did unlawfully  
offer, deliver, receive, and accept any rebate, refund,  
commission, preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to ONE SOURCE LABS, TANYA  
MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC.

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1 COUNT 7: On or about and between September 13, 2013 and April  
2 28, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of LIBERTY MUTUAL INSURANCE to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
LIBERTY MUTUAL INSURANCE was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
PRESCRIBE SPRIX AND ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

10 COUNT 8: On or about and between March 12, 2014 and September  
11 03, 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of REPUBLIC INDEMNITY to an insurance benefit and  
18 payment, and to the amount of a benefit and payment to which  
REPUBLIC INDEMNITY was entitled, namely: DEFENDANT HAD A  
FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO ORDER  
URINE TOXICOLOGY TESTS HIS WORKERS' COMPENSATION PATIENTS..

19 COUNT 9: On or about and between June 18, 2014 and May 14,  
20 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
27 benefit and payment, and to the amount of a benefit and payment  
to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

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1 COUNT 10: On or about and between May 22, 2014 and June 22,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of TRAVELERS INSURANCE to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 TRAVELERS INSURANCE was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
12 PRESCRIBE COMPOUND CREAMS AND TO ORDER URINE TOXICOLOGY TESTS TO  
13 HIS WORKERS' COMPENSATION PATIENTS. (PATIENT HENRY Q.).

10 COUNT 11: On or about and between September 24, 2013 and April  
11 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of YORK RISK SERVICES GROUP to an insurance benefit  
18 and payment, and to the amount of a benefit and payment to which  
19 YORK RISK SERVICES GROUP was entitled, namely: DEFENDANT HAD A  
20 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
21 PRESCRIBE COMPOUND CREAMS AND TO ORDER URINE TOXICOLOGY TESTS TO  
22 HIS WORKERS' COMPENSATION PATIENTS.

19 COUNT 12: On or about and between September 23, 2013 and May  
20 12, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, PARVEZ MEHBOOB FATTEH, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of ZURICH to an insurance benefit and payment, and  
27 to the amount of a benefit and payment to which ZURICH was  
28 entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS,  
SPRIX MEDS, AND TO ORDER URIEN TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

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I declare under penalty of perjury, on information and belief,  
that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00358

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

PARVEZ MEHBOOB FATTEH - \$ 30,000.00

NOTICES:

The People request that defendant and counsel disclose, within  
15 days, all of the materials and information described in Penal  
Code section 1054.3, and continue to provide any later-acquired  
materials and information subject to disclosure, and without  
further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule  
of Court 5.552, notice is hereby given that the People will seek  
a court order to disseminate the juvenile case file of the  
defendant/minor, if any exists, to all parties in this action,  
through their respective attorneys of record, in the prosecution  
of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:01 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0794**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 PAUL KAPLAN 10/26/40 ) OCDA WC16070011  
12 D3966011 )  
13 AKA PAUL ELIAS KAPLAN )  
14 PAUL E KAPLAN )  
Defendant(s))

15 The Orange County District Attorney charges that in Orange  
16 County, California, the law was violated as follows:

17 COUNT 1: On or about and between June 04, 2014 and August 12,  
18 2015, in violation of Section 550(a)(6) of the Penal Code  
19 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, PAUL  
20 KAPLAN did unlawfully conspire with TANYA MORELAND KING AND  
21 OTHER UNKNOWN INDIVIDUALS, with the intent to defraud, to make a  
22 false and fraudulent claim to WORKERS' COMPENSATION INSURANCE  
23 CARRIERS IN CALIFORNIA for payment of a health care benefit in  
24 an amount exceeding nine hundred fifty dollars (\$950). It is  
further alleged that pursuant to and for the purpose of carrying  
out the objects and purposes of the conspiracy, one and more of  
the conspirators committed the following overt acts:

25 OVERT ACT 1

26  
27 On or about 6/4/14, Defendant PAUL KAPLAN, M.D., entered into an  
28 agreement with TANYA MORELAND KING, CHRISTOPHER KING and their  
companies, King Medical Management Inc., and Monarch Medical  
Group Inc.



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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant PAUL KAPLAN, M.D.

OVERT ACT 3

Defendant PAUL KAPLAN, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant PAUL KAPLAN, M.D., did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant PAUL KAPLAN, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., paid Defendant PAUL KAPLAN, M.D., \$50 for each of the 3-day of the compound creams he dispensed to his workers' compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant PAUL KAPLAN, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant PAUL KAPLAN, M.D., prescribed to his patients, he signed a letter, dated 1/20/2015, that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant PAUL KAPLAN's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 11

Defendant PAUL KAPLAN, M.D., also entered into an agreement with King Medical Management and One Source Labs Inc., companies owned by CHRISTOPHER KING and TANYA MORELAND KING in which he agreed to order Urine Toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Defendant PAUL KAPLAN, M.D., subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with King Medical Management.

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OVERT ACT 13

King Medical Management billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Defendant PAUL KAPLAN, M.D.

OVERT ACT 14

On or about 8/1/14, Defendant PAUL KAPLAN, M.D., entered into an agreement with King Medical Management to dispense "Active Kits" which Monarch purchased from NuCare Pharmaceuticals, in Orange, to Defendant PAUL KAPLAN's workers' compensation patients.

OVERT ACT 15

Defendant PAUL KAPLAN, M.D., dispensed the "Active Kits", shared the patient demographics and billing information with Monarch who billed workers compensation insurance carriers and shared 80% of the profit from the payments received from workers' compensation carriers with Defendant PAUL KAPLAN, M.D.

OVERT ACT 16

On or about February 19, 2015, Defendant PAUL KAPLAN, M.D., entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, doing business in the City of Costa Mesa, in the County of Orange.

OVERT ACT 17

Monarch paid 80 percent of the net receivable collected from workers' compensation carriers to Defendant PAUL KAPLAN, M.D., for the medications he dispensed to his workers compensation patients which were supplied to him directly by A S Medication Solutions, in the City of Costa Mesa.

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OVERT ACT 18

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2 Between 7/10/14 and 8/12/15, CHRISTOPHER KING and TANYA MORELAND  
3 KING, through their companies, Monarch Medical Group and King  
4 Medical Management paid Defendant PAUL KAPLAN, M.D., in excess  
5 of \$59,000 and at least one payment was issued in the amount of  
\$1600 on 5/12/15 on check #6666.

6 COUNT 2: On or about and between July 13, 2014 and August 12,  
7 2015, in violation of Section 549 of the Penal Code (FALSE AND  
8 FRAUDULENT CLAIM), a FELONY, PAUL KAPLAN did unlawfully solicit,  
9 accept, and refer business to and from KING MEDICAL MANAGEMENT  
10 INC. AND ONE SOURCE LABS INC, with the knowledge that, and with  
11 reckless disregard for whether KING MEDICAL MANAGEMENT INC. AND  
ONE SOURCE LABS INC intended to violate Penal Code section 550  
and Insurance Code section 1871.4. (URINE TOXICOLOGY)

12 COUNT 3: On or about and between August 01, 2014 and August 12,  
13 2015, in violation of Section 549 of the Penal Code (FALSE AND  
14 FRAUDULENT CLAIM), a FELONY, PAUL KAPLAN did unlawfully solicit,  
15 accept, and refer business to and from KING MEDICAL MANAGEMENT  
16 INC. AND MONARCH MEDICAL GROUP INC., with the knowledge that,  
17 and with reckless disregard for whether KING MEDICAL MANAGEMENT  
INC. AND MONARCH MEDICAL GROUP INC. intended to violate Penal  
Code section 550 and Insurance Code section 1871.4.(COMPOUND  
TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY)

18  
19 COUNT 4: On or about and between June 04, 2014 and February 25,  
20 2015, in violation of Section 549 of the Penal Code (FALSE AND  
21 FRAUDULENT CLAIM), a FELONY, PAUL KAPLAN did unlawfully solicit,  
22 accept, and refer business to and from MONARCH MEDICAL GROUP  
23 INC., with the knowledge that, and with reckless disregard for  
whether MONARCH MEDICAL GROUP INC. intended to violate Penal  
Code section 550 and Insurance Code section 1871.4. (FOR  
MEDICATION MONARCH PURCHASED FROM NUCARE PHARMACEUTICALS)

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1 COUNT 5: On or about and between February 25, 2015 and  
2 September 11, 2015, in violation of Section 549 of the Penal  
3 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, PAUL KAPLAN did  
4 unlawfully solicit, accept, and refer business to and from  
5 MONARCH MEDICAL GROUP INC., with the knowledge that, and with  
6 reckless disregard for whether MONARCH MEDICAL GROUP INC.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (FOR MEDICATION MONARCH PURCHASED FROM A S  
MEDICATION SOLUTIONS)

7  
8 COUNT 6: On or about and between June 04, 2014 and February 25,  
9 2015, in violation of Section 549 of the Penal Code (FALSE AND  
10 FRAUDULENT CLAIM), a FELONY, PAUL KAPLAN did unlawfully solicit,  
11 accept, and refer business to and from MONARCH MEDICAL GROUP  
12 INC., with the knowledge that, and with reckless disregard for  
whether MONARCH MEDICAL GROUP INC. intended to violate Penal  
Code section 550 and Insurance Code section 1871.4. (FOR ACTIVE  
KITS PURCHASED FROM NUCARE)

13  
14 COUNT 7: On or about and between July 13, 2014 and August 12,  
15 2015, in violation of Section 650 of the Business & Professions  
16 Code (REBATES FOR PATIENT REFERRALS), a FELONY, PAUL KAPLAN, a  
17 person licensed under the Healing Arts Division of this Code and  
18 the Chiropractic Initiative Act, did unlawfully offer, deliver,  
19 receive, and accept any rebate, refund, commission, preference,  
20 patronage dividend, discount, and other consideration as  
compensation and inducement for referring patients, clients, and  
customers to TANYA MORELAND KING AND HER BUSINESS ONE SOURCE  
LABS AND KING MEDICAL MANAGEMENT INC.

21  
22 COUNT 8: On or about and between August 01, 2014 and September  
23 11, 2015, in violation of Section 650 of the Business &  
24 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, PAUL  
25 KAPLAN, a person licensed under the Healing Arts Division of  
26 this Code and the Chiropractic Initiative Act, did unlawfully  
27 offer, deliver, receive, and accept any rebate, refund,  
commission, preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to TANYA MORELAND KING AND HER  
BUSINESS MONARCH MEDICAL GROUP AND KING MEDICAL MANAGEMENT.

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1 COUNT 9: On or about and between August 01, 2014 and August  
2 12, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, PAUL  
4 KAPLAN, a person licensed under the Healing Arts Division of  
5 this Code and the Chiropractic Initiative Act, did unlawfully  
6 offer, deliver, receive, and accept any rebate, refund,  
7 commission, preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to STEVEN'S PHARMACY, TANYA  
MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC.

8 COUNT 10: On or about and between August 05, 2014 and May 11,  
9 2015, in violation of Section 550(b)(3) of the Penal Code  
10 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
11 defraud, did unlawfully conceal and knowingly fail to disclose,  
12 and did knowingly assist with another person to conceal and fail  
13 to disclose the occurrence of an event and a fact that affected  
14 the initial and continued material right and entitlement of AIG  
15 to an insurance benefit and payment, and to the amount of a  
benefit and payment to which AIG was entitled, namely: DEFENDANT  
HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
PRESCRIBE COMPOUND CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

16 COUNT 11: On or about and between June 26, 2014 and August 26,  
17 2015, in violation of Section 550(b)(3) of the Penal Code  
18 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
19 defraud, did unlawfully conceal and knowingly fail to disclose,  
20 and did knowingly assist with another person to conceal and fail  
21 to disclose the occurrence of an event and a fact that affected  
22 the initial and continued material right and entitlement of  
23 EMPLOYERS to an insurance benefit and payment, and to the amount  
of a benefit and payment to which EMPLOYERS was entitled,  
namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED  
FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS, AND TO ORDER  
URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 12: On or about and between June 22, 2014 and September  
2 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 FARMERS INSURANCE to an insurance benefit and payment, and to  
9 the amount of a benefit and payment to which FARMERS INSURANCE  
10 was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
11 RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS, AND  
12 TO ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION  
13 PATIENTS.

10 COUNT 13: On or about and between June 27, 2014 and July 24,  
11 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
13 defraud, did unlawfully conceal and knowingly fail to disclose,  
14 and did knowingly assist with another person to conceal and fail  
15 to disclose the occurrence of an event and a fact that affected  
16 the initial and continued material right and entitlement of ICW  
17 GROUP INSURANCE COMPANIES to an insurance benefit and payment,  
18 and to the amount of a benefit and payment to which ICW GROUP  
19 INSURANCE COMPANIES was entitled, namely: DEFENDANT HAD A  
20 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
21 PRESCRIBE COMPOUND CREAMS, AND TO ORDER URINE TOXICOLOGY TESTS  
22 TO HIS WORKERS' COMPENSATION PATIENTS.

19 COUNT 14: On or about and between July 05, 2014 and September  
20 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
22 defraud, did unlawfully conceal and knowingly fail to disclose,  
23 and did knowingly assist with another person to conceal and fail  
24 to disclose the occurrence of an event and a fact that affected  
25 the initial and continued material right and entitlement of  
26 STATE COMPENSATION INSURANCE FUND to an insurance benefit and  
27 payment, and to the amount of a benefit and payment to which  
28 STATE COMPENSATION INSURANCE FUND was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENTS.

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1 COUNT 15: On or about and between October 23, 2014 and August  
2 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
4 defraud, did unlawfully conceal and knowingly fail to disclose,  
5 and did knowingly assist with another person to conceal and fail  
6 to disclose the occurrence of an event and a fact that affected  
7 the initial and continued material right and entitlement of  
8 HARTFORD FINANCIAL SERVICES to an insurance benefit and payment,  
9 and to the amount of a benefit and payment to which HARTFORD  
10 FINANCIAL SERVICES was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
12 PRESCRIBE COMPOUND CREAMS, ACTIVE SPECIMEN KITS AND TO ORDER  
13 URINE TOXICOLOGY TESTS TO HIS WORKERS' COMPENSATION PATIENTS.

14 COUNT 16: On or about and between June 23, 2014 and September  
15 17, 2015, in violation of Section 550(b)(3) of the Penal Code  
16 (INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
17 defraud, did unlawfully conceal and knowingly fail to disclose,  
18 and did knowingly assist with another person to conceal and fail  
19 to disclose the occurrence of an event and a fact that affected  
20 the initial and continued material right and entitlement of YORK  
21 RISK SERVICE GROUP to an insurance benefit and payment, and to  
22 the amount of a benefit and payment to which YORK RISK SERVICE  
23 GROUP was entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST  
24 IN AND RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND  
25 CREAMS, ORAL MEDICATION AND ORDER URINE TOXICOLOGY TESTS TO HIS  
26 WORKERS' COMPENSATION PATIENTS.

27 COUNT 17: On or about and between March 30, 2013 and September  
28 24, 2015, in violation of Section 550(b)(3) of the Penal Code  
(INSURANCE FRAUD), a FELONY, PAUL KAPLAN, with the intent to  
defraud, did unlawfully conceal and knowingly fail to disclose,  
and did knowingly assist with another person to conceal and fail  
to disclose the occurrence of an event and a fact that affected  
the initial and continued material right and entitlement of  
ZURICH INSURANCE to an insurance benefit and payment, and to the  
amount of a benefit and payment to which ZURICH INSURANCE was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE ORAL MEDICATION, AND  
COMPOUND CREAMS AND ORDER URINE TOXICOLOGY TESTS TO HIS WORKERS'  
COMPENSATION PATIENT. (PATIENT: VALENCIA C.).

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I declare under penalty of perjury, on information and belief,  
that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00369

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$ \_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

PAUL KAPLAN - \$ 30,000.00

NOTICES:

The People request that defendant and counsel disclose, within  
15 days, all of the materials and information described in Penal  
Code section 1054.3, and continue to provide any later-acquired  
materials and information subject to disclosure, and without  
further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule  
of Court 5.552, notice is hereby given that the People will seek  
a court order to disseminate the juvenile case file of the  
defendant/minor, if any exists, to all parties in this action,  
through their respective attorneys of record, in the prosecution  
of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:00 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0800**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 PAUL ANDREW STANTON 11/12/62 ) OCDA WC16070011  
D2397394 ) OCDA WC15040015  
12 ) OCDA HF12110001  
13 )  
Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between June 12, 2012 and August 12,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, PAUL  
19 ANDREW STANTON did unlawfully conspire with TANYA MORELAND KING  
20 AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with the  
21 intent to defraud, to make a false and fraudulent claim to  
22 WORKERS COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for  
23 payment of a health care benefit in an amount exceeding nine  
hundred fifty dollars (\$950). It is further alleged that  
pursuant to and for the purpose of carrying out the objects and  
purposes of the conspiracy, one and more of the conspirators  
committed the following overt acts:

24  
25 OVERT ACT 1

26 On or about 6/12/12, Defendant PAUL STANTON, M.D., entered into  
27 an agreement with TANYA MORELAND KING, CHRISTOPHER KING and  
28 their companies, King Medical Management Inc. and Monarch  
Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant PAUL STANTON, M.D.

OVERT ACT 3

Defendant PAUL STANTON, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant PAUL STANTON, M.D., did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant PAUL STANTON, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$190 per cream even though the cream only cost \$16.

OVERT ACT 7

From 6/12/12 to 5/13/15, King Medical Management Inc., paid Defendant PAUL STANTON, M.D., \$50 per compound cream dispensed to his workers' compensation patients.

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OVERT ACT 8

From 5/13/15 to 8/12/15, King Medical Management Inc., paid Defendant PAUL STANTON, M.D., 80% of the profits from the amount collected from the workers' compensation carrier for each of the 3-day of the compound creams he dispensed to his workers' compensation patients.

OVERT ACT 9

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant PAUL STANTON, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 10

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant PAUL STANTON, M.D., prescribed to his patients, on 1/21/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 11

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant PAUL STANTON's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 12

Between 6/12/12 and 8/12/15, Monarch Medical Group and King Medical Management paid Defendant PAUL STANTON, M.D., in excess of \$11,000 and at least one payment was issued in the amount of \$400 on 5/13/15 on Check #6679.

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1 COUNT 2: On or about and between March 30, 2014 and August 12,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, PAUL ANDREW STANTON did unlawfully  
4 solicit, accept, and refer business to and from KING MEDICAL  
5 MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC, with the  
6 knowledge that, and with reckless disregard for whether KING  
7 MEDICAL MANAGEMENT INC. AND MONARCH MEDICAL GROUP INC intended  
8 to violate Penal Code section 550 and Insurance Code section  
9 1871.4. (COMPOUND TRANSDERMAL CREAMS FROM STEVEN'S PHARMACY)

10 COUNT 3: On or about and between March 30, 2014 and September  
11 01, 2015, in violation of Section 650 of the Business &  
12 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, PAUL  
13 ANDREW STANTON, a person licensed under the Healing Arts  
14 Division of this Code and the Chiropractic Initiative Act, did  
15 unlawfully offer, deliver, receive, and accept any rebate,  
16 refund, commission, preference, patronage dividend, discount,  
17 and other consideration as compensation and inducement for  
18 referring patients, clients, and customers to STEVEN'S PHARMACY,  
19 TANYA MORELAND KING AND HER BUSINESS MONARCH MEDICAL GROUP INC..

20 COUNT 4: On or about and between April 04, 2013 and June 24,  
21 2014, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of BERKSHIRE HATHAWAY HOMESTEAD COMPANIES to an  
28 insurance benefit and payment, and to the amount of a benefit  
and payment to which BERKSHIRE HATHAWAY HOMESTEAD COMPANIES was  
entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO  
HIS WORKERS' COMPENSATION PATIENTS.

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1 COUNT 5: On or about and between April 10, 2013 and July 22,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ICW GROUP INSURANCE GROUP to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 ICW GROUP INSURANCE GROUP was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
12 PRESCRIBE COMPOUND CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

9  
10 COUNT 6: On or about and between July 10, 2013 and January 22,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of AIG to an insurance benefit and payment, and to  
18 the amount of a benefit and payment to which AIG was entitled,  
19 namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED  
20 FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO HIS  
21 WORKERS' COMPENSATION PATIENTS.

18  
19 COUNT 7: On or about and between January 27, 2014 and February  
20 26, 2014, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of STATE COMPENSATION INSURANCE FUND to an insurance  
27 benefit and payment, and to the amount of a benefit and payment  
28 to which STATE COMPENSATION INSURANCE FUND was entitled, namely:  
DEFENDANT HAD A FINANCIAL INTEREST IN AND RECEIVED FINANCIAL  
INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO HIS WORKERS'  
COMPENSATION PATIENTS. (PATIENT HENRY Q.).

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1 COUNT 8: On or about and between June 12, 2013 and July 15,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of YORK RISK SERVICES GROUP to an insurance benefit  
9 and payment, and to the amount of a benefit and payment to which  
10 YORK RISK SERVICES GROUP was entitled, namely: DEFENDANT HAD A  
11 FINANCIAL INTEREST IN AND RECEIVED FINANCIAL INCENTIVES TO  
12 PRESCRIBE COMPOUND CREAMS TO HIS WORKERS' COMPENSATION PATIENTS.

9 COUNT 9: On or about and between August 14, 2013 and December  
10 23, 2014, in violation of Section 550(b)(3) of the Penal Code  
11 (INSURANCE FRAUD), a FELONY, PAUL ANDREW STANTON, with the  
12 intent to defraud, did unlawfully conceal and knowingly fail to  
13 disclose, and did knowingly assist with another person to  
14 conceal and fail to disclose the occurrence of an event and a  
15 fact that affected the initial and continued material right and  
16 entitlement of ZURICH to an insurance benefit and payment, and  
17 to the amount of a benefit and payment to which ZURICH was  
18 entitled, namely: DEFENDANT HAD A FINANCIAL INTEREST IN AND  
19 RECEIVED FINANCIAL INCENTIVES TO PRESCRIBE COMPOUND CREAMS TO  
20 HIS WORKERS' COMPENSATION PATIENTS.

18 I declare under penalty of perjury, on information and belief,  
19 that the foregoing is true and correct.

20 Dated 04-03-2017 at Orange County, California.

21 KS/AC 17F00360

22  
23 TONY RACKAUCKAS, DISTRICT ATTORNEY

24 by: /s/ SHADDI KAMIABIPOUR

25 SHADDI KAMIABIPOUR, Deputy District Attorney

26 RESTITUTION CLAIMED

27 [ ] None

28 [ ] \$ \_\_\_\_\_

[ X ] To be determined

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BAIL RECOMMENDATION:

PAUL ANDREW STANTON - \$ 30,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.



1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
09:02 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0796**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 ROBERT EDWARD CATON 10/19/51 ) OCDA WC16070011  
12 A0148880 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between June 12, 2012 and August 12,  
17 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, ROBERT  
19 EDWARD CATON did unlawfully conspire with Tanya Moreland King  
20 and Christopher King and other Unknown individuals., with the  
21 intent to defraud, to make a false and fraudulent claim to  
22 Workers' compensation Insurance Carriers in California for  
23 payment of a health care benefit in an amount exceeding nine  
24 hundred fifty dollars (\$950). It is further alleged that  
25 pursuant to and for the purpose of carrying out the objects and  
26 purposes of the conspiracy, one and more of the conspirators  
27 committed the following overt acts:

24 OVERT ACT 1

26 On or about 6/12/12, Defendant Robert Caton, M.D., entered into  
27 an agreement with King Medical Management Inc. and Monarch  
28 Medical Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Robert Caton, M.D.

OVERT ACT 3

Defendant Robert Caton, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers' compensation patients.

OVERT ACT 4

Defendant Robert Caton did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Robert Caton, M.D., then provided the billing information for each workers' compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers' compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

From 6/12/12 to 6/1/13, King Medical Management Inc., paid Defendant Robert Caton, M.D. \$50 per compound cream dispensed to his workers compensation patients.

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OVERT ACT 8

From 6/1/13 to 8/12/15, King Medical Management Inc., paid Defendant Robert Caton, M.D. 90% of the profits from the amount collected from the workers compensation carrier for each of the 3-day of the compound creams he dispensed to his workers' compensation patients.

OVERT ACT 9

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Robert Caton, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 10

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant Robert Caton, MD, prescribed to his patients, on 2/19/15 he signed a letter that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 11

Monarch Medical Group then billed the workers' compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Robert Caton's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 12

On or about August 2, 2012, Defendant Robert Caton. M.D. also entered into an agreement with King Medical Management and One Source Labs Inc., in which he agreed to order Urine toxicology Drug testing to his workers compensation patients in return for financial consideration.

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OVERT ACT 13

Defendant Robert Caton M.D. subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with King Medical Management.

OVERT ACT 14

King Medical Management then billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 90% of the profit on the amounts collected to Defendant Robert Caton, M.D.

OVERT ACT 15

In return for the payment on the "Point of Care" toxicology tests, Defendant Robert Caton then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers' compensation patients, regardless of medical necessity or test results.

OVERT ACT 16

One Source Labs billed workers' compensation carriers in excess of \$700 for qualitative tests order by Defendant Robert Caton.

OVERT ACT 17

On or about June 12, 2012, Defendant Robert Caton, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from NuCare Pharmaceuticals, located in the City of Orange, In the County of Orange.

OVERT ACT 18

Monarch paid 80 percent of the net receivables collected from workers' compensation carriers to Defendant Robert Caton, M.D. for the medications he dispensed to his workers' compensation patients which were supplied by NuCare Pharmaceuticals, in the City of Orange.

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OVERT ACT 19

On or about 6/30/14, Defendant Robert Caton entered into an agreement with Monarch Medical Group to dispense "Active Kits" which Monarch purchased from NuCare Pharmaceuticals, in Orange, to Defendant Robert Caton's workers' compensation patients.

OVERT ACT 20

Defendant Robert Caton dispensed the "Active Kits", shared the patient demographics and billing information with Monarch who billed workers' compensation insurance carriers and shared 75% of the profit from the payments received from workers' compensation carriers with Defendant Robert Caton.

OVERT ACT 21

On or about February 19, 2015, Defendant Robert Caton, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, doing business in the City of Costa Mesa, in the County of Orange.

OVERT ACT 22

Monarch paid 80 percent of the net receivables collected from workers' compensation carriers to Defendant Robert Caton, M.D. for the medications he dispensed to his workers' compensation patients which were supplied to him directly by A S Medication Solutions, in the City of Costa Mesa.

OVERT ACT 23

Between 9/12/12 and 8/12/15, Monarch Medical Group and King Medical Management paid Defendant Robert Caton in excess of \$175,270 and at least one payment was issued in the amount of \$1,141.58 on 7/13/15 on Check # 6738.

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1 COUNT 2: On or about and between March 30, 2014 and August 12,  
2 2015, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, ROBERT EDWARD CATON did unlawfully  
4 solicit, accept, and refer business to and from King Medical  
5 Management Inc. and One Source Labs Inc., with the knowledge  
6 that, and with reckless disregard for whether King Medical  
7 Management Inc. and One Source Labs Inc. intended to violate  
8 Penal Code section 550 and Insurance Code section 1871.4. (Urine  
9 Toxicology)

10 COUNT 3: On or about and between March 30, 2014 and August 12,  
11 2015, in violation of Section 549 of the Penal Code (FALSE AND  
12 FRAUDULENT CLAIM), a FELONY, ROBERT EDWARD CATON did unlawfully  
13 solicit, accept, and refer business to and from King Medical  
14 Management Inc. and Monarch Medical Group Inc., with the  
15 knowledge that, and with reckless disregard for whether King  
16 Medical Management Inc. and Monarch Medical Group Inc. intended  
17 to violate Penal Code section 550 and Insurance Code section  
18 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

19 COUNT 4: On or about and between March 30, 2014 and February  
20 19, 2015, in violation of Section 549 of the Penal Code (FALSE  
21 AND FRAUDULENT CLAIM), a FELONY, ROBERT EDWARD CATON did  
22 unlawfully solicit, accept, and refer business to and from  
23 Monarch Medical Group Inc., with the knowledge that, and with  
24 reckless disregard for whether Monarch Medical Group Inc.  
25 intended to violate Penal Code section 550 and Insurance Code  
26 section 1871.4. (For Medication Monarch purchased from NuCare  
27 Pharmaceuticals)

28 COUNT 5: On or about and between February 19, 2015 and  
September 09, 2015, in violation of Section 549 of the Penal  
Code (FALSE AND FRAUDULENT CLAIM), a FELONY, ROBERT EDWARD CATON  
did unlawfully solicit, accept, and refer business to and from  
Monarch Medical Group Inc., with the knowledge that, and with  
reckless disregard for whether Monarch Medical Group Inc.  
intended to violate Penal Code section 550 and Insurance Code  
section 1871.4. (For Medication Monarch purchased from A S  
Medication Solutions)

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1 COUNT 6: On or about and between August 12, 2012 and June 30,  
2 2014, in violation of Section 549 of the Penal Code (FALSE AND  
3 FRAUDULENT CLAIM), a FELONY, ROBERT EDWARD CATON did unlawfully  
4 solicit, accept, and refer business to and from Monarch Medical  
5 Group Inc., with the knowledge that, and with reckless disregard  
6 for whether Monarch Medical Group Inc. intended to violate Penal  
Code section 550 and Insurance Code section 1871.4. (For Active  
Kits purchased from NuCare)

7 COUNT 7: On or about and between March 30, 2014 and August 12,  
8 2015, in violation of Section 650 of the Business & Professions  
9 Code (REBATES FOR PATIENT REFERRALS), a FELONY, ROBERT EDWARD  
10 CATON, a person licensed under the Healing Arts Division of this  
11 Code and the Chiropractic Initiative Act, did unlawfully offer,  
12 deliver, receive, and accept any rebate, refund, commission,  
13 preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to Tanya Moreland King and her  
Business One Source Labs and King Medical Management Inc..

14 COUNT 8: On or about and between March 30, 2014 and August 12,  
15 2015, in violation of Section 650 of the Business & Professions  
16 Code (REBATES FOR PATIENT REFERRALS), a FELONY, ROBERT EDWARD  
17 CATON, a person licensed under the Healing Arts Division of this  
18 Code and the Chiropractic Initiative Act, did unlawfully offer,  
19 deliver, receive, and accept any rebate, refund, commission,  
20 preference, patronage dividend, discount, and other  
consideration as compensation and inducement for referring  
patients, clients, and customers to Tanya Moreland King and her  
Business Monarch Medical Group and King Medical Management, Inc.

21 COUNT 9: On or about and between March 30, 2014 and September  
22 01, 2015, in violation of Section 650 of the Business &  
23 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
24 ROBERT EDWARD CATON, a person licensed under the Healing Arts  
25 Division of this Code and the Chiropractic Initiative Act, did  
26 unlawfully offer, deliver, receive, and accept any rebate,  
27 refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to Steven's Pharmacy,  
Tanya Moreland King and her Business Monarch Medical Group Inc..

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1 COUNT 10: On or about and between March 30, 2013 and September  
2 21, 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Berkshire Hathaway Homestead Companies to an  
9 insurance benefit and payment, and to the amount of a benefit  
and payment to which Berkshire Hathaway Homestead Companies was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe Compound Creams, Oral  
Medications and Urine Toxicology Tests to his workers'  
compensation patients.

11 COUNT 11: On or about and between April 01, 2013 and April 19,  
12 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of Employers Insurance to an insurance benefit and  
19 payment, and to the amount of a benefit and payment to which  
Employers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe compound creams and oral medications and to Order  
Urine Toxicology Tests to his workers' compensation patients.

20 COUNT 12: On or about and between April 01, 2013 and August 28,  
21 2013, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of Farmers Insurance to an insurance benefit and  
28 payment, and to the amount of a benefit and payment to which  
Farmers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe Compound Creams to his workers' compensation patients.

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1 COUNT 13: On or about and between April 26, 2013 and August 29,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of ICW to an insurance benefit and payment, and to  
9 the amount of a benefit and payment to which ICW was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to prescribe Compound Creams, oral  
medications and order Urine Toxicology Tests to his workers'  
compensation patients.

10 COUNT 14: On or about and between March 29, 2013 and September  
11 23, 2015, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of Liberty Mutual Insurance to an insurance benefit  
18 and payment, and to the amount of a benefit and payment to which  
19 Liberty Mutual Insurance was entitled, namely: Defendant had a  
20 financial interest in and received financial incentives to  
21 prescribe compound creams, and oral medication and order Urine  
22 Toxicology Tests to his workers' compensation patients.

23 COUNT 15: On or about and between July 31, 2014 and August 25,  
24 2014, in violation of Section 550(b)(3) of the Penal Code  
25 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
26 intent to defraud, did unlawfully conceal and knowingly fail to  
27 disclose, and did knowingly assist with another person to  
28 conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of Pacific Compensation Insurance Co. to an  
insurance benefit and payment, and to the amount of a benefit  
and payment to which Pacific Compensation Insurance Co. was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to prescribe compound creams and  
oral medication and to order Urine Toxicology Tests to his  
workers' compensation patients.

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1 COUNT 16: On or about and between June 24, 2013 and June 26,  
2 2015, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Republic Indemnity Company of America to an  
9 insurance benefit and payment, and to the amount of a benefit  
10 and payment to which Republic Indemnity Company of America was  
11 entitled, namely: Defendant had a financial interest in and  
12 received financial incentives to prescribe compound creams, and  
13 oral medication and to order Urine Toxicology Tests to his  
14 workers' compensation patients.

11 COUNT 17: On or about and between April 04, 2013 and October  
12 29, 2015, in violation of Section 550(b)(3) of the Penal Code  
13 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
14 intent to defraud, did unlawfully conceal and knowingly fail to  
15 disclose, and did knowingly assist with another person to  
16 conceal and fail to disclose the occurrence of an event and a  
17 fact that affected the initial and continued material right and  
18 entitlement of State Compensation Insurance Fund to an insurance  
19 benefit and payment, and to the amount of a benefit and payment  
20 to which State Compensation Insurance Fund was entitled, namely:  
21 Defendant had a financial interest in and received financial  
22 incentives to order Urine Toxicology Tests and prescribed oral  
23 medication to his workers' compensation patients.

20 COUNT 18: On or about and between April 01, 2013 and April 11,  
21 2013, in violation of Section 550(b)(3) of the Penal Code  
22 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
23 intent to defraud, did unlawfully conceal and knowingly fail to  
24 disclose, and did knowingly assist with another person to  
25 conceal and fail to disclose the occurrence of an event and a  
26 fact that affected the initial and continued material right and  
27 entitlement of Total Health & Productivity Management to an  
28 insurance benefit and payment, and to the amount of a benefit  
and payment to which Total Health & Productivity Management was  
entitled, namely: Defendant had a financial interest in and  
received financial incentives to order Urine Toxicology Tests to  
his workers' compensation patients.

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1 COUNT 19: On or about and between April 15, 2013 and September  
2 15, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Travelers Insurance to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
Travelers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe Oral Medication to his  
workers' compensation patients.

10 COUNT 20: On or about and between April 18, 2013 and April 22,  
11 2014, in violation of Section 550(b)(3) of the Penal Code  
12 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
13 intent to defraud, did unlawfully conceal and knowingly fail to  
14 disclose, and did knowingly assist with another person to  
15 conceal and fail to disclose the occurrence of an event and a  
16 fact that affected the initial and continued material right and  
17 entitlement of TRISTAR Insurance Group to an insurance benefit  
18 and payment, and to the amount of a benefit and payment to which  
TRISTAR Insurance Group was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe oral medication and to order Urine Toxicology Tests to  
his workers' compensation patients.

19 COUNT 21: On or about and between May 08, 2013 and August 20,  
20 2015, in violation of Section 550(b)(3) of the Penal Code  
21 (INSURANCE FRAUD), a FELONY, ROBERT EDWARD CATON, with the  
22 intent to defraud, did unlawfully conceal and knowingly fail to  
23 disclose, and did knowingly assist with another person to  
24 conceal and fail to disclose the occurrence of an event and a  
25 fact that affected the initial and continued material right and  
26 entitlement of Zurich Insurance to an insurance benefit and  
27 payment, and to the amount of a benefit and payment to which  
Zurich Insurance was entitled, namely: Defendant had a financial  
interest in and received financial incentives to prescribe  
compound creams and oral medication and to order Urine  
Toxicology Tests to his workers' compensation patients.

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21, it is further alleged pursuant to Penal Code section 12022.6(a)(1) (PROPERTY DAMAGE/LOSS OVER \$65,000), that ROBERT EDWARD CATON intentionally took, damaged, and destroyed property valued in excess of sixty-five thousand dollars (\$65,000) during the commission and attempted commission of the above offense.

It is further alleged pursuant to Penal Code section 186.11(a)(1)/(2) (AGGRAVATED WHITE COLLAR CRIME - OVER \$500,000), that as to counts 1, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20 and 21, defendant ROBERT EDWARD CATON engaged in a pattern of related fraudulent felony conduct involving the taking of more than five hundred thousand dollars (\$500,000).

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.  
KS/AC 17F00365

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR  
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$\_\_\_\_\_
- To be determined

BAIL RECOMMENDATION:

ROBERT EDWARD CATON - \$ 175,000.00

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NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.

1 SUPERIOR COURT OF CALIFORNIA  
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

**ELECTRONICALLY FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

04/03/2017  
08:00 AM

DAVID H. YAMASAKI, Clerk of the Court  
**17CF0798**

6 THE PEOPLE OF THE STATE OF CALIFORNIA, ) FELONY COMPLAINT  
7 ) WARRANT  
8 Plaintiff, )  
9 )  
10 vs. ) No.  
11 ROBERT BRANT FENTON 01/23/49 ) OCDA WC16070011  
12 P0835907 ) OCDA WC15040015  
13 ) OCDA HF12110001  
14 )  
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange  
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between July 11, 2011 and September  
17 01, 2015, in violation of Section 550(a)(6) of the Penal Code  
18 (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a FELONY, ROBERT  
19 BRANT FENTON did unlawfully conspire with Conspired with Tanya  
20 Moreland King and Christopher King and other Unknown  
21 individuals., with the intent to defraud, to make a false and  
22 fraudulent claim to Workers compensation Insurance Carriers in  
23 California for payment of a health care benefit in an amount  
24 exceeding nine hundred fifty dollars (\$950). It is further  
25 alleged that pursuant to and for the purpose of carrying out the  
26 objects and purposes of the conspiracy, one and more of the  
27 conspirators committed the following overt acts:

28 OVERT ACT 1

26 On or about 7/11/11, Defendants Robert Fenton M.D., entered into  
27 an agreement with Tanya Moreland King, Christopher King and  
28 their companies King Medical Management Inc. and Monarch Medical  
Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and on or about 2/11/14, King Medical Management arranged for Steven's Pharmacy to ship these creams to Defendant Robert Fenton, M.D. .

OVERT ACT 3

Defendant Robert Fenton, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers compensation patients.

OVERT ACT 4

Defendant Robert Fenton did not customize these compound transdermal creams to each workers compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Robert Fenton, M.D., then provided the billing information for each workers compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$15.

OVERT ACT 7

King Medical Management Inc., paid Defendant Robert Fenton, M.D. \$50 for each 3-day supply of the compound cream he dispensed to his workers compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Robert Fenton, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which was shipped to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Robert Fenton's patients, and cost Monarch Medical Management only \$60 per compound cream to manufacture.

OVERT ACT 10

On or about 2/11/14, Defendant Robert Fenton also entered into an agreement with Monarch Medical Group and One Source Labs Inc., in which he agreed to prescribe Urine toxicology Drug testing to his workers compensation patients in return for financial consideration.

OVERT ACT 11

Monarch Medical Group purchased Active Medicated Specimen collection kits from NuCare Pharmaceuticals Inc., located in the City of Orange, County of Orange and shipped the kits to Defendant Robert Fenton, M.D.

OVERT ACT 12

Defendant Robert Fenton, subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with Monarch Medical Group.

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OVERT ACT 13

Monarch Medical Group then billed workers compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 80% of the profits on the amounts collected to Dr. Robert Fenton.

OVERT ACT 14

In return for the payment on the "Point of Care" toxicology tests, Defendant Robert Fenton then permitted One Source Labs to do quantitative tests on all Urine samples submitted by the workers compensation patients, regardless of medical necessity or test results.

OVERT ACT 15

One Source Labs then billed workers compensation carriers in excess of \$700 for these quantitative tests.

OVERT ACT 16

On or between, 4-3-14 and 2-2-15, Defendant Robert Fenton agreed to distribute medications and active kits purchased by Monarch Medical Group from NuCare Pharmaceuticals, located in the City of Orange, County of Orange, in return for receiving 70% of profits on the amounts collected from Workers Compensation Carriers.

OVERT ACT 17

On or between 2/13/15 to 8/27/15, Defendant Robert Fenton agreed to distribute medications purchased by Monarch Medical Group from A S Medication Solutions, located in County of Orange, in return for receiving 70% of profits on the amounts collected from Workers Compensation Carriers.

OVERT ACT 18

Between 1/10/12 and 8/12/15, King Medical Management and Monarch Medical Group paid Defendant Fenton in excess of \$38,000 and at least one payment was for \$638.19 on 7/13/15 with check # 6705 for "June Active Kits."

1 COUNT 2: On or about and between April 04, 2014 and September  
2 01, 2015, in violation of Section 549 of the Penal Code (FALSE  
3 AND FRAUDULENT CLAIM), a FELONY, ROBERT BRANT FENTON did  
4 unlawfully solicit, accept, and refer business to and from King  
5 Medical Management Inc. and One Source Labs Inc., with the  
6 knowledge that, and with reckless disregard for whether King  
7 Medical Management Inc. and One Source Labs Inc. intended to  
8 violate Penal Code section 550 and Insurance Code section  
9 1871.4. (URINE TOXICOLOGY)

10 COUNT 3: On or about and between April 04, 2014 and September  
11 01, 2015, in violation of Section 549 of the Penal Code (FALSE  
12 AND FRAUDULENT CLAIM), a FELONY, ROBERT BRANT FENTON did  
13 unlawfully solicit, accept, and refer business to and from King  
14 Medical Management Inc. and Monarch Medical Group Inc., with the  
15 knowledge that, and with reckless disregard for whether King  
16 Medical Management Inc. and Monarch Medical Group Inc. intended  
17 to violate Penal Code section 550 and Insurance Code section  
18 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

19 COUNT 4: On or about and between April 04, 2014 and September  
20 01, 2015, in violation of Section 650 of the Business &  
21 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
22 ROBERT BRANT FENTON, a person licensed under the Healing Arts  
23 Division of this Code and the Chiropractic Initiative Act, did  
24 unlawfully offer, deliver, receive, and accept any rebate,  
25 refund, commission, preference, patronage dividend, discount,  
26 and other consideration as compensation and inducement for  
27 referring patients, clients, and customers to Tanya Moreland  
28 King and her Business One Source Labs and King Medical  
Management Inc.

COUNT 5: On or about and between April 14, 2014 and September  
01, 2015, in violation of Section 650 of the Business &  
Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
ROBERT BRANT FENTON, a person licensed under the Healing Arts  
Division of this Code and the Chiropractic Initiative Act, did  
unlawfully offer, deliver, receive, and accept any rebate,  
refund, commission, preference, patronage dividend, discount,  
and other consideration as compensation and inducement for  
referring patients, clients, and customers to Tanya Moreland  
King and her Business Monarch Medical Group.

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1 COUNT 6: On or about and between April 04, 2014 and September  
2 01, 2015, in violation of Section 650 of the Business &  
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY,  
4 ROBERT BRANT FENTON, a person licensed under the Healing Arts  
5 Division of this Code and the Chiropractic Initiative Act, did  
6 unlawfully offer, deliver, receive, and accept any rebate,  
7 refund, commission, preference, patronage dividend, discount,  
8 and other consideration as compensation and inducement for  
referring patients, clients, and customers to Steven's Pharmacy  
and Tanya Moreland King and her Business Monarch Medical Group  
Inc.

9 COUNT 7: On or about and between August 09, 2013 and April 18,  
10 2014, in violation of Section 550(b)(3) of the Penal Code  
11 (INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON, with the  
12 intent to defraud, did unlawfully conceal and knowingly fail to  
13 disclose, and did knowingly assist with another person to  
14 conceal and fail to disclose the occurrence of an event and a  
15 fact that affected the initial and continued material right and  
16 entitlement of AIG to an insurance benefit and payment, and to  
17 the amount of a benefit and payment to which AIG was entitled,  
namely: Defendant had a financial interest in and received  
financial incentives to prescribe Compound Creams, oral  
medications and to order Urine Toxicology Tests to his workers'  
compensation patients.

18 COUNT 8: On or about and between February 27, 2014 and November  
19 19, 2014, in violation of Section 550(b)(3) of the Penal Code  
20 (INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON, with the  
21 intent to defraud, did unlawfully conceal and knowingly fail to  
22 disclose, and did knowingly assist with another person to  
23 conceal and fail to disclose the occurrence of an event and a  
24 fact that affected the initial and continued material right and  
25 entitlement of Farmers Insurance to an insurance benefit and  
26 payment, and to the amount of a benefit and payment to which  
Farmers Insurance was entitled, namely: Defendant had a  
financial interest in and received financial incentives to  
prescribe Compound Creams and Oral Medication to his workers'  
compensation patients.

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1 COUNT 9: On or about and between February 04, 2014 and  
2 September 01, 2015, in violation of Section 550(b)(3) of the  
3 Penal Code (INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON,  
4 with the intent to defraud, did unlawfully conceal and  
5 knowingly fail to disclose, and did knowingly assist with  
6 another person to conceal and fail to disclose the occurrence of  
7 an event and a fact that affected the initial and continued  
8 material right and entitlement of Liberty Mutual to an insurance  
9 benefit and payment, and to the amount of a benefit and payment  
10 to which Liberty Mutual was entitled, namely: Defendant had a  
11 financial interest in and received financial incentives to  
12 prescribe Compound Creams and Oral Medications and to Order  
13 Urine Toxicology tests to his workers' compensation patients.

14 COUNT 10: On or about and between June 26, 2013 and March 25,  
15 2014, in violation of Section 550(b)(3) of the Penal Code  
16 (INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON, with the  
17 intent to defraud, did unlawfully conceal and knowingly fail to  
18 disclose, and did knowingly assist with another person to  
19 conceal and fail to disclose the occurrence of an event and a  
20 fact that affected the initial and continued material right and  
21 entitlement of Republic Indemnity Company of America to an  
22 insurance benefit and payment, and to the amount of a benefit  
23 and payment to which Republic Indemnity Company of America was  
24 entitled, namely: Defendant had a financial interest in and  
25 received financial incentives to prescribe compound creams to  
26 his workers' compensation patients.

27 COUNT 11: On or about and between April 14, 2014 and September  
28 03, 2015, in violation of Section 550(b)(3) of the Penal Code  
(INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON, with the  
intent to defraud, did unlawfully conceal and knowingly fail to  
disclose, and did knowingly assist with another person to  
conceal and fail to disclose the occurrence of an event and a  
fact that affected the initial and continued material right and  
entitlement of YORK RISK SERVICE GROUP to an insurance benefit  
and payment, and to the amount of a benefit and payment to which  
YORK RISK SERVICE GROUP was entitled, namely: Defendant had a  
financial interest in and received financial incentives to order  
Urine Toxicology Tests and prescribe Compound Creams to his  
workers' compensation patients.

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1 COUNT 12: On or about and between July 26, 2013 and December  
2 12, 2014, in violation of Section 550(b)(3) of the Penal Code  
3 (INSURANCE FRAUD), a FELONY, ROBERT BRANT FENTON, with the  
4 intent to defraud, did unlawfully conceal and knowingly fail to  
5 disclose, and did knowingly assist with another person to  
6 conceal and fail to disclose the occurrence of an event and a  
7 fact that affected the initial and continued material right and  
8 entitlement of Zurich Insurance to an insurance benefit and  
9 payment, and to the amount of a benefit and payment to which  
10 Zurich Insurance was entitled, namely: Defendant had a financial  
11 interest in and received financial incentives to order Urine  
12 Toxicology Tests and to prescribe compound creams and oral  
13 medications to his workers' compensation patients.

14 I declare under penalty of perjury, on information and belief,  
15 that the foregoing is true and correct.

16 Dated 04-03-2017 at Orange County, California.  
17 KS/AC 17F00357

18 TONY RACKAUCKAS, DISTRICT ATTORNEY

19 by: /s/ SHADDI KAMIABIPOUR  
20 SHADDI KAMIABIPOUR, Deputy District Attorney

21 RESTITUTION CLAIMED

22 [ ] None  
23 [ ] \$ \_\_\_\_\_  
24 [ X ] To be determined

25 BAIL RECOMMENDATION:

26 ROBERT BRANT FENTON - \$ 30,000.00

27 NOTICES:

28 The People request that defendant and counsel disclose, within  
15 days, all of the materials and information described in Penal  
Code section 1054.3, and continue to provide any later-acquired  
materials and information subject to disclosure, and without  
further request or order.

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Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.