



Department of Justice

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Middle District of Florida

Tampa
FOR IMMEDIATE RELEASE
Tuesday - October 28, 2008
<http://www.usdoj.gov/usao/flm/pr>

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FLORIDA DOCTOR PLEADS GUILTY TO LEADING ROLE IN MASSIVE ILLEGAL DISTRIBUTION OF PRESCRIPTION PAINKILLERS OVER THE INTERNET

Tampa, Florida - United States Attorney A. Brian Albritton today announced that JUAN ANTONIO IBANEZ, a 60-year-old physician who had practiced in Tampa, Haines City, and Winter Haven, Florida, pleaded guilty to the following charges:

- conspiracy to illegally distribute hydrocodone;
- conspiracy to illegally use DEA controlled substance registration numbers issued to other physicians in the course of distributing hydrocodone;
- conspiracy to use communication facilities to commit and facilitate the conspiracy to illegally distribute hydrocodone;
- conspiracy to use places, that is, pharmacies, for the purpose of illegally distributing hydrocodone;
- engaging in a monetary transaction, greater than \$10,000, in property criminally derived from the conspiracy to commit drug trafficking offenses; and
- illegally distributing hydrocodone to undercover diversion investigators in Tampa during an earlier investigation.

According to court documents, hydrocodone is the generic name for a dangerous and highly addictive prescription painkiller classified as a Schedule III controlled substance and sold generically or under a variety of brand names, including Vicodin, Vicoprofin, Lortab, Lorcet, and Norco.

According to the plea agreement, between 2003 and December 2007, IBANEZ's criminal organization grossed in excess of \$85 million by distributing over 50 million

hydrocodone pills to customers located throughout the United States who had placed orders on the various internet website clinics owned and operated by IBANEZ and others. Through these internet website clinics, IBANEZ and other co-conspirators advertised hydrocodone using forms of mass marketing that enticed customers to obtain prescription drugs without a prescription from their own treating physicians. Customers accessed one of these websites, filled out a brief questionnaire, selected the type and dosage of hydrocodone desired, and sometimes submitted medical records purporting to document the medical condition for which the customer was seeking hydrocodone. After a brief consultation with someone connected to the website, the cost of the drugs and a consultation fee were charged to the customer's credit card.

Also according to the plea agreement, during the course of the conspiracy, IBANEZ personally had authorized, or allowed his name, scanned signature and DEA registration number to be used to authorize the issuance of over 74,000 orders for hydrocodone (representing in excess of 6.6 million pills). Additionally, IBANEZ recruited, hired and managed, or caused others to recruit, hire and manage, numerous physicians from Florida and several other states, including Texas, Ohio, North Carolina, Georgia, Louisiana, to review the medical records and/or questionnaires, and then allow their scanned signatures and DEA Controlled Substance Registration numbers to be used on orders purporting to be prescriptions for hydrocodone. Hundreds of thousands of orders were issued under the names and DEA registration numbers of several of these physicians, even though they never personally had consulted with the customer or reviewed the purported medical records of the customer, or after having done so, had rejected the medical records or otherwise declined to authorize the issuance of a prescription. Tens of thousands of orders were issued under the name, scanned signatures and DEA registration numbers of

physicians who had declined to be employed by the organization and had never participated in its operation.

The plea agreement stated that the organization recruited and paid numerous independent pharmacies across the United States, including several in the Tampa Bay area, to fill and ship the hydrocodone orders to the websites' customers. On July 31st of this year, a federal jury in Baltimore, Maryland convicted the owners of one of these pharmacies, NewCare Home Health Services, Inc., doing business as NewCare Pharmacy, of illegally distributing nearly 10 million hydrocodone pills ordered off of the internet website clinics operated by IBANEZ and others. The owners of NewCare, Steven Abiodun Sodipo and Callixtus Onigbo Nwachiri, also were convicted of conspiracy to commit money laundering, engaging in monetary transactions using the proceeds from the illegal drug sales, and filing false tax returns.

United States Attorney A. Brian Albritton said, "In a time when the abuse of prescription pain killers has become a growing crisis in the State of Florida and throughout the nation, this prosecution is a message to those who seek to capitalize on addicts seeking easy access to these drugs over the Internet that you are bound by the same laws and penalties as other illegal drug traffickers."

The maximum penalty IBANEZ faces is 20 years' imprisonment, a \$500,000 fine, and a three-year term of supervised release.

The case is part of a continuing investigation by the Drug Enforcement Administration and the Internal Revenue Service, with the assistance of the Ventura County Sheriff's Office in California. The case was prosecuted by Assistant United States Attorneys Kathy J.M. Peluso and Terry A. Zitek.