

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

FILED
RICHARD W. NAEGL
CLERK OF COURT

2021 SEP 16 PM 5:12

U.S. DISTRICT COURT
SOUTHERN DIST. OHIO
EAST. DIV. COLUMBUS

UNITED STATES OF AMERICA,

Plaintiff,

vs.

NATHANAEL THOMPSON (1) and
SANAM AHMAD (2),

Defendants.

Case No. _____

Judge _____

18 U.S.C. § 1349

18 U.S.C. § 1347

18 U.S.C. § 2

FORFEITURE ALLEGATIONS

INDICTMENT

The GRAND JURY charges:

At times material to this Indictment:

GENERAL ALLEGATIONS

The Defendants, Related Individuals, and Entities

1. Defendant NATHANAEL THOMPSON was a licensed pharmacist in Ohio, credentialed under Ohio Board of Pharmacy License Number # 03127494.
2. THOMPSON owned and operated four pharmacies: Thompson's Community Pharmacy, Thompson's Neighborhood Pharmacy, Thompson's Town Street Pharmacy, and Thompson's Pharmacy Georgesville (collectively, the "THOMPSON PHARMACIES"). The THOMPSON PHARMACIES were located in or around Columbus, Ohio, in the Southern District of Ohio.
3. As a licensed pharmacist and owner of the THOMPSON PHARMACIES, THOMPSON entered into agreements with the Ohio Medicaid Program ("Ohio Medicaid"). These

agreements allowed THOMPSON, through the THOMPSON PHARMACIES, to bill for items and services rendered by the pharmacies to individuals insured through Ohio Medicaid.

4. Defendant SANAM AHMAD was an employee of the THOMPSON PHARMACIES since at least 2017.

The Ohio Medicaid Program

5. Medicaid, established by Congress in 1965, was a federal and state funded health care program providing benefits to individuals and families who met specified financial and other eligibility requirements, and certain other individuals who lacked adequate resources to pay for medical care. The Centers for Medicare and Medicaid Services (“CMS”), a federal agency within the U.S. Department of Health and Human Services, was responsible for overseeing Medicaid in participating states, including Ohio. Individuals receiving Medicaid benefits were generally referred to as Medicaid “members.”

6. Ohio Medicaid was a “health care benefit program,” as defined by Title 18, United States Code, Section 24(b), and a “Federal health care program,” as defined by Title 42, United States Code, Section 1320a-7b(f).

7. The Ohio Department of Medicaid (“ODM”) administered Ohio Medicaid in the State of Ohio. ODM received, reviewed, and paid Medicaid claims submitted by health care providers, including claims for professional services, such as office visits and medical procedures, as well as for prescription drug benefits.

8. Pursuant to the rules and regulations issued by ODM, Ohio Medicaid covered the costs of certain medical services, products, and benefits, including prescription drug benefits, for Ohio Medicaid members. Generally, Ohio Medicaid covered part or all of the costs of prescription

drugs dispensed to Medicaid members if, among other requirements, the prescription drugs were medically necessary and ordered by a physician.

9. In order to be reimbursed by Ohio Medicaid for pharmacy or medical services, a provider rendering a service to an Ohio Medicaid member must have entered into a “provider agreement” with ODM, whereby the provider agreed to comply with all applicable state and federal statutes, regulations, and laws.

10. Drug products were identified and reported to the U.S. Food and Drug Administration using a unique three segment number called a “National Drug Code” (“NDC”), which was a universal product identifier for human drugs. Ohio Medicaid used NDCs, together with other information, to identify and evaluate whether drugs dispensed were reasonable and appropriate to address an Ohio Medicaid member’s condition and ailment, and whether to issue or deny payment. Ohio Medicaid required that a provider specify the NDC for any prescription claim submitted for reimbursement. Medicaid established a fee schedule—reimbursement amount—for each drug covered based on its NDC. The drugs represented by NDCs were health care benefits, items, and services, within the meaning of Title 18, United States Code, Section 24(b).

11. Health care claim forms, both paper and electronic, contained certain member information and treatment billing codes, including NDCs. By designating a certain NDC on a claim submitted to ODM, the provider certified to ODM that the drug identified on the claim was, in fact, the drug dispensed to an Ohio Medicaid member.

COUNT ONE

CONSPIRACY TO COMMIT HEALTH CARE FRAUD

[18 U.S.C. § 1349]

THE GRAND JURY FURTHER CHARGES THAT:

12. Paragraphs 1 through 11 of the Indictment are realleged and incorporated by reference as though fully set forth herein.

13. From in or around April 2017, and continuing through in or around August 2021, in the Southern District of Ohio, and elsewhere, defendants NATHANAEL THOMPSON and SANAM AHMAD did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown to the Grand Jury to knowingly and willfully execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Ohio Medicaid, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347.

Purpose of the Conspiracy

14. It was the purpose of the conspiracy for NATHANAEL THOMPSON and SANAM AHMAD to unlawfully enrich themselves by: (1) submitting, or causing the submission of, prescription drug claims to Ohio Medicaid that falsely and fraudulently misrepresented the prescription drug that was purportedly dispensed to Ohio Medicaid members; (2) concealing the submission of these false and fraudulent claims; and (3) diverting the fraud proceeds for their use and benefit and for the use and benefit of others.

Manner and Means of the Health Care Fraud Conspiracy

15. NATHANAEL THOMPSON was first enrolled as an Ohio Medicaid provider on or about July 2015, and as such signed a provider agreement with ODM agreeing to abide by the

rules and regulations of the program. THOMPSON was consistently enrolled as an Ohio Medicaid provider since that date and signed multiple updated provider agreements with ODM. These certifications included acknowledgements that THOMPSON would abide by the Medicaid Handbook, which specifically prohibited the submission of any claims for payment by Medicaid that were not medically necessary and the receipt of payment from any other person in connection with the provision of Medicaid services.

16. As part of the conspiracy, NATHANAEL THOMPSON owned and operated the THOMPSON PHARMACIES and was the recipient of health care claim reimbursements from Ohio Medicaid and other health care benefit programs.

17. As further part of the conspiracy, NATHANAEL THOMPSON, through the THOMPSON PHARMACIES, was able to submit prescription drug claims to Ohio Medicaid to be reimbursed for prescriptions drugs dispensed to Ohio Medicaid members at the THOMPSON PHARMACIES.

18. As further part of the conspiracy, NATHANAEL THOMPSON hired SANAM AHMAD as an employee of the THOMPSON PHARMACIES starting on or before April 2017.

19. As further part of the conspiracy, NATHANAEL THOMPSON and SANAM AHMAD, through the THOMPSON PHARMACIES, caused the submission of prescription drug claims to Ohio Medicaid for omeprazole, a proton pump inhibitor substance that was designed to help with heartburn, stomach ulcers, and gastroesophageal reflux disease, among other medical issues.

20. As further part of the conspiracy, NATHANAEL THOMPSON and SANAM AHMAD were aware that omeprazole could be prescribed, ordered, and dispensed in prescription-

grade form, and that Ohio Medicaid would reimburse for dispensed prescription-grade omeprazole.

21. As further part of the conspiracy, omeprazole and other substantially similar proton pump inhibitors were reimbursed by Ohio Medicaid at different rates, and these rates were tracked through the unique NDC assigned to each manufacturer, strength, and form of the substance.

22. As further part of the conspiracy, Major Pharmaceuticals, Inc. ("Major") was one manufacturer of omeprazole with an assigned NDC. For each 20 milligram Major omeprazole pill ("Major omeprazole") dispensed, Ohio Medicaid reimbursed pharmacies at approximately \$7.18, per pill.

23. As further part of the conspiracy, Major omeprazole was reimbursed at a significantly higher rate, per pill, than most other omeprazole pills and other proton pump inhibitors.

24. As further part of the conspiracy, from at least April 2017 to approximately August 2021, NATHANAEL THOMPSON, SANAM AHMAD, and others known and unknown to the Grand Jury, through the THOMPSON PHARMACIES, submitted and caused the submission of prescription drug claims to Ohio Medicaid for purportedly having dispensed approximately 510,443 units of Major omeprazole.

25. As further part of the conspiracy, from at least April 2017 to approximately August 2021, NATHANAEL THOMPSON, SANAM AHMAD, and others known and unknown to the Grand Jury, through the THOMPSON PHARMACIES, ordered, from pharmaceutical wholesalers, and possessed only approximately 177,786 units of Major omeprazole.

26. As further part of the conspiracy, NATHANAEL THOMPSON, SANAM AHMAD, and others known and unknown to the Grand Jury, through the THOMPSON PHARMACIES, submitted and caused the submission of false and fraudulent claims to Ohio Medicaid for reimbursement for the dispensing of Major omeprazole that was, in fact, not dispensed through the THOMPSON PHARMACIES.

27. As further part of the conspiracy, NATHANAEL THOMPSON, SANAM AHMAD, and others know and unknown to the Grand jury, through the THOMPSON PHARMACIES, dispensed generic omeprazole rather than Major omeprazole, but nevertheless billed Ohio Medicaid as if the THOMPSON PHARMACIES had dispensed Major omeprazole, identifying such specifically by its NDC.

28. As further part of the conspiracy, NATHANAEL THOMPSON, SANAM AHMAD, and others known and unknown to the Grand Jury, through the THOMPSON PHARMACIES, submitted and caused the submission of false and fraudulent claims to Ohio Medicaid for the reimbursement of Major omeprazole that, even if generic omeprazole had been dispensed in its place, would have provisioned reimbursement at a significantly lower rate per pill.

All in violation of 18 U.S.C. § 1349.

COUNTS TWO AND THREE

HEALTH CARE FRAUD

[18 U.S.C. §§ 1347 and 2]

THE GRAND JURY FURTHER CHARGES THAT:

29. Paragraphs 1 through 11 of the Indictment are realleged and incorporated by reference as though fully set forth herein.

30. From in or around April 2017, and continuing through in or around August 2021,

in the Southern District of Ohio, and elsewhere, and elsewhere, the defendants, NATHANAEL THOMPSON and SANAM AHMAD, aiding and abetting, and aided and abetted by, others known and unknown to the Grand Jury, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud health care benefit programs affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare and Ohio Medicaid, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit programs, in connection with the delivery of and payment for health care benefits, items, and services, which scheme is further described below.

Purpose of the Scheme and Artifice

31. The Grand Jury realleges and incorporates by reference Paragraph 14 of this Indictment as a description of the purpose of the scheme and artifice.

The Scheme and Artifice

32. The Grand Jury realleges and incorporates by reference Paragraphs 15 through 28 of this Indictment as a description of the scheme and artifice.

Acts in Execution of the Scheme and Artifice

33. On or about the dates specified below, in the Southern District of Ohio, and elsewhere, NATHANAEL THOMPSON and SANAM AHMAD, aiding and abetting, and aided and abetted by, others known and unknown to the Grand Jury, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud health care benefit programs affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Ohio Medicaid, and to obtain, by means of materially false and fraudulent pretenses,

representations, and promises, money and property owned by, and under the custody and control of, said health care benefit programs, as follows:

Count	Member	Type of Claim	Payer Source	Approximate Date of Prescribed Medication Allegedly Dispensed	Approximate Amount Paid
2	J.B.	Major Pharmaceutical Omeprazole	Ohio Medicaid	9/28/2018	\$435.35
3	J.B.	Major Pharmaceutical Omeprazole	Ohio Medicaid	2/15/2019	\$435.35

Each in violation of 18 U.S.C. §§ 1347 and 2.

FORFEITURE ALLEGATIONS

The GRAND JURY further alleges:

34. The allegations contained in Counts 1 through 3 of this Indictment are incorporated here for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982.

35. Upon conviction of the offense in violation of a federal health care offense, including a violation of Title 18, United States Code, Section 1349, as set forth in Count 1 of this Indictment, and Title 18, United States Code, Section 1347, as set forth in Counts 2 and 3 of this Indictment, defendants NATHANAEL THOMPSON and SANAM AHMAD shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(7) and Title 18, United States Code, Section 981(a)(1)(C), any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offenses.

36. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be subdivided without difficulty;

the defendant shall forfeit to the United States any other property of the defendant, up to the value of the property described above, pursuant to Title 18, United States Code, Section 982(b)(1), Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

s/ Foreperson
FOREPERSON

VIPAL J. PATEL
Acting United States Attorney

JOSEPH S. BEEMSTERBOER
Acting Chief
Fraud Section, Criminal Division
United States Department of Justice

ALLAN J. MEDINA
Chief, Health Care Fraud Unit
Fraud Section, Criminal Division
United States Department of Justice


CHRISTOPHER M. JASON
Trial Attorney
Health Care Fraud Unit
Fraud Section, Criminal Division
United States Department of Justice