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JUN 18 2024	
CLERK U S DISTRICT COURT DISTRICT OF ARIZONA	
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CR-24-1040-PHX-ROS (DMF)

REDACTED FOR  
PUBLIC DISCLOSURE

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA

United States of America,

Plaintiff,

vs.

1. Alexandra Gehrke, a/k/a "Lexie"  
Gehrke, and  
(Counts 1-4, 6, 8-10)
2. Jeffrey King,  
(Counts 1-5, 7, 10)

Defendants.

No.

**INDICTMENT**

VIO: 18 U.S.C. § 1349  
(Conspiracy)  
Count 1

18 U.S.C. § 1347 and  
18 U.S.C. § 2  
(Health Care Fraud)  
Counts 2-3

18 U.S.C. § 371  
(Conspiracy)  
Count 4

42 U.S.C. § 1320a-7b(b)(1) and  
18 U.S.C. § 2  
(Receipt of Kickbacks)  
Counts 5-6

18 U.S.C. § 1957 and  
18 U.S.C. § 2  
(Transactional Money Laundering)  
Counts 7-10

18 U.S.C. § 981(a)(1)(C)  
18 U.S.C. §§ 982(a)(1), (b)  
18 U.S.C. § 853  
28 U.S.C. § 2461(c)  
(Forfeiture Allegations)

**THE GRAND JURY CHARGES:**

At all times material to this Indictment, within the District of Arizona and elsewhere:

**INTRODUCTION**

1. Defendants ALEXANDRA GEHRKE and JEFFREY KING, together with their co-conspirators, targeted elderly Medicare patients, many of whom were terminally ill in hospice care, and caused medically unnecessary amniotic wound allografts to be applied to these vulnerable patients. From in or around November 2022, through in or

1 around May 2024, the Defendants and their co-conspirators, individually and through  
2 companies they owned and controlled, caused more than approximately \$900 million in  
3 false and fraudulent claims to Medicare for these medically unnecessary allografts applied  
4 to less than approximately 500 patients. Medicare and other health care benefit programs  
5 paid over \$600 million based on these false and fraudulent claims. The Defendants received  
6 more than \$330 million in illegal kickbacks as a result of their fraud scheme, which they  
7 used to further the fraud and diverted for their personal benefit and the benefit of others.

#### 8 **The Defendants and Related Entities**

9 2. Defendant ALEXANDRA GEHRKE was a resident of Phoenix, Arizona.  
10 ALEXANDRA GEHRKE co-owned, controlled, and operated Apex Mobile Medical LLC  
11 (“Apex Mobile Medical”). ALEXANDRA GEHRKE co-owned, controlled, and operated  
12 Apex Medical LLC (“Apex”) and served as its Chief Executive Officer. ALEXANDRA  
13 GEHRKE solely owned, controlled, and operated Viking Medical Consultants LLC  
14 (“Viking”).

15 3. Defendant JEFFREY KING was a resident of Phoenix, Arizona. JEFFREY  
16 KING was a sales representative for Apex. JEFFREY KING was also a co-owner and  
17 managing partner of APX Mobile Medical LLC (“APX”). JEFFREY KING married  
18 ALEXANDRA GEHRKE in or around February 2024.

19 4. “Company 1” was a limited liability company formed under the laws of  
20 Texas, with its principal place of business in Fort Worth, Texas. Company 1 was a  
21 wholesale distributor of allografts. Medicare reimbursed claims for allografts distributed  
22 by Company 1 at an extremely high rate, exceeding \$1,000 per square centimeter for certain  
23 allografts.

24 5. Apex Mobile Medical was a limited liability company formed under the laws  
25 of Arizona, with its principal place of business in Phoenix, Arizona. Apex Mobile Medical  
26 was an enrolled Medicare provider and submitted claims to Medicare for payment,  
27 including claims for the furnishing of allografts purchased from Company 1.



1 among other things, medical items and services provided by physicians, nurse practitioners,  
2 group practices, and other qualified health care providers, that were medically necessary  
3 and ordered by licensed medical doctors or qualified health care providers.

4 12. Physicians, nurse practitioners, group practices, and other health care  
5 providers (collectively, “providers”) that provided items and services to beneficiaries were  
6 able to apply for and obtain a “provider number.” A provider that received a Medicare  
7 provider number was able to file claims with Medicare to obtain reimbursement for items  
8 and services provided to beneficiaries.

9 13. A Medicare claim was required to contain certain important information,  
10 including: (a) the beneficiary’s name; (b) a description of the health care benefit, item, or  
11 service that was provided or supplied to the beneficiary; (c) the billing codes for the benefit,  
12 item, or service; (d) the date upon which the benefit, item, or service was provided or  
13 supplied to the beneficiary; and (e) the name of the ordering, referring, or rendering  
14 physician or other health care provider. The claim form could be submitted in hard copy or  
15 electronically via interstate wire.

16 14. As a requirement to enroll as a Medicare provider, Medicare required  
17 providers to agree to abide by Medicare laws, regulations, and program instructions.  
18 Medicare further required providers to certify that they understood that payment of a claim  
19 by Medicare was conditioned upon the claim and the underlying transaction complying  
20 with these laws, regulations, and program instructions, including the Federal Anti-  
21 Kickbacks Statute. Medicare paid for claims only if the items and services were medically  
22 reasonable, medically necessary for the treatment or diagnosis of the patient’s illness or  
23 injury, accurately documented, and provided as represented to Medicare. Medicare would  
24 not pay for items and services that were procured through illegal kickbacks.

25 15. Medicare covered access to certain bioengineered skin substitutes, including  
26 some amniotic membrane allografts made from human placental tissue (“allografts”).  
27 These allografts were applied over open wounds to assist with wound closure or skin  
28

1 growth. Medicare reimbursed providers for certain allografts furnished to Medicare  
2 beneficiaries only if the allografts were medically reasonable, medically necessary for the  
3 treatment or diagnosis of the beneficiary's illness or injury, accurately documented,  
4 provided as represented to Medicare, and not procured through illegal kickbacks.

#### 5 **CHAMPVA**

6 16. The Civilian Health and Medical Program of the Department of Veterans  
7 Affairs ("CHAMPVA") was a federal health care benefit program within the United States  
8 Department of Veterans Affairs ("VA"). CHAMPVA was a comprehensive health care  
9 program in which the VA shared the cost of covered health care services and supplies with  
10 eligible beneficiaries. The eligible categories for CHAMPVA beneficiaries were the  
11 spouses or children of veterans of the United States military who had been rated  
12 permanently and totally disabled for a service-connected disability and the surviving  
13 spouse or child of a veteran who died from a VA-related service-connected disability.

14 17. In general, CHAMPVA covered most health care services and supplies that  
15 were medically and psychologically necessary. CHAMPVA was always the secondary  
16 payer to another health benefit program, including Medicare, and reimbursed costs that the  
17 primary health care benefit program did not cover. For Medicare beneficiaries with  
18 CHAMPVA coverage, health care claims were first sent to Medicare for processing, and  
19 then Medicare electronically forwarded claims to CHAMPVA.

20 18. CHAMPVA was a "health care benefit program," as defined by 18 U.S.C. §  
21 24(b), and a "Federal health care program," as defined by 42 U.S.C. § 1320a-7b(f), and  
22 affected interstate commerce.

#### 23 **TRICARE**

24 19. TRICARE was a federal health insurance program of the United States  
25 Department of Defense ("DOD") Military Health System that provided coverage for DOD  
26 beneficiaries worldwide, including active-duty service members, National Guard and  
27 Reserve members, retirees, their families, and their survivors. The Defense Health Agency,  
28

1 an agency of the DOD, was the governmental entity responsible for overseeing and  
2 administering TRICARE.

3 20. TRICARE offered health insurance benefits for items and services that were  
4 medically necessary. TRICARE reimbursed providers based on payment rates from  
5 applicable fee and rates schedules. Generally, when a beneficiary was eligible for Medicare  
6 and TRICARE, TRICARE was secondary to Medicare.

7 21. TRICARE was a “health care benefit program,” as defined by 18 U.S.C. §  
8 24(b), and a “Federal health care program,” as defined by 42 U.S.C. § 1320a-7b(f), and  
9 affected interstate commerce.

#### 10 **Commercial Insurance Plans**

11 22. Commercial insurance plans were provided by private health insurance  
12 companies (“Commercial Insurers”) that offered individual and group health benefit plans  
13 under which individuals could obtain coverage for health care items and services.  
14 Individuals who received benefits from Commercial Insurers were referred to as  
15 “members.”

16 23. Commercial Insurers often made payments directly to providers, rather than  
17 to members who received the health care benefits, items, and services.

18 24. To obtain payment for treatment or services provided to a member, providers  
19 were required to submit itemized claim forms to the member’s commercial insurance plan.  
20 The claim forms were typically submitted electronically. The claim form required certain  
21 important information, including: (a) the member’s name and identification number; (b) a  
22 description of the health care benefit, item, or service that was provided or supplied to the  
23 member; (c) the billing codes for the benefit, item, or service; (d) the date upon which the  
24 benefit, item, or service was provided or supplied to the member; and (e) the name of the  
25 referring physician or other provider, as well as the applicable identification number for  
26 the referring physician or provider.

27 25. When a provider submitted a claim to Commercial Insurers, the provider  
28



1 certified that the contents of the form were true, correct, and complete, and that the form  
2 was prepared in compliance with applicable laws and regulations. The provider also  
3 certified that the items or services being billed were medically necessary and provided as  
4 represented.

5 26. Each of the Commercial Insurers was a “health care benefit program,” as  
6 defined in 18 U.S.C. § 24(b), and affected interstate commerce.

7  
8 **COUNT 1**

9 **Conspiracy**

10 **(18 U.S.C. § 1349)**

11 The factual allegations in the preceding paragraphs are incorporated by reference  
12 and re-alleged as though fully set forth herein.

13 27. Beginning in or around June 2022, and continuing through in or around May  
14 2024, in the District of Arizona and elsewhere, Defendants ALEXANDRA GEHRKE and  
15 JEFFREY KING, individually and doing business under the entities described above, along  
16 with other individuals and entities known and unknown to the grand jury, knowingly and  
17 willfully agreed and conspired with each other and others to commit the following offenses  
18 against the United States: wire fraud, in violation of 18 U.S.C. § 1343; and health care  
19 fraud, in violation of 18 U.S.C. § 1347.

20 **Purpose of the Conspiracy**

21 28. The purpose of the conspiracy was for Defendants ALEXANDRA  
22 GEHRKE, JEFFREY KING, and their co-conspirators to unlawfully enrich themselves by,  
23 among other things: (a) submitting and causing the submission of false and fraudulent  
24 claims to Medicare, TRICARE, CHAMPVA, and the Commercial Insurers for items and  
25 services that were (i) medically unreasonable and unnecessary, (ii) ineligible for  
26 reimbursement, and (iii) procured through illegal kickbacks; (b) concealing the submission  
27 of false and fraudulent claims to Medicare, TRICARE, CHAMPVA, and the Commercial  
28



1 Insurers and the receipt and transfer of the proceeds from the fraud; and (c) diverting  
2 proceeds of the fraud for the personal use and benefit of ALEXANDRA GEHRKE,  
3 JEFFREY KING, and their co-conspirators, and to further the fraud.

4 **Manner and Means of the Conspiracy and Scheme**

5 29. The manner and means used by Defendants ALEXANDRA GEHRKE,  
6 JEFFREY KING, and others, individually and through the entities described above, to  
7 effect the objects of the conspiracy and scheme to defraud, included the following:

8 a. In or around September 2022 and in or around November 2022,  
9 ALEXANDRA GEHRKE falsely certified to Medicare as Apex Mobile Medical's  
10 Authorized Official that she would comply with all of Medicare's laws, regulations,  
11 and program instructions and that she would not knowingly present or cause to be  
12 presented a false or fraudulent claim for payment to Medicare.

13 b. In or around September 2022 and in or around November 2022,  
14 ALEXANDRA GEHRKE certified to Medicare as Apex Mobile Medical's  
15 Authorized Official that she understood that payment of a claim by Medicare was  
16 conditioned upon the claim and the underlying transaction complying with the  
17 Federal Anti-Kickback Statute.

18 c. ALEXANDRA GEHRKE and JEFFREY KING, through Apex and  
19 Viking, personally arranged for and recommended the ordering and purchasing of  
20 allografts sold by Company 1, and referred patients to enrolled Medicare providers,  
21 including Apex Mobile Medical and APX, for the furnishing of allografts purchased  
22 from Company 1.

23 d. ALEXANDRA GEHRKE, through Apex and Viking, contracted with  
24 medically untrained sales representatives to arrange for and recommend the  
25 ordering and purchasing of allografts sold by Company 1, and to refer patients to  
26 enrolled Medicare providers, including Apex Mobile Medical and APX, for the  
27 furnishing of allografts purchased from Company 1.  
28

1 e. ALEXANDRA GEHRKE and JEFFREY KING, through Apex  
2 Mobile Medical and APX, contracted with nurse practitioners to order and apply  
3 Company 1's allografts to the patients referred by ALEXANDRA GEHRKE,  
4 JEFFREY KING, and the medically untrained sales representatives.

5 f. ALEXANDRA GEHRKE paid the sales representatives illegal  
6 kickbacks based on the quantity and size of Company 1's allografts that the nurse  
7 practitioners applied to the patients and that Apex Mobile Medical and APX billed  
8 to Medicare. These kickbacks were as high as hundreds of thousands of dollars per  
9 month for certain sales representatives.

10 g. ALEXANDRA GEHRKE and JEFFREY KING paid the nurse  
11 practitioners a flat rate of \$500 or \$1,000 per patient encounter to apply the  
12 allografts.

13 h. To identify Medicare patients to refer to Apex Mobile Medical for the  
14 furnishing of Company 1's allografts, JEFFREY KING instructed the sales  
15 representatives go to facilities with elderly populations, such as nursing homes,  
16 assisted living facilities, and hospice facilities, and identify patients with a "wound  
17 or wounds of any stage" that would "benefit from healing faster." JEFFREY KING  
18 and others instructed the sales representatives to take photographs of the patient's  
19 wound, measure the size of the wound, and obtain copies of the patient's insurance  
20 card.

21 i. ALEXANDRA GEHRKE directed the sales representatives to target  
22 hospice facilities, stating in a meeting with sales representatives that hospice  
23 facilities were "where the most money [was] at with [her] company."

24 j. ALEXANDRA GEHRKE directed the sales representatives to order  
25 Company 1's allografts only in sizes 4x6cm or larger—despite the availability of  
26 smaller sizes of allografts—even if the patient's wound was "the size of [her] little  
27 fingernail."  
28

1 k. JEFFREY KING pressured the nurse practitioners to apply Company  
2 1's allografts to Medicare patients without regard to medical necessity, without a  
3 prior relationship with the patient, without reviewing the patients' medical records,  
4 without speaking to the patients' primary care physicians, and without exercising  
5 independent medical judgment.

6 l. The nurse practitioners applied allografts to Medicare patients that  
7 were medically unreasonable and unnecessary because, among other reasons, the  
8 wounds were infected, the wounds had already healed, the wounds were not  
9 responding to the allografts, the wounds would not heal because of the terminally  
10 ill patients' comorbidities, and the allografts exceeded the size of the wound.

11 m. The nurse practitioners applied allografts to terminally ill patients  
12 receiving palliative care in hospice facilities. Some patients died within days or the  
13 same day of the allograft application.

14 n. From in or around June 2022, through in and around May 2024,  
15 ALEXANDRA GEHRKE received, individually and through Apex and Viking,  
16 over \$240 million in illegal kickbacks from Company 1, in exchange for the  
17 purchasing, ordering, and arranging for and recommending the purchasing and  
18 ordering of Company 1's allografts that were billed to Medicare.

19 o. From in or around November 2022, through in or around April 2023,  
20 ALEXANDRA GEHRKE received, through Apex Mobile Medical, illegal  
21 kickbacks in the form of rebates from Company 1 in exchange for the purchasing  
22 and ordering of Company 1's allografts that were billed to Medicare.

23 p. From in or around April 2023, through in or around May 2024,  
24 JEFFREY KING received, through APX, over \$90 million in illegal kickbacks in  
25 the form of rebates from Company 1 in exchange for the purchasing and ordering  
26 of Company 1's allografts that were billed to Medicare.

27 q. ALEXANDRA GEHRKE, JEFFREY KING, and others concealed  
28

1 and disguised these illegal kickbacks by, among other ways, causing sham invoices  
 2 to be issued that reflected the full price, not the rebated price, of the allografts, and  
 3 opening a so-called “joint venture” bank account to conceal the transfer of the illegal  
 4 kickbacks from Company 1 to APX.

5 r. From in or around November 2022, through in or around May 2024,  
 6 defendants ALEXANDRA GEHRKE, JEFFREY KING, and others, through Apex  
 7 Mobile Medical and APX, submitted over \$900 million in false and fraudulent  
 8 claims to Medicare, CHAMPVA, TRICARE, and the Commercial Insurers for  
 9 Company 1’s allografts that were medically unreasonable and unnecessary,  
 10 ineligible for reimbursement, and procured through illegal kickbacks. Medicare,  
 11 CHAMPVA, TRICARE, and the Commercial Insurers paid Apex Mobile Medical  
 12 and APX over \$600 million based on those claims.

13 s. ALEXANDRA GEHRKE and JEFFREY KING used the illegal  
 14 kickbacks received from Company 1 and the illegal proceeds of their fraud scheme  
 15 to fund their lavish and opulent lifestyle, which included ALEXANDRA  
 16 GEHRKE’s purchases of a \$300,000 Ferrari and a \$230,000 Mercedes-Benz,  
 17 JEFFREY KING’s purchase of a \$640,000 house, and their joint purchases of a \$5.8  
 18 million house and over \$520,000 in gold bars, gold coins, and jewelry.

19 All in violation of 18 U.S.C. § 1349.

20  
 21 **COUNTS 2–3**  
 22 **Health Care Fraud**  
**(18 U.S.C. § 1347 and 18 U.S.C. § 2)**

23 The factual allegations in paragraphs 1 through 26 are incorporated by reference and  
 24 re-alleged as though fully set forth herein.

25 30. Beginning in or around June 2022, and continuing through in or around May  
 26 2024, in the District of Arizona and elsewhere, Defendants ALEXANDRA GEHRKE and  
 27 JEFFREY KING, individually and doing business under the entities described above, along  
 28

with other individuals and entities known and unknown to the grand jury, in connection with the delivery of, and payment for, health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud Medicare, TRICARE, CHAMPVA, and the Commercial Insurers, which are health care benefit programs as defined in 18 U.S.C. § 24(b), and to obtain by means of materially false and fraudulent pretenses, representatives, and promises, money and property owned by, and under the custody and control of, the health care benefit programs.

#### **Purpose of the Scheme**

31. Paragraph 28 is incorporated by reference and re-alleged as though fully set forth herein as the purpose of the scheme.

#### **Manner and Means of the Scheme**

32. Paragraph 29 is incorporated by reference and re-alleged as though fully set forth herein as the manner and means of the scheme.

#### **Executions of the Scheme**

33. On or about the dates specified below, in the District of Arizona and elsewhere, Defendants ALEXANDRA GEHRKE and JEFFREY KING, aided and abetted by, and aiding and abetting, others known and unknown to the grand jury, submitted and caused to be submitted the following false and fraudulent claims to Medicare for Company 1's allografts that were medically unreasonable and unnecessary, ineligible for reimbursement, and procured through illegal kickbacks, in an attempt to execute, and in execution of, the scheme as described in paragraph 30, with each execution set forth below forming a separate count:

<b>Ct.</b>	<b>Approx. Claim Date</b>	<b>Medicare Patient</b>	<b>Billing Provider</b>	<b>Approx. Amount Billed to Medicare</b>	<b>Approx. Amount Paid by Medicare</b>
<b>2</b>	May 17, 2023	Medicare Patient 1	APX	\$99,900	\$78,321
<b>3</b>	October 20, 2023	Medicare Patient 2	APX	\$32,202	\$25,246

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

**COUNT 4**  
**Conspiracy**  
**(18 U.S.C. § 371)**

The factual allegations in paragraphs 1 through 26 and 33 are incorporated by reference and re-alleged as though fully set forth herein.

34. Beginning in or around June 2022, and continuing through in or around May 2024, in the District of Arizona and elsewhere, Defendants ALEXANDRA GEHRKE and JEFFREY KING, individually and doing business under the entities described above, along with other individuals and entities known and unknown to the grand jury, knowingly and willfully agreed and conspired with each other and others to: defraud the United States by impairing, impeding, obstructing, and defeating through deceitful and dishonest means the lawful government functions of HHS and CMS in their administration and oversight of Medicare; soliciting and receiving illegal kickbacks, in violation of 42 U.S.C. § 1320a-7b(b)(1); and offering and paying illegal kickbacks, in violation of 42 U.S.C. § 1320a-7b(b)(2).

**Purpose of the Conspiracy**

35. Paragraph 28 is incorporated by reference and re-alleged as though fully set forth herein as the purpose of the conspiracy.

**Manner and Means of the Conspiracy**

36. Paragraph 29 is incorporated by reference and re-alleged as though fully set forth herein as the manner and means of the conspiracy.

**Overt Acts**

37. In furtherance of the conspiracy, and to effect the objects of the conspiracy, Defendants ALEXANDRA GEHRKE and JEFFREY KING committed or caused to be committed various overt acts in the District of Arizona and elsewhere, including but not limited to the following:

1           a.     On or about July 8, 2022, ALEXANDRA GEHRKE, through Apex,  
2     received an illegal kickback in the approximate amount of \$9,630 via a wire transfer  
3     from Company 1's bank account ending in 3813.

4           b.     On or about July 10, 2023, ALEXANDRA GEHRKE directed Apex  
5     "sales representatives" to order allografts no smaller than 4x6 cm, even for a wound  
6     the size of her "little fingernail."

7           c.     On or about August 2, 2023, JEFFREY KING, through APX, received  
8     an illegal kickback in the approximate amount of \$3,702,240 via wire transfer from  
9     a bank account ending in 3585 to APX's bank account ending in 7158.

10          d.     On or about September 26, 2023, JEFFREY KING, through APX,  
11     received an illegal kickback in the approximate amount of \$10,796,760 via wire  
12     transfer from a bank account ending in 3585 to APX's bank account ending in 7158.

13          e.     On or about October 11, 2023, ALEXANDRA GEHRKE, through  
14     Apex, received an illegal kickback in the amount of approximately \$20,780,693 via  
15     wire transfer from Company 1's bank account ending in 3813 to Apex's bank  
16     account ending in 9686.

17          f.     On or about November 1, 2023, JEFFREY KING, through APX,  
18     received an illegal kickback in the approximate amount of \$15,298,480 via wire  
19     transfer from a bank account ending in 3585 to APX's bank account ending in 7158.

20          g.     On or about December 8, 2023, ALEXANDRA GEHRKE, through  
21     Apex, received an illegal kickback in the approximate amount of \$71,148,550 via  
22     wire transfer from Company 1's bank account ending in 3813 to Apex's bank  
23     account ending in 9686.

24          h.     On or about January 8, 2024, ALEXANDRA GEHRKE received an  
25     illegal kickback in the approximate amount of \$81,782,416 via wire transfer from  
26     Company 1's bank account ending in 3813 to Apex's bank account ending in 9686.

27          i.     On or about January 15, 2024, ALEXANDRA GEHRKE issued a  
28



check to JEFFREY KING's company, King Medical Consultant LLC, in the approximate amount of \$2,723,713 with the memo "commission income Dec collected revenue 2%," drawn on Apex's bank account ending in 9686.

All in violation of 18 U.S.C. § 371.

**COUNTS 5-6**  
**Receipt of Kickbacks**  
**(42 U.S.C. § 1320a-7b(b)(1) and 18 U.S.C. § 2)**

The factual allegations in paragraphs 1 through 26, 28, 29, 33, and 37 are incorporated by reference and re-alleged as though fully set forth herein.

38. On or about the approximate dates set forth below, in the District of Arizona and elsewhere, ALEXANDRA GEHRKE and JEFFREY KING did knowingly and willfully solicit and receive remuneration, specifically, kickbacks, bribes, and rebates, directly and indirectly, overtly and covertly, in cash and in kind, in return for (a) referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part under a Federal health care program, and (b) purchasing, leasing, ordering, and arranging for and recommending purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in whole and in part by a Federal health care program, as set forth below:

Ct.	Defendant	Approx. Date	Originating Account	Receiving Account	Approx. Amount
5	JEFFREY KING	August 2, 2023	Bank Account Ending in 3585	APX's Bank Account Ending in 7158	\$3,702,240
6	ALEXANDRA GEHRKE	October 11, 2023	Company 1's Bank Account Ending in 3813	Apex's Bank Account Ending in 9686	\$20,780,693

Each in violation of 42 U.S.C. § 1320a-7b(b)(1) and 18 U.S.C. § 2.

**COUNTS 7-10****Transactional Money Laundering  
(18 U.S.C. § 1957 and 18 U.S.C. § 2)**

The factual allegations in paragraphs 1 through 26, 28, 29, 33, and 37 are incorporated by reference and re-alleged as though fully set forth herein.

39. On or about the approximate dates listed below, Defendants ALEXANDRA GEHRKE and JEFFREY KING, individually and doing business under the entities described above, along with other individuals and entities known and unknown to the grand jury, in the District of Arizona and elsewhere, knowingly engaged and attempted to engage in the following transactions in the United States with criminally derived property of a value exceeding \$10,000, derived from specified unlawful activity, namely wire fraud, in violation of 18 U.S.C. § 1343, health care fraud, in violation of 18 U.S.C. § 1347, conspiracy to commit wire fraud and health care fraud, in violation of 18 U.S.C. § 1349, conspiracy to defraud the United States and pay and receive illegal health care kickbacks, in violation of 18 U.S.C. § 371, and paying and receiving illegal health care kickbacks, in violation of 42 U.S.C. § 1320a-7b(b):

<b>Ct.</b>	<b>Defendant</b>	<b>Approx. Date</b>	<b>Originating Account</b>	<b>Description of Property Purchased</b>	<b>Approx. Amount</b>
<b>7</b>	JEFFREY KING	August 21, 2023	King Medical Consultant Bank Account Ending in 8875	1637 North Sunset Drive, Tempe, AZ 85288	\$638,449
<b>8</b>	ALEXANDRA GEHRKE	January 4, 2024	Jexie Enterprises Bank Account Ending in 8870	2016 Ferrari 488 Spider	\$294,909
<b>9</b>	ALEXANDRA GEHRKE	January 4, 2024	Jexie Enterprises Bank Account Ending in 8870	2023 Mercedes-Benz	\$227,343
<b>10</b>	ALEXANDRA GEHRKE and JEFFREY KING	January 5, 2024	Capital Is King Bank Account Ending in 5191	6246 East Hillcrest Blvd., Scottsdale, AZ 85215	\$5,489,793

Each in violation of 18 U.S.C. § 1957 and 18 U.S.C. § 2.

**FORFEITURE ALLEGATIONS**

The factual allegations in the preceding paragraphs are incorporated by reference and re-alleged as though fully set forth herein.

40. Pursuant to 18 U.S.C. §§ 981 and 982, 21 U.S.C. § 853, and 28 U.S.C. § 2461(c), and upon conviction of one or more of the offenses alleged in Counts 1 through 10 of this Indictment, Defendants ALEXANDRA GEHRKE and JEFFREY KING, shall forfeit to the United States all right, title, and interest in any and all property, real or personal, involved in such offense(s), or any property traceable to such property involved in the offense(s), or conspiracy to commit such offense(s), including the following: (a) all money or other property that was the subject of each transaction, transportation, transmission or transfer in violation of a statute listed in 18 U.S.C. § 982, (b) all other property constituting proceeds obtained as a result of those violations, and (c) all property used in any manner or part to commit or to facilitate the commission of those violations including, but not limited to the sum of money representing the amount of money involved in the offense(s) and the property named below.

a. The property at 1637 North Sunset Drive, Tempe, Arizona 85281, titled to J KING HOLDINGS LLC.

b. The property at 6246 East Hillcrest Blvd., Scottsdale, Arizona 85251, titled to AEAGJK IRREVOCABLE TRUST.

c. The 2016 Ferrari 488 Spider bearing Vehicle Identification Number ZFF80AMA6G0219407, titled to JEXIE ENTERPRISES INC.

d. The 2023 Mercedes-Benz SL63 AMG bearing Vehicle Identification Number W1KVK8BB6PF015497, titled to JEXIE ENTERPRISES INC.

e. 2023 Mercedes-Benz GLE bearing Vehicle Identification Number 4JGFB6BB7PA858815, titled to APX MOBILE MEDICAL LLC.

f. The 2022 Mercedes-Benz G63 bearing Vehicle Identification Number W1NYC8AJ6NX455281, titled to JEXIE ENTERPRISES INC.

1           g.     \$524,745 of gold bars, gold coins, and jewelry purchased by  
2 ALEXANDRA GEHRKE and JEFFREY KING.

3           h.     \$19,591,940 held in the U.S. Bank checking account ending in 5798  
4 in the name of ALEXANDRA GEHRKE.

5           i.     \$13,758,004 held in the U.S. Bank checking account 7681 in the name  
6 of AMTG MEDICAL CONSULTANT LLC.

7           j.     \$10,793,620 held in the U.S. Bank checking account ending in 7699  
8 in the name of JEXIE ENTERPRISES INC.

9           k.     \$8,000,000 life insurance policy number ending in 5602 held by  
10 Sentinel Security Life Insurance Company in the name of ALEXANDRA  
11 GEHRKE.

12          l.     \$8,000,000 life insurance policy number ending in 8279 held by  
13 Sentinel Security Life Insurance Company in the name of JEFFREY KING.

14          m.     \$5,688,109 held in the Wells Fargo Bank checking account ending in  
15 1101 in the name of JEXIE ENTERPRISES INC.

16          n.     \$2,800,000 held in the Alerus Bank checking account ending in 8329  
17 in the name of JEXIE ENTERPRISES INC.

18          o.     \$1,999,978 held in the Alerus Bank checking account ending in 7834  
19 in the name of ALEXANDRA GEHRKE.

20          p.     \$1,634,604 held in the U.S. Bank checking account ending in 0238 in  
21 the name of ALEXANDRA GEHRKE.

22          q.     \$1,470,614 held in the Alerus Bank checking account ending in 8220  
23 in the name of AMTG MEDICAL CONSULTANT LLC.

24          r.     \$1,000,000 held in the JP Morgan Chase certificate of deposit account  
25 ending in 5107 in the name of JEXIE ENTERPRISES INC.

26          s.     \$940,373 held in the U.S. Bank checking account ending in 7665 in  
27 the name of THE FITZGERALD IRREVOCABLE TRUST.  
28

1           t.       \$912,857 held in Alerus Bank checking account ending in 2750 in the  
2       name of CAPITAL IS KING LLC.

3       41.    If any of the above-described forfeitable property, as a result of any act or  
4       omission of the defendant(s):

- 5           a.    cannot be located upon the exercise of due diligence,  
6           b.    has been transferred or sold to, or deposited with, a third party,  
7           c.    has been placed beyond the jurisdiction of the court,  
8           d.    has been substantially diminished in value, or  
9           e.    has been commingled with other property which cannot be divided

10       without difficulty,

11       it is the intent of the United States to seek forfeiture of any other property of said  
12       defendant(s) up to the value of the above-described forfeitable property, pursuant to 21  
13       U.S.C. § 853(p).

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/S/ \_\_\_\_\_  
FOREPERSON OF THE GRAND JURY  
Date: June 18, 2024

/s/  
MATTHEW WILLIAMS  
Assistant U.S. Attorney

GLENN S. LEON  
Chief  
Criminal Division, Fraud Section  
U.S. Department of Justice

/s/  
SHANE BUTLAND  
Trial Attorney