

U. S. Department of Justice

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PENSACOLA COMPOUNDING PHARMACY OWNER SENTENCED TO FEDERAL PRISON FOR \$4.8 MILLION TRICARE FRAUD AND MONEY LAUNDERING CONSPIRACIES

PENSACOLA, FLORIDA – Andrew E. Fisher, 35, of Gulf Breeze, was sentenced yesterday to 24 months in federal prison after a jury found him guilty last year of conspiring to use his pharmacy to defraud TRICARE, a federal health care program for uniformed service members, retirees, and their families, and conspiring to launder the funds generated by the fraud. Fisher was also ordered to pay over \$4.8 million in restitution to TRICARE and forfeit an over \$3.8 million money judgment. The sentence was announced today by Jason R. Coody, Acting United States Attorney for the Northern District of Florida.

Between October 2014 and December 2015, Fisher, the owner and operator of Physician Specialty Pharmacy (PSP) in Pensacola, conspired with sales representative Michael Scott Burton and others to defraud TRICARE out of more than \$4.8 million in fraudulent claims for prescription compounded pain cream, scar cream, and wellness vitamins. Fisher agreed to fill prescriptions at PSP from a doctor's office in Georgia whose beneficiary information was provided by Burton and individuals working for him, knowing that these particular beneficiaries had never seen that doctor and the prescriptions were not based on a legitimate doctor-patient relationship. In exchange for recruiting TRICARE beneficiaries to receive the prescriptions, Burton received approximately 50% of the amount paid to Fisher in insurance reimbursements. Those commission payments were laundered in the form of large wire transfers and direct deposits into Burton's bank account in Georgia.

As part of the scheme, Fisher, who is not a licensed pharmacist, directed his pharmacist employees to use ingredient formulations for the drugs that would maximize the amount his pharmacy could bill to TRICARE – which was upwards of \$10,000 to \$17,000 per medication at the time – and other insurance companies without considering what was best for patient care. Fisher also directed Burton and his employees to tell beneficiaries not to worry about co-payments, in order to ensure that the beneficiaries would not decline receiving the medications over out-of-pocket cost. Because PSP was not a TRICARE network pharmacy, Fisher paid Burklow Pharmacy in Pace a commission of approximately 15% to allow PSP to bill TRICARE using Burklow's network provider contract for prescriptions received, filled, and shipped at PSP, including ones Fisher knew were fraudulent.

During the conspiracy, Fisher also purchased Jay Pharmacy in Jay, Florida, and used its existing insurance contracts with TRICARE and others to bill for fraudulent PSP prescriptions.

Assistant United States Attorney Alicia H. Forbes prosecuted the case following a joint investigation by the Federal Bureau of Investigation, Defense Criminal Investigative Service, Florida Department of Law Enforcement, Florida Department of Financial Services-Bureau of Insurance Fraud, Florida Department of Health, Naval Criminal Investigative Service, and Army Criminal Investigative Command.

The United States Attorney's Office for the Northern District of Florida is one of 94 offices that serve as the nation's principal litigators under the direction of the Attorney General. To access public court documents online, please visit the <u>U.S. District Court for the Northern District of Florida</u> website. For more information about the United States Attorney's Office, Northern District of Florida, visit http://www.justice.gov/usao/fln/index.html.

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