

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF GEORGIA
STATESBORO DIVISION

U. S. DISTRICT COURT
Southern District of GA
Filed In Office

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2017

Deputy Clerk

CR 617-005

UNITED STATES OF AMERICA)	
)	18 U.S.C. § 1347
)	Health Care Fraud
v.)	
)	18 U.S.C. § 2
)	Aiding and Abetting
)	
SHERRY MCCORMICK)	Forfeiture Allegation

INFORMATION

THE UNITED STATES ATTORNEY CHARGES:

INTRODUCTION

At times relevant to this information:

1. Between 2013 and 2015, Defendant SHERRY MCCORMICK worked in various capacities marketing compounded pain and scar medications to physicians.
2. SHERRY MCCORMICK was responsible for obtaining prescriptions for compounded medication from physicians and providing them to a licensed pharmacy.
3. For each prescription provided by SHERRY MCCORMICK, the licensed pharmacy paid MCCORMICK a percentage of the money paid by the beneficiaries' health care benefit program.
4. In general, compounding is a practice in which a licensed pharmacist, a licensed physician, or, in the case of an outsourcing facility, a person under the

supervision of a licensed pharmacist, combines, mixes, or alters ingredients of a drug to create a medication tailored to the needs of an individual patient.

5. The Medicare Program was a federally funded program that provided free or below-cost health care benefits to certain individuals, primarily the elderly and disabled. The benefits available under Medicare were governed by federal statutes and regulations. The United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services (“CMS”), oversaw and administered Medicare. Individuals who received benefits under Medicare were commonly referred to as Medicare “beneficiaries.”

6. The Tricare Program was a federally funded program that provided health care benefits to eligible active duty as well as retired employees of the uniformed services of the United States, and their dependents. The benefits available under Tricare were governed by federal statutes and regulations. The Defense Health Agency oversaw and administered Tricare. Individuals who received benefits under Tricare were commonly referred to as Tricare “beneficiaries.”

7. The Federal Employee Health Benefit Program was a federally funded program that provided health care benefits to eligible active federal government employees and their family members. The benefits available under the Federal Employee Health Benefit Program were governed by federal statutes and regulations. The Office of Personal Management oversaw and administered the Federal Employee Health Benefit Program. Individuals who received benefits

under the Federal Employee Health Benefit Program were commonly referred to as “FEHBP beneficiaries.”

8. Medicare, Tricare, and the Federal Employee Health Benefit Program were each a “health care benefit program” as that term is defined under 18 USC 24(b).

9. Beginning in or about August 2013, and continuing until in or about January 2015, the exact dates being unknown, Defendant SHERRY MCCORMICK, aided and abetted by others, defrauded at least a half a million dollars from Medicare, Tricare, and the Federal Employee Health Benefit Program, by submitting and causing the submission of fraudulent claims for compounded medications that were not medically necessary, not prescribed by a doctor, and were not in fact provided.

COUNT ONE
Health Care Fraud
18 U.S.C. § 1347

10. Paragraphs 1 through 9 of this Information are realleged and incorporated by reference as though fully set forth herein.

11. From in or around August 2013, and continuing through in or around January 2015, in the Southern District of Georgia, and elsewhere, the defendant,

SHERRY MCCORMICK,

aided and abetted by others, 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 a health care benefit program

affecting commerce, as defined in 18 United States Code § 24(b), that is, Medicare Tricare, and FEHBP, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the control of Medicare, Tricare, and FEHBP in connection with the delivery of and payment for health care benefits, items, and services.

THE SCHEME AND ARTIFICE

12. The manner and means by which the defendant sought to accomplish and carry out the scheme and artifice included, among other things:

13. Defendant **SHERRY MCCORMICK** would submit, and cause to be submitted, false and fraudulent prescriptions for compounded medication;

14. Defendant **SHERRY MCCORMICK** would submit, and cause to be submitted at least \$500,000 in false and fraudulent claims to Medicare, Tricare, and FEHBP;

15. Medicare, Tricare, and FEHBP paid at least \$500,000 for these false claims, a percentage of which was paid to Defendant **SHERRY MCCORMICK**;

16. Defendant **SHERRY MCCORMICK** would use the funds received from the fraudulent claims submitted to Medicare, Tricare, and FEHBP for her personal benefit and the benefit of others.

All in violation of Title 18 United States Code Sections 1347 and 2.

FORFEITURE ALLEGATION

1. The allegations contained in this Information are re-alleged and incorporated by reference as if fully set forth in support of this forfeiture.

2. Upon conviction of the offense alleged in the Information, Defendant **SHERRY MCCORMICK**, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7):

(a) any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense, including but not limited to a money judgment representing the amount of gross proceeds obtained from the offense.

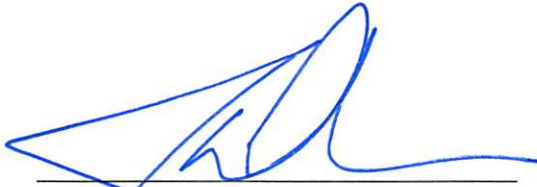
SUBSTITUTE ASSETS

If, as a result of any act or omission of Defendant **SHERRY MCCORMICK**, any property subject to forfeiture:

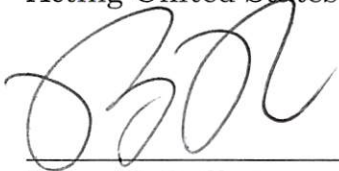
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of this Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property, which cannot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

the United States shall be entitled to forfeiture of substitute property, and it is the intent of the United States, pursuant to Title 18, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of Defendant **SHERRY MCCORMICK**, up to the value of said property listed above as being subject to forfeiture.

Signatures on following page.



James D. Durham
Acting United States Attorney



Brian T. Rafferty
Assistant United States Attorney
Chief, Criminal Division



Scarlett S. Nokes
Assistant United States Attorney
*Denotes Lead Counsel