



Department of Justice

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TERRE HAUTE PHARMACIST SENTENCED FOR HEALTHCARE FRAUD AND MONEY LAUNDERING

PRESS RELEASE

TERRE HAUTE – United States Attorney Joseph H. Hogsett announced that John D. Love, 54, of Brazil, Ind., was sentenced today to 51 months of imprisonment for healthcare fraud and money laundering. This follows an investigation by the U.S. Department of Health and Human Services, Office of Inspector General (HHS), the Internal Revenue Service (IRS), the Federal Bureau of Investigation (FBI), and Indiana Attorney General Greg Zoeller’s Medicaid Fraud Enforcement Unit (MFCU).

“This was a case of someone who used Hoosier taxpayer dollars to live well beyond his means,” said Hogsett. “As today’s sentence makes clear, this office has zero tolerance for those who abuse public programs through fraud.”

From January 2006 through September 2010, John Love, a pharmacist and controlling member of the Terre Haute Prescription Shop (THPS), used his position to carry out a scheme to defraud the Indiana Medicaid Program. Love submitted claims to the Indiana Medicaid Program for prescriptions that were never given to patients.

Love used his access and knowledge of the THPS computer system to input false prescriptions into the billing system, which would then bill the Indiana Medicaid Program for the fraudulent claim. As soon as the computer system submitted the claim for the prescription to the Indiana Medicaid Program, Love would access the computer system again and void the prescription before any other employee of THPS could notice a record for a prescription that was never filled or dispensed.

As part of his scheme, Love billed the Indiana Medicaid Program for prescription drugs significantly in excess of what THPS had ever ordered, for example:

- Love billed the Indiana Medicaid Program for 1,317.4 units of the prescription drug Aranesp and received a total of \$1,677,554.50. During the same time period, THPS only ordered six units of Aranesp at a cost of \$5,188.36.

- Love billed the Indiana Medicaid Program for 172 units of the prescription drug Copaxone and received a total of \$236,989.54. During the same time period THPS only ordered 20 units of Copaxone at a cost of \$29,265.87.
- Love billed the Indiana Medicaid Program for 660 units of the prescription drug Epogen and received a total of \$126,732.80. During the same time period, THPS only ordered ten units of Epogen at a cost of \$2,545.69.
- Love billed the Indiana Medicaid Program for 588 units of the prescription drug Humira and received a total of \$429,959.82. During the same time period, THPS only ordered 98 units of Humira at a cost of \$62,693.53.
- Love billed the Indiana Medicaid Program for 1,488 units of the prescription drug Procrit and received a total of \$615,612.23. During the same time period, THPS only ordered 22 units of Procrit at a cost of \$6,366.40.
- Love billed the Indiana Medicaid Program for 2,630 units of the prescription drug Sandostatin and received a total of \$343,334.58. During the same time period, THPS did not order any units of Sandostatin.

"To bill Medicaid for millions of dollars in claims for drugs that doctors never prescribed and patients never received indicates this defendant had a real contempt for the taxpayers. This case required a meticulous, painstaking investigation by the Attorney General's Medicaid Fraud Control Unit and our federal colleagues, and through their hard work this defendant's brazen scheme has been stopped," Indiana Attorney General Greg Zoeller said.

As a result of Love's fraudulent acts, the Indiana Medicaid Program paid THPS \$3,575,699.73 for prescriptions that were never provided to patients. These funds were deposited into the main business account of THPS. Using his control of THPS, Love used at least \$3,000,000 of the fraudulent proceeds to purchase, in whole or in part, four parcels of real estate; fifteen vehicles, including five Harley Davidson motorcycles, a Chevrolet Corvette, and a Cadillac Escalade; a destination wedding for one of his children in Destin, Florida; and numerous other personal expenses. The money laundering convictions concern the purchase of one Harley Davidson motorcycle and the destination wedding.

As part of his sentence, Love forfeited the Harley Davidson motorcycles, two sports cars (a Corvette and a Mustang), four sport utility vehicles, two pickup trucks, one four-wheeler RV and trailer, and funds from multiple bank accounts. The government estimates that the total value of the forfeited assets is approximately \$666,307.06, minus costs of maintenance and liquidation.

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