



FBI Arrests Dozens in alleged Medicaid Drug Scheme

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 2:43 PM July 17, 2012

The Wall Street Journal on July 17, 2012 released the following:

“By Chad Bray

Four dozen people have been charged in a scheme to illegally resell expensive prescription drugs obtained by Medicaid recipients in New York City to pharmacies nationwide.

Federal prosecutors in Manhattan said that people involved in the alleged scheme obtained hundreds of millions of dollars worth of prescription drugs from low-income and other Medicaid recipients — who would get them at a steep discount or for free — and then resold the drugs through a network of corrupt wholesale distribution companies.

The drugs, which are costly when purchased legitimately, included treatments for HIV, schizophrenia and asthma. For example, the defendants allegedly targeted HIV drugs Atripla and Truvada and schizophrenia treatment Zyprexa, all of which retail for more than \$1,000 a bottle.

Prosecutors have charged 48 people in total in the case, ranging from persons who allegedly bought the drugs on the street to persons who allegedly resold them to wholesale distribution channels. The charges include: conspiracy to commit mail fraud, wire fraud and healthcare fraud; conspiracy to misbrand and unlawfully distribute prescription drugs; conspiracy to traffic in counterfeit goods; and engaging in a narcotics conspiracy.

The Federal Bureau of Investigation had taken 35 people into custody across the

U.S. and Tennessee Announce Clean Water Act Agreement with the City of Chattanooga

(USDOJ: Justice News)

Submitted at 1:01 PM July 17, 2012

The Department of Justice, the U.S. Environmental Protection Agency (EPA), the Tennessee Department of Environment and Conservation and the Office of the Tennessee Attorney General announced today a comprehensive Clean Water Act settlement with the city of Chattanooga, Tenn.

country on Tuesday morning, including more than a dozen in New York and New Jersey, said spokesman Peter Donald.

FBI officials are expected to join Preet Bharara, the U.S. attorney in Manhattan, and New York City Police Commissioner Raymond Kelly at a 1 p.m. press conference Tuesday to discuss the case.

The investigation is the latest in an ongoing effort to crack down on fraud within government health-care programs, which costs the U.S. billions of dollars each year.

In February, the U.S. Department of Justice and the Department of Health and Human Services said efforts to prevent and combat fraud had resulted in the recovery of nearly \$4.1 billion in taxpayer dollars in fiscal year 2011. In May, doctors and nurses were among 107 people arrested nationwide in a coordinated sweep related to some \$452 million in bogus claims to Medicare, which provides health insurance to the elderly and the disabled.

In the latest case, the Medicaid recipients allegedly sold their drugs for cash on street corners and in bodegas in New York City, including in the Washington Heights neighborhood of Manhattan and the Bronx, prosecutors said. Those drugs then pass up a chain of persons, known as “collectors” and “aggregators,” who then sell the second-hand drugs into corrupt distribution channels that resell the drugs to pharmacies.

Prosecutors said that members of the scheme used lighter fluid and other potentially hazardous chemicals to remove the original patient labels from the drug bottles, which include information about the patient, the original pharmacy where it

Readout of Attorney General Eric Holder’s Meeting and MoU Signing with Malaysian Minister for Home Affairs

(USDOJ: Justice News)

Submitted at 10:48 AM July 17, 2012

Attorney General Eric Holder and Malaysian Minister for Home Affairs Datuk Seri Hishammuddin bin Tun

U.S. v. Douglas Ditmer

(Antitrust Division: Upcoming Public Hearings)

Submitted at 6:51 AM July 17, 2012

was purchased and dosage instructions, prosecutors said. Other times, they replaced the original manufacturers’ labels with counterfeit ones when the drugs have expired or are close to their expiration dates.”

Douglas McNabb – McNabb Associates, P.C.’s

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Douglas McNabb and other members of the U.S. law firm practice and write and/or report extensively on matters involving Federal Criminal Defense, INTERPOL Red Notice Removal, International Extradition Defense, OFAC SDN Sanctions Removal, International Criminal Court Defense, and US Seizure of Non-Resident, Foreign-Owned Assets. Because we have experience dealing with INTERPOL, our firm understands the inter-relationship that INTERPOL’s “Red Notice” brings to this equation.

The author of this blog is Douglas C. McNabb. Please feel free to contact him directly at mcnabb@mcnabbassociates.com or at one of the offices listed above.

Hussein met today, during the Attorney General’s official visit to Malaysia, to discuss transnational crime, terrorism and other areas of mutual law enforcement cooperation.

Status hearing has been scheduled for Jan 30, 2013 at 2:30 p.m. Pacific



Trial Judge to Appeals Court: Review Me

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 8:59 AM July 17, 2012

The New York Times on July 16, 2012 released the following: “Earlier this year, an opinion for the Supreme Court by Justice Anthony Kennedy noted a stunning and often overlooked reality of the American legal process: a vast majority of criminal cases — 97 percent of federal cases, 94 percent of state cases — are resolved by guilty pleas. “Criminal justice today,” he observed, “is for the most part a system of pleas, not a system of trials.”

In this context, the recent rejection in a federal district court by Judge John Kane of a plea bargain deal between a defendant and federal prosecutors is truly startling. Judge Kane rejected the deal in part because the defendant waived his right to appeal to a higher court.

The judge insisted the matter go forward to trial so that the United States Court of Appeals for the Tenth Circuit could review it: “Indiscriminate acceptance of appellate waivers,” he said, “undermines the ability of appellate courts to ensure the constitutional validity of convictions and to maintain consistency and reasonableness in sentencing decisions.” The case is scheduled for trial next month in Denver.

Waivers are a common but largely hidden element of plea bargains — which, in many federal cases, aren’t really bargains because the power of prosecutors is often so much greater than that of the

Justice Department Settles with State of Nevada to Enforce Employment Rights of Returning Army Reservist

(USDOJ: Justice News)

Submitted at 2:49 PM July 17, 2012

The settlement in this case represents the largest recovery the Civil Rights Division has obtained on behalf of a returning service member since 2004, when it assumed jurisdiction for the enforcement of the Uniformed Services Employment and Reemployment Rights Act.

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adviser to the United Nations. “They’re a powerful medium and they have great tools to solve this problem.”

Dozens will attend the summit, including Kimmie Weeks, a former abducted child soldier from Liberia; Juan Pablo Escobar, son of slain Colombian drug lord Pablo Escobar; assistant U.S. defense secretary Andrew Weber; and Brian Dodd, who

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defendants or their lawyers. The process is closer to coercion. Prosecutors regularly “overcharge” defendants with a more serious crime than what actually occurred. The defendants must then choose between the risk of being found guilty at trial and getting a longer sentence than the alleged crime would warrant or a guilty plea in exchange for a lighter sentence. All but a tiny minority of defendants take the plea as the price of avoiding the crapshoot of a trial.

In a sample of almost 1,000 federal cases around the country, agreements included waivers about two-thirds of the time and more often in some places. Every federal appeals court has ruled that in general waivers are enforceable as part of the efficient administration of justice.

Some standard parts of waivers are outrageous, keeping defendants from appealing even if they become convinced that they received inadequate counsel to accept a defective plea agreement where the sentence was not lighter or where the prosecutor wrongly withheld evidence. Any defense lawyer or prosecutor who asks a defendant to sign a waiver ruling out appeals on those grounds is protecting himself.

An important element of justice is missing even when the defendant and the government believe a plea bargain is fair and when an appeal waiver is narrow so the defendant can appeal about certain specified issues. Congress gave appeals courts the power to review federal sentences to ensure the government

U.S. v. Keith Slipper

(Antitrust Division: Upcoming Public Hearings)

Submitted at 6:51 AM July 17, 2012

Status hearing has been scheduled for Jan 30, 2013 at 2:30 p.m. Pacific

Google searching for human traffickers, drug cartels, to break up illicit networks

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 3:20 PM July 17, 2012

The Washington Post on July 17, 2012 released the following:

“By Associated Press,

Forget videos of cute kittens or good deals on iPads. For the past few months, Google has been quietly turning its search capabilities to something far more challenging: criminals.

Drug cartels, money launderers and human traffickers run their sophisticated operations online — and Google Ideas,

applies the law reasonably and consistently. Without an appeals court’s policing, the odds go up that prosecutors will do neither. Our system of pleas then looks more like a system of railroading.”

Douglas McNabb – McNabb Associates, P.C.’s

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Google Inc.’s think tank, is working with the Council on Foreign Relations and other organizations to look for ways to use technology to disrupt international crime.

Officials from Google and groups that combat illicit networks will meet Tuesday and Wednesday in Westlake Village, Calif., to develop strategies for fighting global crime.

“Google is in a great position to take these on,” said Rani Hong, a survivor of child trafficking in India who is now a special

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directs the U.S. Drug Enforcement Administration's counter-terrorism and transnational crime efforts.

"It might sound like a different path for Google, but technology companies today have a lot of powerful tools for bringing transparency to these illicit networks, to fight back against corruption and empower those who are trying to combat transnational crime," said Stewart Patrick, a senior fellow at the Council on Foreign Relations who helped organize the conference.

"We all know that bad guys use the Internet, but now we're saying the Internet can also help stop these criminals, and help survivors and advocates find each other and work together," said Pardis Mahdavi, an assistant professor of anthropology at Pomona College who is working with Google to put a human face to criminal networks on the Web.

This week's gathering follows a conference held in Dublin, Ireland, last year that brought together more than 60 former gang members to focus on how to end violent extremism."

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