

Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Thursday, July 28, 2022

Two New Jersey Men Admit Health Care Fraud Conspiracy Targeting State Health Benefits Programs

CAMDEN, N.J. – Two New Jersey men pleaded guilty today to defrauding New Jersey state and local health benefits programs and other insurers by submitting fraudulent claims for medically unnecessary prescriptions, Attorney for the United States Vikas Khanna announced.

John Sher, 40, of Margate, New Jersey, and Christopher Broccoli, 50, of West Deptford, New Jersey, both pleaded guilty before U.S. District Judge Robert B. Kugler to superseding informations charging them each with one count each of conspiracy to commit health care fraud.

According to documents filed in this case and statements made in court:

Sher and Broccoli were part of a criminal conspiracy in which state and local government employees were recruited and compensated to receive medically unnecessary compound prescription medications. Sher and Broccoli caused the pharmacy benefits administrator to pay out millions of dollars for medically unnecessary compound prescription medications for individuals they recruited into the scheme. Sher directly received \$327,897 and Broccoli directly received \$150,315 from the scheme.

Sher and Broccoli were previously charged in March of 2019 alongside others in an indictment with conspiracy to commit health care fraud and wire fraud and other offenses. Conspiracy leader William Hickman pleaded guilty in June of 2020 to defrauding New Jersey health benefits programs and other insurers out of more than \$50 million. Conspirator Michael Sher pled guilty in March of 2018 to defrauding New Jersey health benefits programs and other insurers out of more than \$7 million. Conspirators Brian Pugh and Thomas Schallus both pleaded guilty on July 14, 2022, to conspiring to commit health care fraud as part of the same scheme. Charges remain pending against co-defendant Thomas Sher, who is set to proceed to trial before Judge Kugler in Camden federal court on August 15, 2022. The charges and allegations against him are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

John Sher and Broccoli each face a maximum penalty of 10 years in prison and a \$250,000 fine, or twice the gross gain or loss from the offense. Sentencing for Sher is scheduled for Dec. 5, 2022, and for Broccoli, Dec. 6, 2022.

Attorney for the United States Khanna credited special agents of the FBI's Atlantic City Resident Agency, under the direction of Special Agent in Charge James in Dennehy in Newark; special agents of IRS - Criminal Investigation, under the direction of Special Agent in Charge Tammy

Tomlins in Newark; and the U.S. Department of Labor Office of Inspector General, New York Region, under the direction of Special Agent in Charge Jonathan Mellone, with the investigation leading to today's guilty pleas.

The government is represented by Assistant U.S. Attorney Christina O. Hud of the Criminal Division, Deputy Chief of the Criminal Division Desiree L. Grace, and Chief of the Opioid Abuse Prevention & Enforcement Unit R. David Walk Jr.

Attachment(s):

[Download Sher.SInformation.pdf](#)

[Download Broccoli.SInformation.pdf](#)

Topic(s):

Health Care Fraud

Component(s):

USAO - New Jersey

Press Release Number:

22-285

Updated July 28, 2022