

Department of Justice
U.S. Attorney's Office
Northern District of Texas

FOR IMMEDIATE RELEASE

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Federal Grand Jury Indicts Eight Individuals Charged In a \$158 Million Health Care Fraud Scheme

DALLAS – An indictment returned by a federal grand jury in Dallas this week, and unsealed today, charges eight individuals with offenses related to their participation in a health care fraud scheme, announced John Parker, U.S. Attorney for the Northern District of Texas.

The defendants charged are:

Jamshid Noryian, aka "James Noryian," 59, of Austin

Dehshid Nourian, aka "David Nourian," 53, of Plano

Christopher Rydberg, 40, of Fort Worth

Ashraf Mofid, aka "Sherri Mofid," 68, of Van Alstyne

Leyla Nourian, 48, of Frisco

Leslie Benson, 63, of Waco

Michael Taba, 52, of McKinney

Kevin Williams, 47, of Waxahachie

Each indicted defendant is charged with one count of conspiracy to commit health care fraud. Jamshid Noryian, Dehshid Nourian, Rydberg, Mofid, and Leyla Nourian are also charged with one count of conspiracy to launder money and engage in monetary transactions in criminally derived property. The defendants were released on bond pending trial.

"This is yet another shocking example of how unmitigated greed can spawn a fraud so brazen that it almost takes your breath away," said USA John Parker. "I would suggest that the costs of playing these games far outweigh whatever short term gains are realized, no matter their size."

"Health care fraud schemes such as this threaten the financial integrity of public healthcare programs. The workers' compensation program benefits thousands of postal employees who have received legitimate on-the-job injuries. This case should send a clear message to all health care providers that workers' compensation fraud is a federal crime that carries serious consequences and will not be tolerated", said Special Agent in Charge Max Eamiguel, U.S.P.S. Office of Inspector General, Southern Area Field Office.

“An important mission of the Office of Inspector General is to investigate allegations of fraud in relation to the Federal Employees’ Compensation Act. We will continue to work with our law enforcement partners to investigate these types of allegations,” stated Steven Grell, Special Agent-in-Charge of the Dallas Regional Office of the United States Department of Labor, Office of Inspector General.

“These charges underline VA OIG’s commitment to protecting the integrity of the worker’s compensation program, ensuring that resources are always available to VA employees who need it,” said Special Agent in Charge James Werner, VA Office of Inspector General.

The indictment alleges that from May 2014 until March 2017 Jamshid Noryian, Dehshid Nourian, and Rydberg obtained and maintained control of Ability Pharmacy, Industrial & Family Pharmacy, and Park Row Pharmacy and filed Payment Information Forms for Ability, Industrial and Family and Park Row to transmit payment electronically from Department of Labor-Office of Workers’ Compensation (“DOL-OWCP”) to the pharmacies for creams used to treat scars, wounds, and pain and had DOL-OWCP reimbursement rates of up to approximately \$28,000 per container.

Mofid, Rydberg, and Leyla Nourian operated Bandoola Pharmaceutical in order to make payments to doctors for referring prescriptions of DOL-OWCP patients to the pharmacies and concealed these payments with “promissory notes” to make it appear as though the payments were loans instead of payments for sending prescriptions to the pharmacies.

Specifically, prescription pads were created and provided to doctors referring prescriptions to Ability. Jamshid Noryian marketed the creams to doctors treating DOL-OWCP patients and induced doctors to send unnecessary and excessive prescriptions for compound medications to the pharmacies in return for payments, free rent and other inducements and payments.

Jamshid Noryian instructed employees of Ability to contact patients and doctors and request refills when the pharmacy was not processing sufficient prescriptions, prescribe pain creams unnecessarily when patients were already prescribed controlled substance medications for pain management and write prescriptions for compound medications for all patients regardless of whether they wanted or needed the medications.

Taba instructed his employees to review the patient visit schedule at the end of each day and write prescriptions for compound creams for each patient, and send the prescriptions to the pharmacies. The medications were not tailored to the individual patient; every patient received the same compound medications.

Jamshid Noryian closely monitored the claims submitted to DOL-OWCP, and the payments received, by checking a computer program several times a day to see the amount of money that had been billed for the day. Jamshid Noryian instructed employees to text him the amount of money made at the end of the day if he was out of the office.

Approximately \$158 million in false and fraudulent claims were submitted to FECA through OWCP, and approximately \$82 million as payment for those claims were received. The government has seized over \$50 million in assets related to the criminal conduct.

The indictment further alleges, Jamshid Noryian, Dehshid Nourian, and Rydberg established and maintained control of bank accounts for Ability, Industrial and Family, and Park Row, into which reimbursement payments based on false and fraudulent claims were deposited. Reimbursement payments were then transferred among bank accounts for entities including, among others, Bandoola Pharmaceuticals, Jade and Joy Holdings, and HJLM Holdings and personal bank and investment accounts in order to conceal the fraud and the fraud proceeds.

Jamshid Noryian and Rydberg purchased cashier's checks, vehicles, and real property in monetary transactions of greater than \$10,000 using proceeds from the fraud scheme.

An indictment is merely an allegation and defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law. If convicted, however, each count of conspiracy to commit health care fraud carries a maximum statutory penalty of 10 years in federal prison and a \$250,000 fine. The money laundering counts carry a maximum statutory penalty of 20 years in federal prison and a \$500,000 fine or twice the value of the property involved, whichever is greater.

The indictment also includes a forfeiture allegation that would require the defendants, upon conviction, to forfeit to the U.S. any property traceable to the offense or used to facilitate the offense, including the more than \$50 million already seized from the defendants, and a multimillion-dollar home on Lake Travis in Austin, Texas.

The case is being investigated by the United States Postal Service - Office of Inspector General, United States Department of Labor - Office of Inspector General, Veterans Affairs - Office of Inspector General, and Internal Revenue Service- Criminal Investigation.

Assistant U.S. Attorneys Adrienne Frazier is prosecuting the case. Assistant U.S. Attorney Mark Tindall is handling the forfeiture issues.

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