

Foreword

There have been a large number of cases these past few months. These multi-jurisdictional investigations usually involve local, state and federal authorities working together and highlight the need for cooperation in shutting illegal operations. This issue of *RxBeat* will primarily focus on the indictments and/or convictions handed down in the past three months.

Steroid Network Takedown

On Feb. 27, 2007, the Palm Beach Rejuvenation Center was raided in Jupiter, Fla. Simultaneously, a pharmacy in Orlando was being raided. This is one of the largest and most far-reaching operations yet undertaken to combat illegal Internet pharmacy businesses. Local, state and federal authorities worked together to build the case against these operations that allegedly sold and distributed steroids, human growth hormone and other drugs to thousands of consumers across the United States. More than two dozen doctors, pharmacists and business owners have been or will be arrested in this operation. One physician in New York City, Victor Mariani, pleaded guilty to illegally writing prescriptions on behalf of patients he never met, with sentencing set for June 1. Of note in this investigation, customers who allegedly purchased drugs from these websites include current and former Major League Baseball players, National Football League players, college athletes, high school coaches, bodybuilders and one of the team physicians from the NFL's Pittsburgh Steelers. Although law enforcement authorities have no plan to pursue customers in this case, the leagues may investigate and take action if the players involved violated the drug policy. (Sources: *Chicago Tribune*, Feb. 28,

2007, *AFX News Limited*, March 10, 2007, and *Sports Illustrated*, March 12, 2007)

State Legislative Activity 2007

Several bills have been introduced in 2007 that seek to address the practice of medicine via the Internet. These bills all state a physician must perform an in-person physical examination of a patient prior to prescribing medication.

- Hawaii HB 368—House Health Committee
- Hawaii SB 257—House Health Committee and Committee on Public Safety and Military Affairs
- Illinois HB 691—House Human Services Committee
- Minnesota HB 1849—House Health and Human Services Committee
- Minnesota SB 1819—Senate Health, Housing and Family Security Committee
- West Virginia SB 702—Senate Health and Human Resources Committee

News of Interest

- The Food and Drug Administration (FDA) issued a consumer alert Feb. 16, 2007, regarding unsafe, misrepresented drugs purchased over the Internet. Reports showed that consumers in the United States sought emergency medical treat-

ment after taking medications obtained via the Internet. Specifically, these consumers placed orders for such medications as Ambien, Xanax, Lexapro, and Ativan. According to preliminary analysis, they instead received medications containing haloperidol (a powerful anti-psychotic drug). The full press release can be obtained from the FDA at www.fda.gov.

- The Drug Enforcement Administration (DEA), Miami Field Division and U.S. Attorney R. Alexander Acosta announced Feb. 8, 2007, that a grand jury returned an indictment charging 14 individuals and seven companies with illegally trafficking in prescription drugs through Internet pharmacies. These individuals operated websites selling “lifestyle” drugs for weight loss or sleep aids. Consumers completed a short questionnaire on the website, and a physician would approve the prescription without ever seeing or speaking to the buyer to confirm their identity, medical condition or the appropriateness of the requested medications. The full press release can be seen at <http://www.usdoj.gov/dea/pubs/states/miami.html>.
- Seven physicians were indicted in Puerto Rico Jan. 29, 2007, allegedly having sold more than \$3.3 million worth of illegal prescriptions over the Internet. Charges include conspiracy to distribute controlled substances, wire fraud and money laundering. The arrested physicians include: Alfred Valdivieso-Rodriguez, Juan A. Tosado-Polanco, Blanca I. Plaza-Rodriguez, Mailen Lugo-Torres, Abelardo E. Lecompte-Torres, Norberto J. Seda-Olmo and Juan M. Ramos-Gonzalez. Operation “Click 4 Drugs” targeted an organization that distributed large quantities of

Schedule III and IV controlled substances via the Internet. These physicians prescribed controlled substances and dangerous drugs to Internet customers without establishing a patient history, performing a mental or physical exam, using appropriate diagnostic or laboratory testing or providing a means to monitor medication response. The full press release can be seen at <http://www.usdoj.gov/dea/pubs/states/caribbean.html>.

- Two former “Hi-Tech Pharmaceuticals” co-conspirators plead guilty in federal court Feb. 13, 2007, for their involvement in a scheme and conspiracy relating to the Hi-Tech Pharmaceutical case, which remains ongoing. David A. Brady pled guilty to conspiracy to defraud individuals seeking prescription drugs and to introduce into interstate commerce unapproved new drugs and adulterated new drugs. David D. Johnson pled guilty to misprision of a felony for concealing this criminal activity. Hi-Tech Pharmaceuticals allegedly manufactured controlled substances and other prescription medications in unsanitary conditions in Belize and sold them to consumers in the United States via the Internet. Sentencing is scheduled for May 8. The full press release can be seen at <http://www.usdoj.gov/usao/gan/press/index.html>.
- The Maine Board of Pharmacy outlined allegations against PIN Rx, the Penobscot Indian Nation’s mail-order pharmacy, in early March. From Feb. 1 until Oct. 23, 2006, an average of 700 orders were filled a day for approximately 65,000 consumers throughout the United States. These orders were primarily for controlled substances, and the prescriptions were allegedly issued through a network of Internet pharmacies.

The board has scheduled a hearing on this case in April. (Source: Bangor *Daily News*, March 1, 2007)

Disciplinary Actions

The following is a partial list of recent disciplinary actions taken against physicians who prescribed medicine via the Internet.

- California Medical Board—Ramon Scruggs, M.D., license revoked on Jan. 31, 2007, but revocation was stayed and respondent placed on 35-months probation.
- California Medical Board—Emmanuel Galang Acosta, M.D., license revoked on Jan. 25, 2007, but revocation was stayed and respondent placed on two years probation.
- California Medical Board—Allen Leizerowitz Lawrence, M.D., reprimanded, fined \$2,000, and required to enroll and complete a medical record keeping course and a prescribing practices course on March 12, 2007.
- Florida Board of Medicine—Matthew Wise, M.D., voluntarily relinquished his license to practice medicine on Feb. 15, 2007.
- Washington Medical Quality Assurance Commission—George Mathew, M.D., license suspended but stayed under conditions for four years. Respondent shall work only as an emergency medicine physician, complete a course from the CPEP, PACE or other approved program addressing clinical skills in internal medicine, and complete six hours of CME in the standards of professionalism and medical ethics. Respondent was also fined \$2,500. Order took effect Jan. 18, 2007.

Contact for the Clearinghouse

James Rawson, M.A., Manager

(817) 868-4023

clearinghouse@fsmb.org