

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

MIHIR TANEJA,

Defendant.

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**COMPLAINT**

The United States of America (the “United States” or the “Government”), on behalf of the United States Department of Defense (“DOD”), brings this action against Defendant Mihir Taneja.

**I. INTRODUCTION**

1. This is a civil action brought by the United States against Taenja under the False Claims Act (“FCA”), 31 U.S.C. §§ 3729-33, and the common law, to recover treble damages sustained by, and civil penalties owed to, the United States based on Defendant’s illegal scheme to knowingly cause false or fraudulent claims for compounded drugs to be presented to TRICARE, the federal health care program for active duty military personnel, retirees, and their families. As part of the scheme, Defendant Taneja caused a pharmacy to pay kickbacks to marketers to target military members and their families for prescriptions for compounded medicated pain creams and scar creams, regardless of need. Those kickbacks tainted the claims presented to

TRICARE and rendered them non-reimbursable, and thus false and fraudulent.

2. As set forth below, as part of this scheme, from September 2014 to February 2015, Defendant Taneja, working with his business partner Larry Smith, caused the submission of claims to TRICARE, via Defendant Z Stat Medical LLC d/b/a/ Oldsmar Pharmacy (“Oldsmar Pharmacy”), for reimbursement for compounded drugs that were false or fraudulent because they were tainted by kickbacks to marketers. Specifically, as a result of an agreement Taneja helped to negotiate, Oldsmar Pharmacy shared a percentage of the profits – the kickbacks – with a marketing company, Centurion Compounding, Inc., that generated referrals of compounded drug prescriptions to Oldsmar Pharmacy.

## **II. PARTIES AND RELEVANT ENTITIES**

3. Plaintiff the United States brings this action on behalf of the DOD, including its component, the Defense Health Agency (“DHA”) as administrator of the TRICARE program, formerly known as CHAMPUS.

4. Defendant Mihir Taneja resides in Tampa, Florida and operates various businesses located in Largo, Florida, primarily in the healthcare field.

5. Z-Stat Medical LLC d/b/a Oldsmar Pharmacy had a principal address of 34911 US Hwy 19 N Palm Harbor, FL 34684. Larry Smith was the President, and the company was registered as being managed by Stat Direct LLC (“Stat Direct”). Oldsmar Pharmacy advertised itself as the specialty compounding division of Stat Direct.

6. Centurion Compounding, Inc. was a marketing company co-owned and co-operated by Frank V. Monte and Kimberly S. Anderson.

### **III. JURISDICTION AND VENUE**

7. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, because this action is brought by the United States as a Plaintiff pursuant to the False Claims Act.

8. This Court may exercise personal jurisdiction over Defendant pursuant to 31 U.S.C. § 3732(a) and because Defendant resides or transacts business in the Middle District of Florida.

9. Venue is proper in the Middle District of Florida under 31 U.S.C. § 3732 and 28 U.S.C. § 1391(b) and (c) because Defendant resides or transacts business in this District.

### **IV. BACKGROUND**

#### **A. The False Claims Act and Anti-Kickback Statute**

10. The FCA establishes liability to the United States for an individual who, or entity that, “knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval.” 31 U.S.C. § 3729(a)(1)(A). “Knowingly” is defined to include actual knowledge, reckless disregard, or deliberate indifference. *Id.* at § 3729(b)(1). No proof of specific intent to defraud is required. *Id.*

11. The Anti-Kickback Statute (“AKS”) arose out of congressional concern that inducements may corrupt patient and professional health care decision-making, impose higher costs on federal health care programs, and divert federal funds towards goods and services that are medically unnecessary, of poor quality, or even harmful to a vulnerable patient population. To protect the federal health care programs from these

harms, Congress enacted a prohibition against the payment of kickbacks in any form.

The AKS makes it illegal for an individual or entity to knowingly or willfully:

[O]ffer[] or pay [] any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind to any person to induce such person—

(A) to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program, or

(B) to purchase, lease, order, or arrange for or recommend purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under a Federal health care program.

12. A claim for reimbursement from a federal health care program for items or services that resulted from a violation of the AKS “constitutes a false or fraudulent claim” under the FCA. 42 U.S.C. § 1320A-7b(g).

13. The AKS contains several exceptions to which the prohibition against providing compensation in exchange for referrals or orders does not apply. The “bona fide employment” exception provides that “any amount paid by an employer to an employee (who has a bona fide employment relationship with such employer) for employment in the provision of covered items or services” will not violate the AKS. 42 U.S.C. § 1320a-7b(b)(3)(B). This type of compensation to bona fide employees is exempt from the statute’s prohibitions because the control that employers exercise over bona fide employees reduces the potential for abuse. See Medicare and State Health Care Programs: Fraud and Abuse; OIG Anti-Kickback Provisions, 56 Fed. Reg. 35952 (July 29, 1991).

14. As set forth in more detail below, Defendant Taneja knowingly and

willfully caused Oldsmar Pharmacy to pay remuneration to marketers to obtain referrals for compound drug prescriptions that were reimbursed by TRICARE.

15. By providing kickbacks to induce prescriptions for compounded drugs reimbursed by TRICARE, Taneja knowingly caused to be presented false or fraudulent claims to the TRICARE program.

16. TRICARE is a federal health care program, as defined in the AKS, 42 U.S.C. § 1320a-7b. DHA, a component of the DOD, administers TRICARE, which provides health care insurance for active duty military personnel, military retirees, and military dependents.

17. TRICARE contracts with Express Scripts, Incorporated (“ESI”) to administer the prescription drug coverage of the TRICARE program, including the processing and payment of claims for reimbursement from TRICARE for compounded prescription drugs.

18. At all relevant times, TRICARE covered compounded drugs that are medically necessary and proven to be safe and effective. 32 C.F.R. § 199.4(g)(15). Compounding is the practice in which a licensed pharmacist or physician combines, mixes, or alters the ingredients of a drug to create a medication tailored to the needs of an individual patient. A patient may need a compounded drug, for example, if she is allergic to an ingredient in a manufactured drug.

19. Each compounded drug claim submitted by a pharmacy for reimbursement from TRICARE generally includes specific representations about the date of service, the patient on whose behalf payment is being sought, the provider who prescribed the

medication, and the individual ingredients contained in the compounded drug.

20. From at least September 1, 2014 to May 1, 2015, TRICARE reimbursed pharmacies for all the ingredients in a compounded drug. During this period, retail or mail-order pharmacies generally were paid the “average wholesale price” of each ingredient in a compounded drug minus a negotiated discount.

21. On March 5, 2015, TRICARE publicly announced that beginning on May 1, 2015, it would screen “all ingredients in compound drug claims to ensure they are safe and effective and covered by TRICARE.” The new screening process checked to ensure that the ingredients were lawfully marketed in the United States, were safe and effective, and were medically necessary. To the extent drugs were rejected by the screening process, a doctor could request prior authorization for the compound. TRICARE paid far fewer claims for compounded drugs after implementing these changes on May 1, 2015.

22. At all relevant times, TRICARE beneficiaries were responsible for making a copayment and thus sharing in the costs of compounded drug prescriptions filled by a retail or mail-order pharmacy. 10 U.S.C. § 1074g(a)(6); TRICARE Reimbursement Manual, Chapter 2, Addendum B.

23. A pharmacy seeking reimbursement from TRICARE must comply with TRICARE’s anti-fraud and abuse provisions, including not submitting claims that arise from fraud. 32 C.F.R. § 199.9(a)(4). Such fraud includes improper commission and kickback arrangements. *Id.* at § 199.9(c)(12). Abusive situations include the routine waiver of patient copayments. *Id.* at § 199.9(b)(1).

24. Fraud or abuse by a pharmacy may result in the denial of the pharmacy’s

claims or the exclusion or suspension of the pharmacy from participation in the TRICARE program. 32 C.F.R. § 199.9(b), (f).

25. To receive reimbursement from TRICARE for compounded drugs, a pharmacy must enter into a Provider Agreement with ESI, TRICARE's pharmacy benefits manager.

26. TRICARE regulations specify that “[a]ll fraud, abuse, and conflict of interest requirements [in section 199.9] are applicable to the TRICARE pharmacy benefits program.” 32 C.F.R. § 199.21(p). TRICARE's contract with ESI also incorporates the provisions of 32 C.F.R. § 199.

27. Oldsmar Pharmacy contracted with two Pharmacy Services Administration Organizations (PSAOs). Acting as the agent of pharmacies such as Oldsmar Pharmacy, the PSAOs in turn contracted with ESI.

28. The PSAOs, on behalf of Oldsmar Pharmacy and others, executed Provider Agreements with ESI in which Oldsmar Pharmacy promised to:

- a. “be bound by and comply with the provisions of this Agreement and all applicable laws, rules and regulations including, but not limited to, fraud, waste and abuse laws...” and
- b. act “in accordance with the professional standards prevailing in the community at the time such services are rendered.”

29. In the Provider Agreements, ESI expressly reserved the right to reverse any claim that Oldsmar Pharmacy or any pharmacy submitted for a prescription when that pharmacy “failed to...verify that the prescription was issued in accordance with

applicable laws, rules and regulations.”

30. In addition, Oldsmar Pharmacy promised through the Provider Agreement with ESI to comply with ESI’s Provider Manual.

31. The ESI Provider Manuals in effect during the period from September 1, 2014 to February 28, 2015 required Oldsmar Pharmacy to be aware of and comply with all state and federal law, “including anti-kickback statutes and self-referral statutes.” The Manuals warned that “[f]ailure to demonstrate compliance with these laws may result in immediate termination by [ESI].”

32. The ESI Provider Manuals in effect during the period from September 1, 2014 to February 28, 2015 also required Oldsmar Pharmacy to “ensure that the correct Copayment is charged” to the patient and “is not changed or waived.” The Manuals further warned that if ESI “becomes aware of any Copayment or cost-sharing discounts offered” by Oldsmar Pharmacy, then Oldsmar Pharmacy “may be subject to immediate termination” from ESI’s provider network.

33. Additionally, TRICARE’s coverage of pharmacy services, including compounded drugs, requires that “pharmacies [] meet the applicable requirements of state law in the state in which the pharmacy is located.” 32 C.F.R. § 199.6(d)(3); see also TRICARE Policy Manual 6010.57-M, Ch. 8, Sec. 9.1 (Feb. 1, 2008 and April 1, 2015).

## V. FACTS

### A. Taneja and Smith’s kickback arrangement with Centurion marketing company.

34. Oldsmar Pharmacy was a compounding pharmacy owned and operated by Taneja’s business partner, Larry Smith, although Taneja referred to it as “my” pharmacy



and had to remind himself that Smith was the one on the paperwork owning Oldsmar Pharmacy. In November 2014, Taneja and Smith entered into a kickback arrangement with Centurion, pursuant to which Oldsmar Pharmacy agreed to pay Centurion a portion of the monies that Oldsmar Pharmacy received in payment from insurance companies for compounded drug prescriptions that Centurion generated and referred to Oldsmar Pharmacy to be filled.

35. According to Oldsmar Pharmacy's marketing materials, "We know each person is unique, and that's why we customize every prescription to fit each individual's need," and "Our compounding professionals can prepare unique dosage forms containing the best dose of medication for each individual." In reality, Oldsmar Pharmacy, with the assistance of marketing companies, rather than the prescribing doctors, designed compounds to maximize profits on each prescription.

36. In May 2014, six months before entering into the kickback arrangement, Taneja emailed Anderson of Centurion saying he would coordinate a call with his partner Larry – i.e., Larry Smith of Oldsmar Pharmacy, who was copied on the email. Taneja said Smith could put Anderson in touch with "our support staff" if she needed assistance and that Smith handles "all the administrative aspects." Taneja explained that if Centurion referred compounded drug prescriptions to Oldsmar Pharmacy to fill, Oldsmar Pharmacy would pay Centurion 40% of the amount insurance paid to Oldsmar Pharmacy for those prescriptions.

37. Instead, Centurion entered into a marketing agreement with the owners of LifeCare Pharmacy, another compounding pharmacy. Centurion engaged sales

representatives as independent contractors to market expensive compounded medications, specifically creams for pain and scars, among others, to beneficiaries of healthcare plans, especially TRICARE. Between May 2014 and November 2014, the co-owners of Centurion – Monte and Anderson – directed the patients that Centurion sales representatives had recruited and the physicians in Centurion’s network to send all of their compounded cream prescriptions to Centurion, which then transmitted those prescriptions to LifeCare Pharmacy to fill. In return, LifeCare Pharmacy paid Centurion an illegal kickback of approximately 50% of the amount TRICARE paid for each compounded drug claim.

38. During this same period, the owners of LifeCare Pharmacy entered into an agreement with the principals of Centurion to pay illegal kickbacks to Dr. Anthony Baldizzi. Specifically, LifeCare Pharmacy and Centurion agreed to pay Dr. Baldizzi 10 percent of the profit for each paid claim resulting from a prescription for compounded cream written for his patients and filled at LifeCare Pharmacy.

39. In November 2014, LifeCare Pharmacy started withholding payment of compounded drug commissions from Centurion as the result of an audit by a private insurer. Centurion did not cease marketing compounded drugs, it merely pivoted and promptly began referring those prescriptions to another pharmacy to pay it commissions. Specifically, Centurion continued to engage sales representatives as independent contractors to market expensive compounded medications, specifically creams for pain and scars, among others, to beneficiaries of healthcare plans, especially TRICARE. Centurion continued to direct the patients that Centurion sales representatives had

recruited and the physicians in Centurion' network to send all of their compounded cream prescriptions to Centurion, which then transmitted them to Oldsmar Pharmacy to fill.

40. Despite Centurion referring compounded drug prescriptions to Oldsmar Pharmacy in return for a percentage commission on the amount insurance paid for those drugs for a month, by mid-December 2014, Taneja, Smith, and Anderson still had not finalized their financial arrangement. Thus, on December 12, 2014, when Anderson prepared to create the first list of prescriptions Centurion had sent to Oldsmar Pharmacy and for which Centurion expected to be paid a commission, she emailed Smith to confirm the terms they previously negotiated. Specifically, Anderson said they would subtract 11% from the adjudication (for the cost of the drug and a referral fee), and then split the remainder. Smith then forwarded that email to Taneja, who disagreed with Anderson's characterization of the financial agreement and responded to her, "You, Larry [Smith] and I sat in Larry's office and discussed how we were going to distribute money. As per our discussion, which resulted in a handshake, we agreed to the following. We would take a 50%/50% split, you would then take off 10% for [Cost of Goods Sold] from your side...." Similarly, when Anderson contacted Smith by text about the terms of the deal, Smith deferred to Taneja. Smith could not act alone; he needed Taneja's approval to finalize the agreement.

41. After further communications, the final arrangement, documented in a mid-December 2014 email between Smith and Anderson, involved taking "15% of [sic] the top, so we split 85 percent profits 50/50 as discussed."

42. The companies maintained spreadsheets, which Centurion referred to as

commission reports, of all of the prescriptions generated by Centurion, the amounts received by Oldsmar Pharmacy for claims that the pharmacy submitted to the patients' insurance for reimbursement, and the amounts Oldsmar Pharmacy owed to Centurion in commission, thereby documenting the kickback arrangement. Centurion would provide the commission reports to Oldsmar Pharmacy to audit. The commission reports included prescriptions submitted to and/or paid for by both private insurance and federal health care programs.

43. For example, the commission report for December 1, 2014 through December 15, 2014 identified over \$9,700,000 insurance companies had paid to Oldsmar Pharmacy for compounded drug prescriptions it filled and that had been generated and referred to it by Centurion, and the over \$3,500,000 in commissions that Oldsmar Pharmacy owed to Centurion pursuant to their agreement. (The number paid in commissions does not perfectly match the deal described above because over 100 of the private sector claims in that spreadsheet were not paid, so no commission for Centurion was listed.) Approximately 40% of the prescriptions documented in the spreadsheet were from TRICARE.

44. The commission reports showed that the vast majority of prescriptions from federal beneficiaries were submitted to TRICARE.

45. The commission reports also documented that particular providers, including Dr. Anthony Baldizzi, prescribed a large number of prescriptions.

46. In fact, Centurion generated and referred so many prescriptions to Oldsmar Pharmacy that Centurion had to send some of its sales representatives to

Oldsmar Pharmacy to help enter data, so that TRICARE and private insurance companies would pay Oldsmar Pharmacy for the prescriptions it filled and, in turn, Oldsmar Pharmacy would pay commissions to Centurion. Taneja was aware of Centurion providing that assistance and told Anderson the address to which to send the Centurion representatives.

47. In addition, Oldsmar Pharmacy used employees from Medvest, a separate company owned by Taneja and operated by Smith, to help with the enormous quantity of prescriptions generated by Centurion.

48. Oldsmar Pharmacy designed prescription pads that Centurion and its sales representatives provided to patients to give to their doctors to fill out that included compound medications that would be reimbursed. Almost all of the patients who received compounded medication received pain cream or scar cream that had the highest rates of reimbursement on the prescription pad.

49. In addition, Oldsmar Pharmacy sometimes waived co-payments for prescriptions, in violation of TRICARE regulations and its own policies, in order to encourage patients to continue accepting medications, including when patients expressed they did not want or need them.

50. Also starting in November 2014, Oldsmar Pharmacy (through Taneja and Smith) and Centurion conferred with attorneys to try to legitimize their illegal kickback arrangement so they could continue it. Specifically, they tried to create a legal structure under which Centurion could continue to refer prescriptions to Oldsmar Pharmacy to be filled and for which Oldsmar Pharmacy could continue to pay Centurion funds such that

individual marketers could be compensated on a commission basis. During that time, Oldsmar Pharmacy's attorneys regularly e-mailed with both Taneja and Smith in communications that Smith asserts are privileged.

51. Specifically, on November 16, 2014, Anderson forwarded Smith an amended Oldsmar Pharmacy operating agreement created by Centurion's attorneys that would have merged Centurion with Oldsmar Pharmacy. Smith immediately forwarded that to Taneja. Two weeks later, Oldsmar Pharmacy's outside counsel at Shumaker Loop & Kendrick, LLP ("Shumaker") emailed both Taneja and Smith with revisions to the draft operating agreement.

52. While Oldsmar Pharmacy worked with other marketing companies, Oldsmar Pharmacy – through Taneja and Smith – only considered merging with Centurion and making Centurion's marketers employees of Oldsmar Pharmacy because Centurion generated so many TRICARE prescriptions.

53. Over the course of the next two months, every email from Oldsmar Pharmacy's attorneys at Shumaker went to both Taneja and Smith, including emails regarding additional draft agreements with Centurion, scheduled meetings, updates on communications with Centurion's outside counsel, and one email attaching a GAO report regarding TRICARE's payment practices.

54. Although Oldsmar Pharmacy and Centurion were never able to reach a written arrangement approved by their respective attorneys, their illegal kickback arrangement continued – Centurion continued to generate compounded drug prescriptions it referred to Oldsmar Pharmacy, and Oldsmar Pharmacy continued to pay Centurion a

percentage commission from the amounts insurance paid to Oldsmar Pharmacy for those prescriptions.

55. From November 2014 to February 2015, Oldsmar Pharmacy submitted over 4000 claims to TRICARE for compounded prescriptions that Centurion referred to Oldsmar Pharmacy to fill in exchange for commissions on the amounts insurance paid for each prescription. TRICARE paid Oldsmar Pharmacy approximately \$19,000,000 for those prescriptions. Taneja and Smith discussed how much money they were making from TRICARE via Oldsmar Pharmacy.

56. During that time, pursuant to the agreement that Taneja and Smith reached with Anderson, Oldsmar Pharmacy paid Centurion \$12,602,190.44 in commissions for prescriptions, and Centurion then disbursed to its independent contractor sales representatives their share of those commissions. Specifically, on the following dates Oldsmar Pharmacy made the following payments to Centurion for prescriptions Centurion referred to Oldsmar Pharmacy:

<b>Date</b>	<b>Payment</b>
December 1, 2014	\$1,500,000
December 15, 2014	\$500,000
January 2, 2015	\$1,500,000
January 20, 2015	\$2,647,305.89
January 29, 2015	\$6,454,884.55
<b>Total</b>	<b>\$12,602,190.44</b>

57. Taneja knew that these monies Oldsmar Pharmacy paid to Centurion were, in turn, paid to Centurion marketers as commissions and, further, that those marketers were not employees of Oldsmar Pharmacy or Centurion.

58. The only work the Centurion marketers performed in exchange for their share of the commissions was to generate prescriptions that went to Oldsmar Pharmacy.

59. Consistent with those marketers' status as independent contractors, Oldsmar Pharmacy did not give them any specific work assignments. Other than providing the pre-printed prescription pads that the marketers used to generate prescriptions, Oldsmar Pharmacy did not control any aspect of the marketers' work or otherwise supervise the marketers.

60. On February 9, 2015, counsel for Centurion emailed counsel for Oldsmar Pharmacy expressing concern that Oldsmar Pharmacy had been making payments to Centurion without a signed agreement between the parties approved by their respective attorneys. Counsel for Oldsmar Pharmacy forwarded that email to Taneja and Smith.

61. The next day, the United States executed a search warrant on Oldsmar Pharmacy and others.

62. On February 13, 2015, DHA sent a letter to Smith suspending payments for present and future claims from Oldsmar Pharmacy.

63. The two owners of LifeCare, the two principals of Centurion (Monte and Anderson), and Dr. Baldizzi have all entered guilty pleas to federal felony criminal healthcare fraud charges.

**B. Taneja was aware of the prohibitions of the Anti-Kickback Statute.**

64. During all relevant times, Taneja was aware of the prohibitions of the Anti-Kickback Statute. He has been an owner, officer, or executive of various healthcare companies for over 20 years. This includes roles as the vice president for sales and



marketing and later the CEO for a company that sold over-the-counter products and generic drugs from 2004-2012; a vice president focusing on sales for Belcher Pharmaceuticals, a generic drug manufacturing company, since 2012; the owner of Medvest since 2014, which provides services to physician; and he has controlled the operations of Sterling Knight Pharmaceuticals, a pharmaceutical manufacturer, since 2014.

65. Additionally, in a conversation with Scott Roix – a marketer not affiliated with Centurion but with whom Oldsmar Pharmacy had a similar kickback arrangement – Taneja and Smith acknowledged that the commission payments to Centurion were illegal kickbacks.

66. Further, as the Eleventh Circuit has noted, “the giving or taking of kickbacks for medical referrals is hardly the sort of activity a person might expect to be legal.” U.S. v. Vernon, 723 F.3d 1234, 1256 (11th Cir. 2013) (internal citation omitted).

**C. Defendant’s conduct was material.**

67. As a condition of payment by TRICARE, a pharmacy must comply with the AKS and must not offer or pay anything of value to third parties in exchange for referring, arranging or recommending TRICARE patients for prescriptions to be filled by the pharmacy reimbursed by TRICARE.

68. Pursuant to the Provider Agreements with ESI, Oldsmar Pharmacy falsely promised that it would comply with all applicable fraud, waste and abuse laws, which include the AKS and the FCA. Oldsmar Pharmacy’s promises to comply with all applicable fraud, waste, and abuse laws were material to its continued participation in the

TRICARE prescription benefit program administered by ESI.

69. Defendant knew or should have known that compliance with the AKS was a material requirement for the pharmacy receiving TRICARE reimbursement.

70. DHA has exercised its authority to suspend providers under investigation for fraud and abuse, including the payment of kickbacks.

71. Neither Taneja nor Smith, nor any other person or entity acting on behalf on Oldsmar Pharmacy, ever informed DHA/TRICARE about – or sought its approval for – Oldsmar Pharmacy’s payments to third-party marketers of a percentage commission of TRICARE’s payments to Oldsmar Pharmacy for compounded drugs.

**D. The United States suffered damages.**

72. TRICARE paid approximately \$19 million for prescriptions illegally induced by kickbacks to Oldsmar Pharmacy in connection with the scheme Taneja negotiated with Centurion from November 2014 until the February 2015 search warrant. In this time period, Oldsmar Pharmacy received payment for approximately 2,300 such claims from TRICARE.

73. Following the United States’ execution of a search warrant on Oldsmar Pharmacy – which effectively notified Oldsmar Pharmacy that the Government was aware of its improper conduct – Oldsmar Pharmacy paid more than \$19 million to ESI, which included monies Oldsmar Pharmacy received from TRICARE for compounded drug claims referred from Centurion that Oldsmar Pharmacy had filled. Additionally, following the search warrant, Oldsmar Pharmacy reversed – that is, withdrew and did not seek further payment for – approximately \$20 million in pending compounded drug

claims that had been submitted to TRICARE but not yet paid.

**E. Representative claims.**

74. A.C. was a patient referred to Oldsmar Pharmacy by Centurion. Oldsmar Pharmacy filled prescription No. 523526, which was signed by Dr. Victor Cruz, and submitted it to TRICARE for payment on November 17, 2014. TRICARE reimbursed Oldsmar Pharmacy \$6,415.07 for that prescription on December 10, 2014. Oldsmar Pharmacy did not collect a copayment from A.C.

75. A.H. was a patient referred to Oldsmar Pharmacy by Centurion. Oldsmar Pharmacy filled prescription No. 526481, which was signed by Dr. Suneethi Patwari, and submitted it to TRICARE for payment on December 2, 2014. TRICARE reimbursed Oldsmar Pharmacy \$6,749.29 for that prescription on December 24, 2014. Oldsmar Pharmacy did not collect a copayment from A.H.

76. L.M. was a patient referred to Oldsmar Pharmacy by Centurion. Oldsmar Pharmacy filled prescription No. 524128, which was signed by Dr. Victor Cruz, and submitted it to TRICARE for payment on December 26, 2014. TRICARE reimbursed Oldsmar Pharmacy \$8,576.59 for that prescription on January 21, 2015. Oldsmar Pharmacy did not collect a copayment from L.M.

77. B.H. was a patient referred to Oldsmar Pharmacy by Centurion. Oldsmar Pharmacy filled prescription No. 538858, which was signed by Dr. Anthony Baldizzi, and submitted it to TRICARE on January 5, 2015. TRICARE who paid Oldsmar Pharmacy \$6,343.91 for that prescription on January 21, 2015. Oldsmar Pharmacy did not collect a copayment from B.H.

78. H.N. was a patient referred to Oldsmar Pharmacy by Centurion. Oldsmar Pharmacy filled prescription No. 525006, which was signed by Dr. Anthony Baldizzi, and submitted it to TRICARE for payment on January 15, 2015. TRICARE reimbursed Oldsmar Pharmacy \$6,251.46 for that prescription on February 4, 2015. Oldsmar Pharmacy did not collect a copayment from H.N.

**FIRST CAUSE OF ACTION  
(False or Fraudulent Claims)  
(False Claims Act, 31 U.S.C. § 3729(a)(1)(A))**

79. The United States re-alleges and incorporates by reference the allegations of paragraphs 1 through 78.

80. By virtue of the acts described above, Defendant Taneja knowingly caused to be presented to an officer or employee of the United States false or fraudulent claims for payment or approval by TRICARE, in violation of the False Claims Act, 31 U.S.C. § 3729(a)(1), amended by 31 U.S.C. § 3729(a)(1)(A); that is, Defendant knowingly caused to be made or presented to the United States claims for payment by TRICARE for compounded drugs for TRICARE patients, which claims were tainted by kickbacks Defendant made or caused to be made to marketers and patients.

81. By reason of the foregoing, the United States suffered actual damages in an amount to be determined at trial, and therefore is entitled under the False Claims Act to treble damages plus a civil penalty for each false or fraudulent claim.

**SECOND CAUSE OF ACTION  
(Conspiracy to violate the False Claims Act)  
(False Claims Act, 31 U.S.C. § 3729(a)(1)(C))**

82. The United States re-alleges and incorporates by reference the allegations

of paragraphs 1 through 78.

83. By virtue of the acts described above, Defendant Taneja knowingly conspired and entered into an agreement to have the United States pay false or fraudulent claims by agreeing to pay kickbacks to marketers in return for prescriptions for compounded pharmaceutical products that Oldsmar Pharmacy would present to TRICARE for payment or approval, in violation of the False Claims Act, 31 U.S.C. § 3729 (a)(1)(C).

84. By reason of the foregoing, the United States suffered actual damages in an amount to be determined at trial, and therefore is entitled under the False Claims Act to treble damages plus a civil penalty for each false or fraudulent claim.

**PRAYER FOR RELIEF AND JURY DEMAND**

WHEREFORE, the United States respectfully prays for judgment in its favor as follows:

1. As to the First and Second Causes of Action (False Claims Act) against Defendant for: (i) statutory damages in an amount to be established at trial, trebled as required by law, and such penalties as are required by law; (ii) the costs of this action, plus interest, as provided by law; and (iii) any other relief this Court deems appropriate, to be determined at a trial by jury.
  2. All other and further relief as the Court may deem just and proper.
- The United States hereby demands a jury trial on all claims alleged herein.

Respectfully submitted, this 13th day of January, 2021.

MARIA CHAPA LOPEZ  
United States Attorney

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JS 44 (Rev. 10/20)

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

<p><b>I. (a) PLAINTIFFS</b> United States of America</p> <p><b>(b)</b> County of Residence of First Listed Plaintiff _____ <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i></p> <p><b>(c)</b> Attorneys <i>(Firm Name, Address, and Telephone Number)</i> Michael R. Kenneth, AUSA, 400 N. Tampa Street, Suite 3200, Tampa, FL 33602 (813 274-6000)</p>	<p><b>DEFENDANTS</b> Mihir Taneja</p> <p>County of Residence of First Listed Defendant <u>Hillsborough</u> <i>(IN U.S. PLAINTIFF CASES ONLY)</i></p> <p>NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.</p> <p>Attorneys <i>(If Known)</i> Robert Warchola, Shumaker, 101 East Kennedy Blvd, Suite 2800, Tampa, FL 33602 (813) 229-7600</p>
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<p><b>II. BASIS OF JURISDICTION</b> <i>(Place an "X" in One Box Only)</i></p> <p><input checked="" type="checkbox"/> 1 U.S. Government Plaintiff</p> <p><input type="checkbox"/> 2 U.S. Government Defendant</p> <p><input type="checkbox"/> 3 Federal Question <i>(U.S. Government Not a Party)</i></p> <p><input type="checkbox"/> 4 Diversity <i>(Indicate Citizenship of Parties in Item III)</i></p>	<p><b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> <i>(Place an "X" in One Box for Plaintiff and One Box for Defendant)</i></p> <table style="width:100%;"> <tr> <td style="width:33%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> <td style="width:33%;"></td> <td style="width:10%; text-align: center;">PTF</td> <td style="width:10%; text-align: center;">DEF</td> </tr> <tr> <td>Citizen of This State</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td style="text-align: center;"><input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> <td style="text-align: center;"><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td style="text-align: center;"><input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> <td style="text-align: center;"><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td style="text-align: center;"><input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> <td style="text-align: center;"><input type="checkbox"/> 6</td> </tr> </table>		PTF	DEF		PTF	DEF	Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4	Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5	Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6
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Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6																				

[Click here for: Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>LABOR</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <input type="checkbox"/> 880 Defend Trade Secrets Act of 2016 <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input checked="" type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS			
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<b>Habeas Corpus:</b> <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <b>Other:</b> <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

**V. ORIGIN** *(Place an "X" in One Box Only)*

1 Original Proceeding

2 Removed from State Court

3 Remanded from Appellate Court

4 Reinstated or Reopened

5 Transferred from Another District *(specify)*

6 Multidistrict Litigation - Transfer

8 Multidistrict Litigation - Direct File

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity):*  
False Claims Act, 31 U.S.C. 3729

Brief description of cause:  
Causing false claims to be presented and conspiring to violate the False Claims Act

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$ \_\_\_\_\_

CHECK YES only if demanded in complaint:  
JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY** *(See instructions):*

JUDGE Covington DOCKET NUMBER 8:15-cv-444-T-33TGW

DATE 1/12/2021 SIGNATURE OF ATTORNEY OF RECORD

**FOR OFFICE USE ONLY**

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Middle District of Florida



United States of America

Plaintiff(s)

v.

Mihir Taneja

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Mihir Taneja
c/o Robert Warchola
Shumaker, Loop & Kendrick LLP
101 East Kennedy Blvd, Suite 2800
Tampa, FL 33602
(813) 229-7600

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

AUSA Michael R. Kenneth
United States Attorney's Office for the Middle District of Florida
400 N. Tampa St. Suite 3200
Tampa, FL 33602
(813) 274 6000

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk



Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 \_\_\_\_\_ .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc: