

3 local doctors among dozens accused of insurance scam

latimes.com/socal/daily-pilot/news/tn-dpt-me-insurance-charges-20170421-story.html

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Two doctors from Newport Coast and another from Huntington Beach were among 26 medical professionals and business owners charged this month with participating in a \$40-million medical insurance billing and kickback scam, the Orange County district attorney's office announced Thursday.

Authorities accused Tanya Moreland King, 37, and her husband, Christopher King, 38, of Beverly Hills of masterminding a complex insurance fraud scheme of recruiting doctors and pharmacists to prescribe unnecessary treatment for patients on workers' compensation. The Kings own medical billing and medical management companies Monarch Medical Group, King Medical Management and One Source Laboratories.

Prosecutors allege the Kings made oral and written agreements with doctors across California, paying them each time they prescribed a compound cream or oral medication or ordered a urine drug test. The payments were labeled as marketing expenses to conceal the kickbacks, authorities said.

Dr. Ismael Geli Silva Jr., 38, of Huntington Beach, Dr. Ismael Silva, 63, and Dr. Kouros Shamlou, 49, both of Newport Coast, are among more than two dozen defendants facing a series of felony charges including referral of clients or patients for compensation, filing false claims and filing fraudulent insurance benefit claims, according to Orange County Superior Court records. If convicted, each could face up to 25 years in prison.

Prosecutors allege that from 2011 to 2015, the Kings billed for unnecessary creams, tests and treatments for their own profit.

"The Kings and their co-conspirators played with patients' lives, buying and selling them for profit without regard to patient safety," California Insurance Commissioner Dave Jones said in a statement. "Patients have the right to expect [that] treatment decisions by healthcare professionals are based on medical need and not unadulterated greed. The magnitude of this alleged crime is an affront to ethical medical professionals."

Irvine pharmacists Charles Bonner, 56, and Mervyn Miller, 66, who own Steven's Pharmacy at 1525 Mesa Verde Drive East in Costa Mesa, are accused of conspiring with the Kings to manufacture a variety of creams with unknown effects that were not approved by the Food and Drug Administration. The Kings bought the creams for \$15 to \$40 per tube. The products were then billed to patients' workers' compensation insurance carriers for \$250 to \$700 dollars per tube, prosecutors said.

Prosecutors allege the Kings purchased repackaged oral pain medication at reduced cost and sent it to physicians involved in the alleged scam. When doctors dispensed the medication, authorities said, the Kings would bill workers' compensation insurance carriers without disclosing the wholesale cost or that they had bought the medication on behalf of the physicians who ultimately prescribed it. The Kings would split the profits with the prescribing physicians, prosecutors contend.

Authorities also allege that doctors ordered unnecessary urine tests for people under the guise of verifying that patients on workers' compensation insurance were taking their medications as prescribed. Once the urine samples were tested, they were referred to a lab for additional testing, regardless of results. Each test cost \$60, but insurance carriers were billed hundreds of dollars, prosecutors said.

Authorities allege that more than 13,000 patients and at least 27 insurance carriers were victimized. About

\$23.2 million was paid out to the 26 defendants, but a total of \$40 million was billed to insurers, according to prosecutors.

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