

Approved: Justin Anderson
JUSTIN ANDERSON
SHANE T. STANSBURY
Assistant United States Attorneys

Before: HONORABLE DEBRA FREEMAN
United States Magistrate Judge
Southern District of New York

10 MAG 1752

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UNITED STATES OF AMERICA

SEALED COMPLAINT

- v. -

Violations of
21 U.S.C. § 846, and
18 U.S.C. § 1349

DIANA WILLIAMSON,
LENNY HERNANDEZ,
MIGUEL ANGEL HERNANDEZ,
FRANMI SAETA,
IVETTE ARROYO, a/k/a "Bori,"
JUNIOR JAQUEZ,
REYNOLDO COLON, a/k/a "Gringo,"
ANTONIO MARTINEZ, and
CARL GUILFORD,

COUNTY OF OFFENSE:
New York

Defendants.

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SOUTHERN DISTRICT OF NEW YORK, ss.:

AMY HIRINA, being duly sworn, deposes and says that she is a Special Agent with the Federal Bureau of Investigation ("FBI") and charges as follows:

COUNT ONE

1. From at least in or about September 2009, up to and including in or about August 2010, in the Southern District of New York and elsewhere, DIANA WILLIAMSON, LENNY HERNANDEZ, MIGUEL ANGEL HERNANDEZ, FRANMI SAETA, IVETTE ARROYO, a/k/a "Bori," JUNIOR JAQUEZ, REYNOLDO COLON, a/k/a "Gringo," ANTONIO MARTINEZ, and CARL GUILFORD, the defendants, and others known and unknown, unlawfully, intentionally and knowingly would and did combine, conspire, confederate and agree together and with each other to violate the narcotics laws of the United States.

2. It was a part and an object of the conspiracy that DIANA WILLIAMSON, LENNY HERNANDEZ, MIGUEL ANGEL HERNANDEZ, FRANMI SAETA, IVETTE ARROYO, a/k/a "Bori," JUNIOR JAQUEZ, REYNOLDO COLON, a/k/a "Gringo," ANTONIO MARTINEZ, and CARL GUILFORD, the

defendants, and others known and unknown, would and did distribute and possess with the intent to distribute a controlled substance, in violation of 21 U.S.C. § 841(a)(1).

3. The controlled substance involved in the offense was oxycodone, a Schedule II controlled substance, in violation of 21 U.S.C. § 841(b)(1)(C).

(Title 21, United States Code, Section 846.)

COUNT TWO

4. From at least in or about September 2009, up to and including in or about August 2010, in the Southern District of New York and elsewhere, DIANA WILLIAMSON, LENNY HERNANDEZ, ANTONIO MARTINEZ, and CARL GUILFORD, the defendants, and others known and unknown, unlawfully, willfully, and knowingly combined, conspired, confederated and agreed together and with each other to commit an offense against the United States, to wit, to violate Title 18, United States Code, Section 1347.

Object of the Conspiracy

5. It was a part and an object of the conspiracy that DIANA WILLIAMSON, LENNY HERNANDEZ, ANTONIO MARTINEZ, and CARL GUILFORD, the defendants, and others known and unknown, would and did execute and attempt to execute, a scheme and artifice to defraud a health care benefit program, and to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, a health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347.

Overt Acts

6. In furtherance of the conspiracy and to effect the object thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. On or about January 13, 2010, in New York, New York, DIANA WILLIAMSON, the defendant, wrote a prescription for oxycodone knowing that there was no medical basis for the prescription.

b. On or about June 8, 2010, in New York, New York, LENNY HERNANDEZ, the defendant, possessed oxycodone pills

prescribed to people other than himself and purchased using Medicaid funds.

c. On or about June 8, 2010, ANTONIO MARTINEZ, the defendant, filled a prescription for Oxycontin using Medicaid funds.

d. On or about May 15, 2010, CARL GUILFORD, the defendant, filled a prescription for Oxycontin using Medicaid funds.

(Title 18, United States Code, Sections 1349 and 24.)

The bases for my knowledge and for the foregoing charge are, in part, as follows:

7. I have been a Special Agent with the FBI for approximately five years. I am currently assigned to the a squad within the FBI that investigates, among other things, unlawful possession and trafficking of narcotics in violation of Title 21 U.S.C. §§ 812, 841(a)(1), 843(a), and 846. During my tenure with the FBI, I have investigated narcotics-related offenses, and have participated in wire and physical surveillance, surveillance of undercover transactions, the introduction of undercover agents, the execution of search warrants, debriefings of informants and reviews of taped conversations and drug records. Through my training, education and experience, I have become familiar with the manner in which illegal narcotics are obtained and distributed, including the diversion of prescription medications from their lawful purposes.

8. I have participated in the investigation of this matter, and I am familiar with the information contained in this affidavit based on my own personal participation in the investigation, my review of reports, records, documents, and photographs, and conversations that I have had with other law enforcement agents and individuals. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of ~~documents and the actions, statements and conversations of others~~ are reported herein, they are reported in substance and in part, except where otherwise indicated by quotation marks.

9. Judicially authorized telephone wiretap interceptions, coupled with visual surveillance and other investigative techniques, as set forth in further detail below, have revealed the following:

a. DIANA WILLIAMSON, LENNY HERNANDEZ, MIGUEL ANGEL HERNANDEZ, FRANMI SAETA, IVETTE ARROYO, a/k/a "Bori," JUNIOR JAQUEZ, REYNOLDO COLON, a/k/a "Gringo," ANTONIO MARTINEZ, and CARL GUILFORD, the defendants, and others known and unknown, are members of a drug trafficking organization that relies on health care fraud in order to obtain narcotics.

b. From at least in or about September 2009, the defendants have been involved in a conspiracy to distribute and to possess with intent to distribute oxycodone in the form of pills commonly known as Oxycontin and Percocet. During the course of the conspiracy, DIANA WILLIAMSON, the defendant, wrote oxycodone prescriptions to patients who had no legitimate need for the medication. LENNY HERNANDEZ, the defendant, recruited individuals to obtain oxycodone prescriptions from WILLIAMSON, helped those individuals to fill those prescriptions, and arranged to resell the oxycodone to third parties. MIGUEL ANGEL HERNANDEZ, FRANMI SAETA, and IVETTE ARROYO, a/k/a "Bori," the defendants, assisted LENNY HERNANDEZ in obtaining and distributing oxycodone pills. ANTONIO MARTINEZ and CARL GUILFORD, the defendants, obtained oxycodone prescriptions from WILLIAMSON, despite having no medical need for the medication, used their government-provided health benefits to fill their prescriptions, and sold the pills to LENNY HERNANDEZ and/or DIANA WILLIAMSON.

10. At all times relevant to this Complaint, the Medicaid Program ("Medicaid") was a federal health care program providing benefits to low-income individuals and families who fit into an eligibility group that is recognized by federal and state law. Medicaid was and is administered by the Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services ("HHS").

11. At all times relevant to this Complaint, Medicaid was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b). Individuals who received benefits under Medicaid were referred to as "Medicaid beneficiaries."

12. At all times relevant to this Complaint, Medicaid benefits were applicable to a limited set of prescription medications, including various forms of oxycodone.

13. At all times relevant to this Complaint, DIANA WILLIAMSON, the defendant, was a primary care physician affiliated with Citicare, Inc., a medical clinic located on West

127th Street, New York, New York ("Citicare").

14. On or about January 13, 2010, an undercover investigator of the New York State Department of Health ("UC-1") met with DIANA WILLIAMSON, the defendant, at Citicare. During the appointment, WILLIAMSON asked to take a blood sample from UC-1, but UC-1 claimed to be afraid of needles, so WILLIAMSON drew blood from another individual ("Individual-1") and labeled it with the name of UC-1. WILLIAMSON then wrote UC-1 a prescription for 120 Oxycontin 80 mg. UC-1 gave \$1,500 to Individual-1 as payment to WILLIAMSON for writing the prescription. No pills were exchanged during this meeting.

15. On or about March 4, 2010, at approximately 1:00 p.m., two undercover FBI agents ("UC-2" and "UC-3") met with LENNY HERNANDEZ, the defendant, and Individual-1. The meeting took place inside UC-2's vehicle, at the corner of 125th Street and Broadway, New York, New York. From my conversations with UC-2, UC-3, and other law enforcement officers and my review of documents and reports, I have learned that during this meeting, the following took place:

a. LENNY HERNANDEZ advised UC-2 that he would be getting 180 oxycodone pills later in the day. UC-2 told LENNY HERNANDEZ, in sum and substance, that UC-2 would purchase only one or two bottles of Oxycontin because this was their first transaction and the price quoted by LENNY HERNANDEZ was high.

b. LENNY HERNANDEZ indicated that he would contact UC-2 when he had Oxycontin available. UC-2 gave his/her telephone number to LENNY HERNANDEZ, and LENNY HERNANDEZ gave his telephone number to UC-2.

c. LENNY HERNANDEZ stated, in sum and substance, that the next time they met, he would like to do so in the Bronx, as opposed to Manhattan because "[h]ere in Manhattan they, the police are looking out for drugs."

d. LENNY HERNANDEZ also stated, in sum and substance, that before he would deal with someone he had to know that he could confide in them. ~~LENNY HERNANDEZ also complained~~ about having been robbed of oxycodone pills on more than one occasion.

e. LENNY HERNANDEZ asked UC-2 whether s/he would be interested in Percocet pills.

16. On or about March 12, 2010, LENNY HERNANDEZ, the

defendant, met again with UC-2, UC-3, and Individual-1. The meeting took place inside the UC-2's automobile, which was parked near Trinity and Westchester Avenues, Bronx, New York. From my conversations with UC-2, UC-3, and other law enforcement officers and my review of documents and reports, I have learned that during this meeting, the following took place:

a. LENNY HERNANDEZ presented a bottle of Oxycontin to UC-2, informing UC-2 that there were 140 Oxycontin pills in the bottle. UC-2 looked at the pills in the bottle and then provided LENNY HERNANDEZ with a \$5,500 cash payment for the pills.

b. LENNY HERNANDEZ informed UC-2, in sum and substance, that he would have several more bottles of Oxycontin available for sale in the near future, and asked whether UC-2 would be available in late March to purchase them. UC-2 informed LENNY HERNANDEZ that UC-2 had a scheduled trip to Florida at that time, and LENNY HERNANDEZ indicated that he would try to hold on to several of the bottles for UC-2. LENNY HERNANDEZ also spoke about having Percocet pills available for sale if UC-2 was interested. UC-2 and LENNY HERNANDEZ agreed that they would be open to future dealings with each other.

17. On or about April 8, 2010, at approximately 1:00 p.m., LENNY HERNANDEZ, the defendant, again met with UC-2 and UC-3 at a restaurant located on Arthur Avenue near East 186th Street, Bronx, New York. From my conversations with UC-2, UC-3, and other law enforcement officers and my review of documents and reports, I have learned that during this meeting, the following took place:

a. LENNY HERNANDEZ gave UC-2 one bottle containing 240 Oxycontin 80 mg pills, with the prescription label removed, as well as one unidentified red pill. LENNY HERNANDEZ indicated, in sum and substance, that the red pill was Oxycontin 60 mg and told UC-2 that he could get UC-2 more of them. UC-2 then gave LENNY HERNANDEZ a \$9,600 cash payment for the pills.

b. LENNY HERNANDEZ also discussed a female ~~doctor who lived uptown, and Malcolm Pharmacy, which LENNY~~ HERNANDEZ used. LENNY HERNANDEZ stated that the doctor could get him pills or prescriptions and claimed that, through the doctor, LENNY HERNANDEZ could get UC-2 up to 1,500 pills.¹

¹ Based on my personal observations, I know that Malcolm Pharmacy is located near Citicare at Malcolm X Boulevard and

18. On or about June 1, 2010, UC-2 and UC-3 met again with LENNY HERNANDEZ, the defendant, and purchased Oxycontin pills from him. From my conversations with UC-2, UC-3, and other law enforcement officers and my review of documents and reports, I have learned the following about that meeting, as well as the events leading up to and following that meeting:²

a. At approximately 12:47 p.m., LENNY HERNANDEZ was parked in a green Range Rover registered in his name (the "Range Rover") on East 168th Street near Boston Post Road, Bronx, New York.

b. At approximately 12:48 p.m., an individual who matched the physical appearance of FRANMI SAETA, the defendant, walked up to the Range Rover, carrying a purple bag, and got inside of it.³ After approximately one minute, SAETA exited the Range Rover and walked inside the front door of an apartment building on East 168th Street, Bronx, New York, later determined to be SAETA's residence based on a review of information contained in a database maintained by the New York City Human Resources Administration ("NYCHRA").

c. At approximately 12:56 p.m., SAETA returned to the Range Rover driven by LENNY HERNANDEZ. At approximately 12:58 p.m., LENNY HERNANDEZ made a u-turn and parked on East 168th Street, Bronx, New York. At approximately 1:05 p.m., SAETA and LENNY HERNANDEZ exited the Range Rover and crossed East 168th Street.

d. At approximately 1:22 p.m., LENNY HERNANDEZ returned to the Range Rover, carrying what appeared to be the same purple bag that SAETA had been carrying earlier.

e. At approximately 1:44 p.m., LENNY HERNANDEZ met with UC-2 and UC-3 inside a restaurant in the Bronx, New York. LENNY HERNANDEZ explained, in sum and substance, that the "doctor" was "the boss" and referred to the doctor as "she"

~~118th Street, New York, New York.~~

² FBI and other law enforcement agents conducted surveillance of LENNY HERNANDEZ before, during, and after the meeting.

³ A member of the surveillance team told me that this person's appearance was consistent with a Department of Motor Vehicles photograph of SAETA.

multiple times. LENNY HERNANDEZ explained that he either brought patients in to see the doctor so that she could write them a prescription for oxycodone, or the doctor called him when she had bottles of oxycodone, which he would pick up and sell. LENNY HERNANDEZ stated that he was taking approximately seven patients to see the doctor for prescriptions.

f. LENNY HERNANDEZ provided UC-2 with a purple bag. Inside the bag was a black plastic bag which contained two amber prescription bottles that LENNY HERNANDEZ told UC-2 contained 249 Oxycontin 80 mg pills in total. The amber prescription bottles both had labels removed.

g. LENNY HERNANDEZ told UC-2 that the price was \$8,500. UC-2 told LENNY HERNANDEZ that s/he and LENNY HERNANDEZ had previously agreed on \$4,000 per bottle (which amounts to approximately \$33 per pill). Under that pricing, two bottles would cost \$8,000, so \$500 for the extra nine pills seemed high to UC-2. LENNY HERNANDEZ explained to UC-2, in sum and substance, that he was "hard pressed" for money and UC-2 would be helping him out if he paid \$8,500.

h. Later, LENNY HERNANDEZ told UC-2 that if s/he bought in larger quantities, the price would be lower. For example, LENNY HERNANDEZ told UC-2 that, if UC-2 bought five bottles, the price would be \$21,000, and that if UC-2 bought ten bottles, the price would be even further reduced.

i. LENNY HERNANDEZ also offered UC-2 and UC-3 200 Percocet pills for \$6 per pill, noting that normally Percocet sold for \$10 per pill.

j. At approximately 3:33 p.m., LENNY HERNANDEZ parked his Range Rover in the vicinity of Citicare.

19. In the course of the investigation, the FBI obtained judicial authorization to intercept communications occurring over the telephone bearing a call number ending in the digits 3916 (the "Telephone"). Sprint/Nextel records reflect that the listed subscriber of the Telephone "Freddy Boss," at an address in Irvine, California. ~~LENNY HERNANDEZ, the defendant,~~ had used the Telephone to communicate with UC-2.

20. Wiretap surveillance of the Telephone, coupled with visual surveillance and other investigative techniques, as set forth in further detail below, has revealed the following:

a. On or about May 6, 7, 11, and 14, 2010,

IVETTE ARROYO, a/k/a "Bori," the defendant, and LENNY HERNANDEZ, the defendant, discussed over the Telephone, in substance and in part, ARROYO's role in finding buyers and sellers of oxycodone pills.⁴ For example, on May 6, LENNY HERNANDEZ told ARROYO, in sum and substance, that he was at the corner trying to convince a patient to sell prescription medications to him. On May 7, ARROYO told LENNY HERNANDEZ, in substance and in part, to take \$35 from an unidentified female and for LENNY HERNANDEZ to give that female two oxycodone pills.⁵ On May 11, LENNY HERNANDEZ and ARROYO discussed a third party who wanted to sell prescription medication, but LENNY HERNANDEZ refused to take it without the box. On May 14, ARROYO told LENNY HERNANDEZ, in substance and in part, that she knew someone who wanted "yellow ones" and "green ones," (believed, based on the color of the pills, to be Percocet and OxyContin); specifically 200 of the "green ones" and 300 of the "others."

b. On or about May 11, 2010, between approximately 8:29 p.m. and 9:13 p.m., JUNIOR JAQUEZ, the defendant, and LENNY HERNANDEZ, the defendant, spoke five times over the Telephone.⁶ During the course of these conversations,

⁴ In these calls, ARROYO used a telephone with a call number ending in 2459 (the "2459 Phone"). According to records maintained by the service provider, the subscriber of the 2459 Phone is "Ivette Arroyo."

⁵ Based on my training and experience and involvement in this investigation, I know that Oxycontin 80 mg pills sell for \$20 to \$40 per pill, and I believe that when ARROYO said \$35, she was referring to the price per pill that LENNY HERNANDEZ should charge.

⁶ In these calls, JAQUEZ used a telephone with a call number ending in 2115 (the "2115 Phone"). I believe that JAQUEZ is the person who used the 2115 Phone during these calls because on or about June 10, 2010, at approximately 2:55 p.m., an individual using the 2115 Phone had a telephone conversation with LENNY HERNANDEZ, the defendant, to arrange a meeting later that day. At approximately 4:19 p.m. on the same day, LENNY HERNANDEZ called the 2115 Phone, and an individual believed to be JAQUEZ told LENNY HERNANDEZ that he was nearby. LENNY stated, in sum and substance, that he was going to get "that." At approximately 4:21 p.m., an agent with the DEA conducting surveillance in the vicinity of 622 East 169th Street, Bronx, New York, observed LENNY HERNANDEZ enter a Lincoln Towncar that is registered to JAQUEZ.

LENNY HERNANDEZ confirmed to JAQUEZ that he had 240 pills available for sale. During one of the calls, LENNY HERNANDEZ asked JAQUEZ to meet him on "169."⁷ During another call, JAQUEZ asked LENNY HERNANDEZ to put the pills in the same bottle, in which LENNY HERNANDEZ had received them. LENNY HERNANDEZ responded, in sum and substance, that he didn't have that bottle and wanted to use his own.

c. On or about May 15, 2010, at approximately 12:03 p.m., CARL GUILFORD, the defendant, contacted LENNY HERNANDEZ, the defendant, over the Telephone.⁸ During the course of this conversation, GUILFORD told LENNY HERNANDEZ, in substance and in part, that the drug store on "24th" did not have any Oxycontin. GUILFORD then said that he was going to 15th Street (believed to be a reference to 115th Street) and would be back in fifteen minutes. Medicaid records obtained from the New York State Office of the Medicaid Inspector General ("OMIG") indicate that GUILFORD filled a prescription for 120 Oxycontin 80 mg on May 15, 2010 at Malcolm Pharmacy, located at Malcolm X Boulevard and 118th Street.

d. On or about May 15, 2010, between approximately 3:57 p.m. and 11:41 p.m., REYNOLDO COLON, a/k/a "Gringo," the defendant, and LENNY HERNANDEZ, the defendant, spoke several times over the Telephone.⁹ Over the course of these conversations, LENNY HERNANDEZ and COLON arranged for another individual to purchase two bottles of Oxycontin (240 pills) from LENNY HERNANDEZ for \$7,000. Specifically, during a call at approximately 10:04 p.m., COLON stated, in sum and

⁷ As set forth in paragraph 22, LENNY HERNANDEZ appears to live with his mother in an apartment on East 169th Street, Bronx, New York.

⁸ In these calls, GUILFORD used a telephone with a call number ending in 7327 (the "7327 Phone"). I believe that GUILFORD is the person who used the 7327 Phone during these calls because, in calls over the Telephone with the 7327 Phone, the ~~person using the 7327 Phone was referred to as "Carl."~~ Moreover, I know from reviewing information provided by the New York City Human Resources Administration ("NYCHRA") that the 7327 Phone is listed in GUILFORD's Medicaid profile as his telephone number.

⁹ In these calls, COLON used a telephone with a call number ending in 8745 (the "8745 Phone"). I know from reviewing information provided by NYCHRA that the 8745 Phone is listed in COLON's Medicaid profile as his telephone number.

substance, that he would be there in 25 minutes and asked whether LENNY HERNANDEZ told him 240 pills. LENNY HERNANDEZ responded in the affirmative. At approximately 10:42 p.m., COLON stated that he would be there in seven minutes. LENNY HERNANDEZ responded that he would head home. COLON then asked whether it is "169," to which LENNY HERNANDEZ responded in the affirmative. At approximately 11:41 p.m., COLON stated that he was on the first floor of the building, and LENNY HERNANDEZ instructed him to go to the third floor. COLON then asked LENNY HERNANDEZ, in sum and substance, to confirm that the purchase price was \$7,000, to which LENNY HERNANDEZ responded in the affirmative.

e. On or about May 26, 2010, at approximately 1:21 p.m., MIGUEL HERNANDEZ, the defendant, told LENNY HERNANDEZ, the defendant, over the Telephone, in substance and in part, that four or five yellow pills that LENNY HERNANDEZ had given an individual named Carmen had disappeared.

f. On or about June 1, 2010, at approximately 9:51 a.m., LENNY HERNANDEZ, the defendant, called FRANMI SAETA, the defendant, and informed him that he heard from "Peru" (the undercover identity of UC-2). SAETA said, in sum and substance, that he would begin to prepare the "food," and LENNY HERNANDEZ instructed SAETA to count the pills to determine how many there were. At approximately 12:26 p.m., LENNY HERNANDEZ again contacted SAETA, who said that there were 249 oxycodone pills. At approximately 12:48 p.m., LENNY HERNANDEZ told SAETA to bring "that" down for him.¹⁰

g. On or about June 7, 2010, between approximately 2:26 p.m. and 11:36 p.m., LENNY HERNANDEZ, the defendant, and REYNOLDO COLON, a/k/a "Gringo," the defendant, spoke several times over the Telephone. During the course of these conversations, COLON arranged for a deal between LENNY HERNANDEZ and a third party who wanted to purchase 180 oxycodone pills. Specifically, at approximately 2:26 p.m., COLON asked LENNY HERNANDEZ whether he had something available. LENNY HERNANDEZ told COLON, in sum and substance, that he had 180 pills for him the other day but COLON had stood him up. COLON responded, in sum and substance, that he would take everything that LENNY HERNANDEZ gets. At approximately 7:22 p.m., COLON and LENNY HERNANDEZ spoke again, and LENNY HERNANDEZ stated that he had something, and when COLON asked how much, LENNY HERNANDEZ responded that he had 180 pills. At 10:26 p.m., COLON and LENNY

¹⁰ The events that followed this telephone call are described above in paragraph 18.

HERNANDEZ spoke again, and COLON suggested meeting at "Bori's house."¹¹ At 11:11 p.m., LENNY HERNANDEZ told COLON that he was at 168 and Boston Road. At one point during the conversation, COLON stated, in sum and substance, that he was near Franmi's building and asked whether he should go inside the building.¹² LENNY HERNANDEZ and COLON discussed COLON pretending to help carry some clothes upstairs and whether they should do it in the house. After COLON asked LENNY HERNANDEZ whether he had the pills on him, and LENNY HERNANDEZ responded in the affirmative, COLON then suggested they do the transaction in the van. At 11:27 p.m., COLON informed LENNY HERNANDEZ that he was going to Ivette's house to bring LENNY HERNANDEZ's money. At 11:36 p.m., COLON told LENNY HERNANDEZ to call IVETTE ARROYO, the defendant, and confirm that he had already given the money to her.

h. On or about June 10, 2010, at approximately 2:55 p.m, LENNY HERNANDEZ, the defendant, and JUNIOR JAQUEZ, the defendant, spoke over the Telephone. During the course of this conversation, LENNY HERNANDEZ and JAQUEZ discussed how LENNY HERNANDEZ did not get his stuff back (believed to be the bottles of Oxycontin that were seized from LENNY HERNANDEZ on June 8, 2010, as described below in paragraph 21). LENNY HERNANDEZ then informed JAQUEZ that he had 30 "small ones" and possibly 30 of the "others." JAQUEZ asked whether LENNY HERNANDEZ was referring to the 40 (possibly referring to 40 milligrams), and then agreed to come pick it up. At approximately 4:21 p.m., an agent with the DEA conducting surveillance in the vicinity of 622 East 169th Street, Bronx, New York, observed LENNY HERNANDEZ enter a Lincoln Towncar that is registered to JAQUEZ.

i. On or about June 23, 2010, between approximately 11:46 a.m. and 12:07 p.m., MIGUEL ANGEL HERNANDEZ, the defendant, and LENNY HERNANDEZ spoke twice.¹³ During these

¹¹ "Bori" is an alias for IVETTE ARROYO, the defendant.

¹² I know from a DEA agent involved in this investigation that FRANMI SEATA, the defendant, was stopped by Ramapo Police on August 10, 2010, and informed the police that he lives at 631 East 168th, Apt. 2H, Bronx, New York, which is located near Boston Road.

¹³ In these calls, MIGUEL ANGEL HERNANDEZ, the defendant, used a telephone with a call number ending in 6074 (the "6074 Phone"), which had "direct connect" call numbers ending in 1804 and 9255. On or about August 9, 2010, MIGUEL ANGEL HERNANDEZ, the defendant, provided the 6074 Phone to law enforcement as his

conversations, MIGUEL ANGEL HERNANDEZ said that "Franmi" owed him \$50 and that "Franmi" was not answering his phone. MIGUEL ANGEL HERNANDEZ told LENNY HERNANDEZ to give him the \$50, and that LENNY HERNANDEZ could get it later from "Franmi." In addition, MIGUEL ANGEL HERNANDEZ asked LENNY HERNANDEZ to bring him a yellow one. LENNY HERNANDEZ stated, in sum and substance, that he was broke, and that the only money he had was for his bills. Later that day, LENNY HERNANDEZ asked whether "Franmi" had shown up. MIGUEL ANGEL HERNANDEZ asked whether LENNY HERNANDEZ had any yellow banana. LENNY HERNANDEZ said that he did not deal with that stuff. LENNY HERNANDEZ said that he needed something from "Franmi," but "Franmi" was nowhere to be found.

j. On or about June 24, 2010, at approximately 12:29 p.m., MIGUEL ANGEL HERNANDEZ, the defendant, and LENNY HERNANDEZ, the defendant, spoke over the Telephone. During the call, LENNY HERNANDEZ stated that he gave 80 pills to Chino.

21. Surveillance over the wiretap, coupled with visual surveillance and other investigative techniques, as set forth in further detail below, has revealed the following:

a. On or about June 8, 2010, at approximately 4:04 p.m., LENNY HERNANDEZ, the defendant, told DIANA WILLIAMSON, the defendant, over the Telephone, in sum and substance, that he was at the clinic but could not find parking.¹⁴ At approximately 4:16 p.m., LENNY HERNANDEZ double parked a Mercedes SUV (the "SUV") near Citicare, and WILLIAMSON approached the SUV and put both of her hands inside the driver's side window. WILLIAMSON lowered one hand to her side and then again put it through the driver's side window. Shortly thereafter, WILLIAMSON walked away from the SUV. At approximately 4:18 p.m., LENNY HERNANDEZ drove away and parked in front of a fire hydrant near the intersection of 128th Street and 7th Avenue, New York, New York. At approximately 4:19 p.m., LENNY HERNANDEZ told JUNIOR JAQUEZ, in

contact number.

¹⁴ In the following calls, WILLIAMSON, used telephones with call numbers ending in 9457 (the "9457 Phone") and 8128 (the "8128 Phone"). I believe that WILLIAMSON is (1) the person who used the 9457 Phone during these calls because, according to records maintained by the service provider, the subscriber of the 9457 Phone is "Diana Williamson;" and (2) the person who used the 8128 Phone during these calls because, according to records maintained by the service provider, the subscriber of the 8128 Phone is "Diana Williamson."

an intercepted telephone call over the Telephone, that LENNY HERNANDEZ was at the clinic and had three for JAQUEZ.

b. Later that day, at approximately 4:23 p.m., law enforcement officers stopped the SUV which was parked in front of a fire hydrant. As law enforcement officers approached the SUV, they observed, among other things, (1) LENNY HERNANDEZ, who was sitting in the driver's seat, removing a label from a prescription bottle, and (2) two prescription bottles between LENNY HERNANDEZ's thighs. After the stop was executed, LENNY HERNANDEZ consented to a search of the vehicle. Agents recovered three bottles of Oxycontin, in the names of "David Williams," "Antonio Martinez," and "Dominique Labossiere." LENNY HERNANDEZ stated, in sum and substance, that the medications belonged to his friends, and they were still at the clinic, but he was unable to remember the names of his friends when asked. The pill bottles were seized and a detective with the New York City Police Department (the "NYPD Detective") left his contact information with LENNY HERNANDEZ.

c. Later that day, at approximately 4:55 p.m., three male individuals approached LENNY HERNANDEZ, who was inside the SUV, and entered his vehicle. At approximately 5:01 p.m. LENNY HERNANDEZ left a telephone message for the NYPD Detective, saying, in sum and substance, that his friends want to pick up their medicine.

d. Later that day, at approximately 5:18 p.m., LENNY HERNANDEZ told WILLIAMSON over the Telephone, in sum and substance, that everything was fine. WILLIAMSON asked LENNY HERNANDEZ whether he talked to them and they know what to say. LENNY HERNANDEZ he reassured WILLIAMSON that everything would be fine. WILLIAMSON told Lenny to hide the money they have on them inside the car.

e. Later that day, at approximately 9:41 p.m., ANTONIO MARTINEZ, the defendant, asked LENNY HERNANDEZ over the Telephone what he had decided. LENNY HERNANDEZ informed MARTINEZ that he would go back tomorrow and find out. MARTINEZ advises LENNY HERNANDEZ that it is a loss, to forget about it, and to wait until next month. MARTINEZ said that he would go next month because it's every month that they're given those pills.

f. OMIG Medicaid records indicate that (1) "Antonio Martinez" used his Medicaid Card to fill an Oxycontin 80 mg prescription on June 8, 2010 at Malcolm Pharmacy; and (2) "Dominique Labossiere" used his Medicaid Card to fill an Oxycontin 80 mg prescription on June 8, 2010 at 124 RX pharmacy

in New York, New York.

22. On or about May 24, 2010, another federal law enforcement agency executed a search warrant at the apartment of Janet Quezada, the mother of LENNY HERNANDEZ, located on E. 169th Street, Bronx, New York (the "Apartment"). Surveillance and other evidence indicates that LENNY HERNANDEZ, the defendant, lives in the Apartment with his mother. The search was in furtherance of a child pornography investigation completely separate from this investigation. A gun, various medications, including several bottles of Oxycontin with the labels ripped off and one bottle prescribed to LENNY HERNANDEZ by DIANA WILLIAMSON, the defendant, were found in the Apartment. Quezada stated to law enforcement that everything in the room belonged to her.

23. According to records obtained from the OMIG, \$997,128 of \$4,392,832 in Medicaid drug expenses for medications prescribed by DIANA WILLIAMSON, the defendant, between January 1, 2008 and June 9, 2010, is attributable to Oxycontin prescriptions. Accordingly, for that time period, 23% of the costs associated with WILLIAMSON's Medicaid prescriptions is attributable to Oxycontin prescriptions. Based on an analysis of patient prescription data, coupled with surveillance during the course of this investigation, I and other law enforcement officers have identified a group of Medicaid beneficiaries who appear to obtain oxycodone, using prescriptions written by WILLIAMSON and paid for with medicaid funds, and then sell back the oxycodone to LENNY HERNANDEZ, the defendant, or WILLIAMSON. Based on this analysis, I believe that approximately 11,000 oxycodone pills were obtained through health care fraud and distributed by members of this conspiracy.

WHEREFORE, deponent respectfully requests that warrants be issued for the arrest of DIANA WILLIAMSON, LENNY HERNANDEZ, MIGUEL ANGEL HERNANDEZ, FRANMI SAETA, IVETTE ARROYO, a/k/a "Bori," JUNIOR JAQUEZ, REYNOLDO COLON, a/k/a "Gringo," ANTONIO MARTINEZ, and CARL GUILFORD, the defendants, and that they be arrested and imprisoned or bailed, as the case may be.



AMY HIRLINA
Special Agent
Federal Bureau of Investigation

Sworn to before me this
11th day of August, 2010



HONORABLE DEBRA FREEMAN
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK