Department of Justice

United States Attorney David L. Anderson
Northern District of California

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MONTEREY COUNTY DOCTOR AND FOUR OTHERS CHARGED IN ALLEGED SCHEME TO DISTRIBUTE OPIOIDS OUTSIDE SCOPE OF LEGITIMATE MEDICAL PRACTICE

SAN JOSE– A federal grand jury has indicted Monterey County doctor Deane Leo Crow, as well as Diane Lynn Crow, Erik Samuel Gonzales, Brittney Lynn Cardona, and Joe Anthony Bernal, for their respective roles in conspiracies to acquire and distribute oxycodone and hydrocodone, Schedule II opioids, announced United States Attorney David L. Anderson, Federal Bureau of Investigation Special Agent in Charge John F. Bennett, and California Department of Health Care Services Chief of Investigations Laura Wilbur.

According to the indictment returned October 31, 2019, and unsealed today, Deane Crow was a physician licensed to practice medicine in the State of California. The indictment alleges that since approximately August of 2014, Deane Crow acted outside the usual course of professional practice and without a legitimate medical purpose when he caused pharmacists to dispense more than 452,000 pills containing controlled substances, including the Schedule II opiates oxycodone and hydrocodone.

"Doctors occupy a unique position of trust in our health care system. We cannot allow doctors to betray that trust," said U.S. Attorney Anderson. "As alleged in the indictment, Dr. Crow fed a conspiracy with empty prescriptions that put hundreds of thousands of pills onto the streets."

"According to this indictment, Dr. Deane Crow and his co-conspirators illegally traded opioid prescriptions for cash," said FBI Special Agent in Charge John F. Bennett. "Thanks to the joint investigation between the FBI and the California Department of Health Care Services Medi-Cal Fraud Investigations Branch, we have successfully dismantled an illegal network pushing opioids onto the streets of Northern California and endangering our local communities."

The indictment describes how Deane Crow allegedly provided blank prescriptions to Gonzales and Bernal, sometimes in exchange for money, who then recruited individuals to visit pharmacies and fill prescriptions. Gonzales filled in the type of drugs to be obtained as well as other necessary information such as date of birth of the person to whom the prescription was issued, dosage instructions, and diagnosis codes reflecting the patient's purported condition. In order to convince pharmacists to fill the prescriptions, Deane Crow falsely represented to pharmacy employees that the individuals in whose names the prescriptions were written were his patients and that the prescriptions had been issued for a legitimate medical purpose. Further, to ensure the prescriptions were filled, Diane Lynn Crow allegedly assisted in the communications between Bernal, Deane Crow, and the pharmacy employees.

In sum, each defendant was charged with one count of conspiracy to distribute a controlled substance, in violation of 21 U.S.C. § 841(a)(1) and 846, and one count of conspiracy to acquire and obtain possession of a controlled substance by misrepresentation or fraud, in violation of 21 U.S.C. § 843(a)(3) and 846.

An indictment merely alleges that crimes have been committed, and the defendants are presumed innocent until proven guilty beyond a reasonable doubt. If convicted of the charge of conspiracy to distribute a controlled substance, each defendant faces a maximum sentence of 20 years imprisonment and a $1,000,000 fine. In addition, if convicted of the charge of Conspiracy to Obtain Possession of a Controlled Substance by Misrepresentation or Fraud, each defendant faces a maximum sentence of four years imprisonment and a $250,000 fine. At sentencing, the Court may also order the payment of a fine, restitution, or a period of supervised release to follow any term of imprisonment. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

The defendants made an initial appearance this afternoon before U.S. Magistrate Judge Susan van Keulen. Magistrate Judge van Keulen scheduled an appearance for each defendant for November 15, 2019, except Bernal whose next appearance is scheduled for November 19, 2019.

Assistant U.S. Attorney Nikhil Bhagat is prosecuting the case with the assistance of Linda Love. This prosecution is the result of an ongoing investigation by the FBI and the California Department of Health Care Services Medi-Cal Fraud Investigations Branch (DHCS-IB), with the assistance of the DEA and the Monterey County District Attorney's Office Bureau of Investigation. DHCS-IB fraud investigators are sworn law enforcement officers whose authority extends throughout the State of California. DHCS-IB fraud investigators conduct criminal, administrative and civil investigations into various types of suspected Medi-Cal program fraud.

Anyone, including pharmacists and medical professionals, with information about prescriptions issued without a legitimate medical purpose is urged to contact the FBI Tip Line at (415) 553-7400.

This case was investigated and prosecuted by member agencies of the Organized Crime Drug Enforcement Task Force, a focused multi-agency, multi-jurisdictional task force investigating and prosecuting the most significant drug trafficking organizations throughout the United States by leveraging the combined expertise of federal, state, and local law enforcement agencies.

Further Information:

Case #: CR 19-00585 LHK-VKD

A copy of this press release will be placed on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at https://ecf.cand.uscourts.gov/cgi-bin/login.pl.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Abraham Simmons at (415) 436-7264 or by e-mail at Abraham.Simmons@usdoj.gov.