

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW HAMPSHIRE

U.S. DISTRICT COURT
DISTRICT OF N.H.
FILED

SEALED DOCUMENT

2009 MAR 30 A 9 24

UNITED STATES OF AMERICA *ex rel.*,
and THE STATE OF CALIFORNIA
ex rel., Richard Boudreau and Janine
Boudreau and
Tim Hendricks and Pat Hendricks,

Relators-Plaintiffs,

v.

CYRUS SORAT, HEALTH CARE
PHARMACY an unknown type of
business entity, VICIS CAPITAL, LLC,
MEDICAL SOLUTIONS
MANAGEMENT, INC., DEUTSCHE
MEDICAL SERVICES LLC,
MDWERKS, INC., TOM VAN AUCKEN,
HOWARD KATZ, CHRIS PHILLIPS,
LOWELL FISHER, and PHYSICIAN
DEFENDANTS 1-208 NAMED ON
EXHIBIT A,

Defendants,

and

GLOBAL HEALTHCARE RECOVERY
SERVICES, LLC,

Plaintiff,

v.

CYRUS SORAT, DEUTSCHE
MEDICAL SERVICES LLC, AND TOM
VAN AUCKEN,

Defendants.

FIRST AMENDED COMPLAINT

FILED IN CAMERA & UNDER
SEAL Pursuant to 31 U.S.C.
§ 3720(b)(2) and Local Rule 83.11

CIVIL ACTION NO. 08-cv-0416

JUDGE DiCLERICO

COMPLAINT FOR VIOLATIONS OF THE
FEDERAL FALSE CLAIMS ACT [31 U.S.C.
§3729 *et seq.*]; and CALIFORNIA FALSE
CLAIMS ACT [Cal. Gov. Code §12650 *et seq.*];
and pendant state law claims.

JURY TRIAL DEMANDED

DO NOT SERVE OR PLACE ON
THE PUBLIC DOCKET

FIRST AMENDED COMPLAINT

On behalf of the United States of America and the sovereign State of California, pursuant to the *qui tam* provisions of the Federal False Claims Act, 31 U.S.C. § 3729 *et seq.* (“the FCA”) and the California False Claims Act, Cal. Government Code § 12650 *et seq.* (“the California FCA”), respectively, Relators Janine Boudreau, Richard Boudreau, Tim Hendricks, and Pat Hendricks (“Relators”), bring this *qui tam* action and file this First Amended Complaint (“Complaint”) against all of the Defendants first listed in the above caption (collectively “Defendants”).

Additionally, Plaintiff Global Healthcare Recovery Services, LLC (“Global”), in its own right, herein asserts, pursuant to this court’s pendant jurisdiction over state law claims, an action against Defendants Cyrus Sorat, DMS and Tom van Aucken for breach of contract, misrepresentation, deceit, unjust enrichment, and unfair and deceptive trade practices in violation of New Hampshire RSA 358-A. Global’s claims arise from the same operative facts alleged by the Relators.

INTRODUCTION

1. This is an action to recover damages, treble damages and civil penalties on behalf of the United States of America and the State of California pursuant to the *qui tam* provisions of the FCA and the California FCA, based upon fraudulent or false claims that were presented or caused to be presented by the Defendants to the United States Department of Labor, California State Compensation Insurance Fund, and various California municipal workers compensation programs funded in part by the State of California and/or the United States Government.

2. More particularly, this action involves fraudulent prescriptions and billing practices of the Defendants related to certain topical analgesic compounds (the “Compounds”)

used to treat pain for injured workers receiving workers compensation benefits administered through federal, California and numerous private insurance programs.

3. The FCA was enacted in 1863. It was amended substantially by the False Claims Amendments Act in 1986 to enhance the Government's ability to recover losses resulting from fraud.

4. The Courts have construed the FCA broadly "to reach all types of fraud, without qualification, that might result in financial loss to the government." *United States v. Neifert-White Co.*, 390 U.S. 228, 232 (1968).

5. The FCA provides that any person who knowingly, or with deliberate ignorance or reckless disregard for its truth or falsity, presents or causes to be presented to the Government a false or fraudulent claim for payment or approval is liable for a civil penalty from \$5,500 to \$11,000 for each such claim, plus three times the amount of damages sustained by the Government. 31 U.S.C. § 3729 (penalties adjusted for inflation per 28 C.F.R. 85.3(a)(9)).

6. The FCA empowers a private person who has information concerning a false or fraudulent claim against the Government to bring a civil action on the Government's behalf and to share in any recovery. The civil complaint must be filed under seal and not be served on the defendant. The complaint is to remain under seal to allow the Government a sufficient opportunity to investigate the allegations and determine whether to intervene in the action. 31 U.S.C. § 3730.

7. The California FCA is modeled after the FCA. It is intended to deter the presentation of false and fraudulent claims and consequent losses to the California State Government and its political subdivisions. Like the FCA, the California FCA authorizes private persons to file a civil complaint on behalf of the State of California and to share in any recovery.

The California FCA subjects each defendant to liability for treble damages and civil penalties of up to \$10,000 for each false claim. Cal. Gov't. Code § 12650 *et seq.*

8. As set forth more fully below, the Defendants have violated the FCA and California FCA by, knowingly or recklessly, making and soliciting fraudulent prescriptions for the Compounds and causing claims for fraudulent and unfilled Compound prescriptions to be presented to federally-funded and state-funded workers compensation insurance programs for payment. The Defendants' activities have included the following types of prohibited conduct: making payments to physicians and medical practice administrators to induce or reward the writing of fraudulent prescriptions; writing false and fraudulent prescriptions; causing claims to be presented for fraudulent prescriptions and for fictitious refills of Compounds; writing prescriptions and causing claims to be presented concerning persons who were not seen as patients on the purported dates of service or not seen at all; and causing claims to be presented despite knowledge that prescribed Compounds were not actually provided to patients.

9. Defendant Cyrus Sorat has been engaging in this illegal scheme for the purpose of fraudulently billing false and unfilled Compound prescriptions for at least two years and, upon information and belief, for approximately five years.

10. During the period that they have dealt directly or indirectly with the Boudreau Relators, the Defendants collectively have caused tens of thousands of fraudulent, non-reimbursable Compound claims to be presented to the Federal Government and to the State of California and its political subdivisions for payment (and many more tens of thousands of such claims for payment by private workers compensation insurance carriers). As a result, the United States and the State of California have been damaged and continue to be damaged in substantial amounts. Upon information and belief, during a period of approximately two years prior to

2007, Sorat caused to be presented to those authorities tens of thousands of additional fraudulent Compound claims, many of which claims were paid resulting in additional losses to the United States and the State of California. In addition to the Compound claims, Defendants have caused tens of thousands of liens to be filed with the State of California Workers Compensation Appeals Board in furtherance of Compound claims.

11. Defendants also have conspired to violate the FCA and California FCA, in part by soliciting the Boudreau Relators to fraudulently alter and resubmit for payment by the federally-funded and state-funded programs tens of thousands of unpaid Compound claims.

12. Through his misrepresentations, deception, withholding of payments, and unfair trade practices, all related to the Compound schemes described herein, Defendants Cyrus Sorat, DMS and Tom van Aucken have breached their services contract with Global, have been unjustly enriched at the expense of Global, and have caused Global to lose substantial revenue, lose business opportunities, and incur expenses without reasonable compensation.

PARTIES

13. *Qui tam* recovery is sought for false and fraudulent workers' compensation claims submitted to the Office of Workers Compensation Programs ("OWCP") and the United States Department of Labor ("DOL"), pursuant to the Federal Employee Compensation Act ("FECA") (5 U.S.C. § 8101, *et seq.*). DOL is, in effect, the federal insurance carrier for worker compensation claims made by federal workers. Pursuant to the FECA, the federal government pays its workers' compensation obligations for its own employees through regular appropriations. Claims are generally submitted to the OWCP, which makes FECA eligibility determinations under the authority of the Secretary of the DOL.

14. *Qui tam* recovery is sought for false and fraudulent workers' compensation claims submitted to the California State Compensation Insurance Fund ("SCIF"). SCIF is a state-operated non-profit agency, established by the California legislature, which provides workers compensation insurance coverage and services under contract with the State of California and other employer associations. Through SCIF, the State of California is, in effect, the state insurance carrier for worker compensation claims made for workers employed by the State of California.

15. *Qui tam* recovery is sought for false and fraudulent workers' compensation claims submitted to numerous cities, towns, and other municipal and governmental entities in the State of California that fund and administer programs for payment of workers compensation claims on behalf of their employees. Some of those entities receive funding or partial reimbursement of such claims from the State of California and/or the United States of America.

16. Relators Richard Boudreau and Janine Boudreau ("the Boudreaus" or "the Boudreau Relators") are principals of Plaintiff Global Healthcare Recovery Services, LLC ("Global"), a health care consulting and medical billing company that was engaged by Defendants to collect Compounds receivables, including amounts ostensibly payable by the United States of America, the State of California and California municipalities. By virtue of their position as vendors, the Boudreaus have gained knowledge of Defendants' fraudulent activities. The Boudreaus are residents of the Commonwealth of Massachusetts who maintain their business offices in Hew Hampshire. They bring this *qui tam* action on behalf of the United States of America and the State of California.

17. Global is a corporation duly organized under the laws of the Commonwealth of Massachusetts and having a principal place of business in Salem, New Hampshire.

18. Relators Tim Hendricks and Pat Hendricks (“the Hendricks” or “the Hendricks Relators”) are principals of OrthoMart, Inc., a health care consulting company having a principal place of business in Norwalk, Connecticut. OrthoMart provided software, including on-line access to software, to assist the Boudreaus in the collection of Compounds receivables and to transmit claims for payment of those receivables. By virtue of their position as vendors, the Hendricks have gained knowledge of Defendants’ fraudulent activities. Tim Hendricks is a resident of the State of Minnesota. Pat Hendricks is a resident of the State of Connecticut. They bring this *qui tam* action on behalf of the United States of America and the State of California.

19. Defendant Cyrus Sorat is a resident of the State of California. Sorat owns and/or controls several health care-related businesses, including Defendants HCP and DMS.

20. Defendant Health Care Pharmacy (“HCP”) is an entity of unknown form operating as a pharmacy, with a principal place of business in Tustin, California. On information and belief, Defendant Sorat owns an interest in HCP.

21. Deutsche Medical Services, LLC (“DMS”) is a California limited liability company with a principal place of business in Tustin, California.

22. Defendant Vicis Capital, LLC (“Vicis”) is a New York-based hedge fund organized as a Delaware limited liability company. On information and belief, at all relevant times, Vicis has been a major shareholder in and financing source of MSMI and MDW, two entities involved in the fraudulent billing practices.

23. Medical Solutions Management, Inc. (“MSMI”) is a publicly-traded Nevada corporation (NSDAQ: MSMT) with a principal place of business in Marlborough, Massachusetts. MSMI is engaged in the business of financing, purchasing and collecting medical accounts receivable, as well as providing services related to durable medical equipment.

MSMI at times conducts business through its wholly-owned subsidiary OrthoSupply Management, Inc.

24. MDwerks, Inc. (“MDW”) is a publicly-traded Delaware corporation (NSDAQ: MDWK) with a principal place of business in Deerfield Beach, Florida. MDW ostensibly is engaged in the business of providing medical billing collection services to physicians.

25. Tom van Aucken is a resident of the State of California. At all relevant times, he has been an employee of Sorat and Sorat’s chief representative in managing and expanding the fraudulent Compound business.

26. At all relevant times, Howard Katz has been a Director and Chief Executive Officer of MSMI and a Director and Chief Executive Officer of MDW. Upon information and belief, Katz is a resident of Boca Raton, Florida.

27. At all relevant times, Chris Phillips has been a Managing Director of Vicis and a Director of MSMI and of MDW. Upon information and belief, Phillips is a resident of the State of Florida.

28. At all relevant times, Lowell Fisher has been a Director of MSMI and has served as its Interim Chief Operating Officer, has been a Director of MDW, and has acted as an authorized representative of Phillips and Vicis. Upon information and belief, Fisher is a resident of the State of Florida.

29. Physician Defendants 1 through 208 (the “Physician Defendants”), who are the natural persons named on **Exhibit A** to this Complaint. At all times material to this Complaint, each of them has been engaged in the practice of medicine at the office location(s) attributed to him/her in Schedule A.

30. All of the Defendants other than the Physician Defendants have transacted business with the Boudreau Relators and Global in New Hampshire in connection with the Compounds. The Physician Defendants conspired to present and caused to be presented to the Federal Government and California State Government false and fraudulent claims processed by the Boudreaus and Global in New Hampshire.

JURISDICTION AND VENUE

31. Relators bring this *qui tam* action on behalf of the United States of America for violations of the FCA, 31 U.S.C. § 3729 et seq., and on behalf of the State of California for violations of the California FCA, Cal. Government Code § 12650 et seq.

32. The Court has jurisdiction over the subject matter of this *qui tam* action pursuant to 31 U.S.C. §§ 1331 and 3732. The latter section specifically confers jurisdiction on this Court for actions brought pursuant to 31 U.S.C. § 1330. This court has supplemental jurisdiction over claims brought pursuant to the California False Claims Act, pursuant to 31 U.S.C. § 1332(b), and pendant jurisdiction over Global's state law claims, pursuant to 28 U.S.C. § 1367.

33. The Court has personal jurisdiction over Defendants pursuant to 31 U.S.C. § 3732(a), which authorizes nationwide service of process, and because Defendants have minimum contacts with the United States.

34. Venue is proper in this District pursuant to 31 U.S.C. § 3732(a) because one or more of the Defendants can be found, reside or have transacted business in the District of New Hampshire and/or at least one act proscribed by 31 U.S.C. § 3729 has occurred in the District of New Hampshire.

FACTUAL ALLEGATIONS

MSMI, MDW and Vicis retain Global

35. In or about May 2007, Robert G. Coffill, Jr., known as Robert Coffill (“Coffill”), contacted Relator Richard Boudreau. Coffill stated that he worked for MSMI and wanted Global’s assistance in collecting problem healthcare receivables. Coffill represented that he was a Director of MSMI.

36. The receivables at issue involved workers compensation claims for use of the Compounds, which comprise a number of different topical analgesic compounds listed in **Exhibit B** to this Complaint. Coffill described that numerous physicians in California and elsewhere are asked to consider prescribing one or more of the Compounds to patients needing topical analgesics in connection with workers compensation injuries. Such physicians are also provided with 10-gram tubes of the Compounds to distribute to patients following a medical examination but prior to the filling of a full prescription for the Compounds by mail order. These physicians are also provided with a checklist on which they may prescribe the additional mail order quantities of such Compounds in jars of 60, 70 and/or 120 grams for ongoing treatment to the same patients. State and federal workers compensation providers, and other providers, are thereafter billed for the Compounds.

37. In or about late May 2007, Coffill traveled to Salem, New Hampshire, to meet with Global to further discuss collection mechanics.

38. On or about June 11, 2007, MSMI and Global entered a contract by which Global would assist MSMI in collecting the receivables at issue. Global began to process and bill the receivables. In the process, Global employed software developed by OrthoMart, for which MSMI already was paying OrthoMart a monthly licensing fee.

39. In or about June 2007, Coffill informed the Boudreaus that MSMI was purchasing Compound receivables at a discount from DMS. Global began working with representatives of DMS to streamline the claim entry processes. In June 2007, Global representatives, including Janine Boudreau, traveled to California to meet with Coffill, Sorat, and van Aucken for that purpose.

40. In or about July 2007, Coffill introduced the Boudreaus to representatives from MDW for the ostensible purpose of determining whether MDW could be of any assistance in the collection of the problem receivables. MDW claimed to have developed a software package that can determine if a healthcare claim will be payable and that can assist healthcare providers in obtaining preferential borrowing rates on such claims.

41. In or about July 2007, Coffill informed the Boudreaus that Vicis was a major shareholder of both MSMI and MDW. For the first time, Coffill also informed the Boudreaus that he was a Vicis representative.

42. In or about the summer of 2007, Coffill arranged a meeting between Richard Boudreau and Shad Stastney ("Stasney"), who is the Chief Operating Officer and Head of Research for Vicis and a Director of MDW, to discuss Global's success in healthcare-related collections and the possibility of having Global assist with the development of MDW's software package.

43. On or about August 6, 2007, MDW representatives travelled to Salem, New Hampshire to meet with Global and to discuss MDW's software package. Over time, it became apparent that MDW did not have functional billing software or any capability to verify or process medical claims.

Sorat and DMS Retain Global

44. On or about November 27, 2007, Sorat retained Global, and began to compensate it, for the processing and collection of those Compound-related receivables that DMS had not sold.

45. With respect to Global's work for him, Sorat directed and authorized Global to bill certain Compounds prescriptions on behalf of Micro Medical Management; all subsequent prescriptions for 60-, 70-, and 120-gram jars on behalf of Life Pharmaceuticals and Micro Medical Management; and all 10-gram prescriptions and refills on behalf of Hughes Medical. Upon information and belief, Life Pharmaceuticals and Hughes Medical are entities owned by members of Sorat's family.

46. Sorat uses Life Pharmaceuticals and Hughes Medical only to bill for Compounds.

47. In or about February 2008, Howard Katz began to negotiate with Sorat for MDW to take over MSMI's contract to purchase the receivables.

48. In or about the late winter or early spring of 2008, Katz informed Global that Vicis was funding the weekly purchases of claims from DMS and that payments from the government workers compensation carriers and other insurance companies on the purchased claims should be deposited into a "lock box" controlled by MDW.

49. In or about April 2008, MDW commenced purchasing receivables from DMS.

50. In or about the summer of 2008, Global experienced increased delays and logistical difficulties related to monies it was owed by Sorat and his entities for Global's processing and billing of claims on their behalf. Global and the Boudreaus also became aware of many inconsistencies in the data related to the Compound prescriptions and claims. In particular, they received correspondence from an attorney advising that Sorat had instituted a lien on a

California workers compensation award to that attorney's deceased client, ostensibly due to non-payment of bills for Compound prescriptions written for that client at a time after the client had died. They also received a call from the office of Dr. Payhanda, who had prescribed Compounds, expressing confusion about an insurer's inquiry regarding 10-gram tubes of the Compounds whereas his office purportedly dispensed no 10-gram tubes.

51. As a result of these developments, Global and the Boudreaus initiated a partial utilization review in an attempt to verify the validity of claims. This was accomplished by contacting the offices of a number of the Defendant Physicians to review data germane to various Compound bills processed under those physicians' names. Through these inquiries, for the first time it came to the attention of Global and the Boudreaus that, in fact, many of the logged transactions for which Global had been collecting payment on behalf of Defendants were fraudulent and never took place.

Defendants' Fraudulent Practices

52. As collection agents for Defendants and entities they control, the Relators have acquired unique personal knowledge of the Defendants' fraudulent billing practices involving the Compounds and workers compensation claims. Relators have learned the following facts concerning the fraudulent schemes employed by the Defendants.

53. Sorat and DMS encourage physicians to prescribe the Compounds by assuring them that they will manage the billing or will purchase accounts receivable and reward them by paying them for prescriptions. Sorat and DMS enter into contracts with the physicians or their group practices. In connection with those contracts, Sorat and DMS pay physicians by check an amount based upon the number of Compounds prescriptions each such physician has written.

Sorat and DMS also make cash payments to practice administrators in some of the physicians' offices. The check and cash payments are made in person.

54. Prescriptions for the Compounds cannot be filled anywhere except by mail through HCP. The physicians "e-fax" their Compound prescriptions directly to DMS. As a result, any patient for whom a prescription is written has no role in whether or how the prescription is filled and the Compounds are supplied to her. In the meantime, the patient is to receive in hand from her physician a quantity of "10 gram" tubes of the Compounds to last until the mail order prescription is filled.

55. The Compound prescription forms provide for up to 6 automatic refills of the jarred Compounds. In some cases, jars of Compounds that are prescribed and billed are not actually delivered to patients.

56. The utilization review performed by Janine Boudreau and Global shows that a large proportion of the Compound prescriptions were written for patients who either were not seen on the purported date of service or were seen but were not given Compounds on the date of service; a large proportion of the Compound claims were processed in the names, and under the National Provider Identifier numbers, of physicians who do not dispense the Compounds at all; and the claims for refills of 10-gram tubes were processed but the tube refills were not delivered.

57. On a large scale, Sorat has directed and authorized the billing of government-funded workers compensation providers, including the OWCP/DOL, SCIF, and California municipal entities, for 10-gram tubes of the Compounds based upon their purported distribution to patients by more than 45 physicians who in fact have not distributed any such tubes to patients.

58. On a large scale, Sorat has directed and authorized the billing of government-funded workers compensation providers, including the OWCP/DOL, SCIF, and California municipal entities, for refills of 10-gram tubes of the Compounds purportedly prescribed by more than 100 physicians who in fact have not delivered refills of such tubes.

59. On a large scale, Sorat has directed and authorized the billing of government-funded workers compensation providers, including the OWCP/DOL, SCIF, and California municipal entities, for 60-, 70-, and 120-gram jars of the Compounds based upon prescriptions that were knowingly false.

60. In or about the fall of 2008, Global and the Boudreaus learned from an attorney that Sorat had instituted a lien on a California workers compensation award to that attorney's deceased client, ostensibly due to non-payment of bills for Compound prescriptions written for that client at a time after the client had died. Contact with the office of the prescribing physician confirmed that the patient had died prior to the purported date of service.

61. The Physician Defendants wrote prescriptions for Compounds for patients whom they did not see on purported dates of service.

62. The Physician Defendants wrote prescriptions for Compounds for patients to whom they did not dispense tubes of Compounds and whom they had reason to believe did not need Compounds, either on purported dates of service or at all.

63. By writing false prescriptions, providing patient record information to Sorat and DMS, and receiving payments in connection with Compound prescriptions, the Physician Defendants conspired with Sorat and DMS to violate the FCA and California FCA.

64. By engaging in this conduct, with knowledge of the identity of their patients' employers, the Physician Defendants caused false or fraudulent claims for Compounds to be

presented to workers compensation programs administered by or for and funded by the United States of America, the State of California, and/or political subdivisions of the State of California, intending and causing payment to be made on those claims from government funds.

65. Working in active concert with Sorat, van Aucken cultivated business relationships with the Physician Defendants and their group practices, delivered payments to the Physician Defendants, and otherwise facilitated and furthered the Compounds fraud. In the course of their work for Sorat, Global and the Relators determined that van Aucken had submitted to Global for processing and billing many spreadsheets containing prescription data that he had copied entirely from previously submitted spreadsheets and simply rearranged, but with new, fictitious dates of service. Van Aucken, acting for himself and for Sorat and DMS, thus apparently sought to increase workers compensation payments for the Compounds by about \$3,000,000.

66. Since the spring of 2007, the Defendants have caused thousands of claims for several million dollars in fraudulent Compound prescriptions to be submitted to workers compensation programs administered by or for and funded by the United States of America, the State of California, and/or political subdivisions of the State of California.

67. As a result of these discoveries, the Boudreaus and Global terminated their bill collection work for Sorat and DMS, and notified federal law enforcement authorities of the Defendants' fraudulent activities.

Defendants Solicit Global to Conceal and Further the Fraud By Perfecting False Claims

68. On July 13, 2008, as she became suspicious of the Compound claims, Janine Boudreau raised concerns with Coffill and Katz. Coffill and Katz assured her that Vicis had dispatched auditors to review the matter and later advised them that it had been determined there

was no problem. Upon information and belief, neither Vicis nor MDW or MSMI in fact dispatched any auditors, had an adequate understanding of the claims process to conduct or direct an audit, or conducted any review.

69. In cooperation with a federal criminal investigation of the fraudulent activities, in late September, 2008 Janine Boudreau informed Sorat and van Aucken that Global was aware of large-scale false billing because dates of many prescriptions to be billed did not match dates of office visits. Janine Boudreau further informed those Defendants that Global could tie claims to actual dates of service, altering the billing records so that the claims remaining unpaid could be paid, and that the alternative was to disclose the problem. Responding immediately, Sorat and van Aucken instructed Janine Boudreau to “fix” the claims because they wanted to recoup their “investment” in the Compound program.

70. Thereafter, again in cooperation with the federal criminal investigation, Janine Boudreau had separate telephone conversations with Katz and with Fisher and Phillips, in which she provided them with the same information described in the foregoing paragraph. In those conversations, Katz and then Fisher and Phillips likewise instructed Janine Boudreau to “fix” the claims because they wanted to recoup their “investment” in the Compound program.

71. Both Katz and Phillips thereafter verbally and by e-mail explicitly assured Janine Boudreau that Vicis was backing MDW financially and wanted to hire and would pay Global to fraudulently alter the Compound billing records so that the claims could be paid to MDW.

72. During the fall of 2008, at the request of Katz, Janine Boudreau and Global provided an MDW subsidiary called Xenix Medical Systems, Inc. with daily lists of Compound claims that Global ostensibly was altering, processing and billing on behalf of MDW and Vicis. At the separate request of Fisher, Janine Boudreau and Global provided Fisher with the same

daily lists. In fact, however, in cooperation with the Federal Bureau of Investigation, Global has not been submitting altered claims to any workers compensation payers.

73. When he asked for daily lists of altered Compound claims, Katz also asked the Boudreaus to have payments on the claims delayed until after January 9, 2009, which was to be the date of closing of a planned corporate merger involving Vicis-controlled MSMI, a corporation controlled by Fisher, and a corporation controlled by a business associate of Fisher and Phillips.

74. At all times material to this Complaint, the Defendants engaged in the fraudulent and wrongful conduct alleged herein for their own benefit and for the financial benefit, and with the authority or apparent authority, of the entities with which they each were associated.

75. Sorat, Katz, Phillips and Fisher, acting on behalf of themselves and on behalf of MSMI, MDW, and Vicis, thus conspired to cause false and fraudulent claims to be presented or resubmitted to workers compensation programs funded by the United States, the State of California and numerous California municipal entities, intending payment to be made on those claims with government funds.

76. Sorat, Katz, Phillips and Fisher, acting on behalf of themselves and on behalf of MSMI, MDW, and Vicis, conspired to cause false and fraudulent records and statements to be presented to workers compensation programs funded by the United States, the State of California and numerous California municipal entities, for the purpose of causing payment to be made on fraudulent claims with government funds.

77. Sorat, Katz, Phillips, Fisher, MSMI, MDW and Vicis thus knowingly accepted and retained funds of the United States of America and of California on the basis of false and fraudulent claims.

78. Since being confronted by federal authorities, Fisher has resigned as a Director and as Interim CEO of MSMI, and Stastney and Coffill have resigned as Directors of MSMI.

Prior Compound Fraud by Sorat and Others

79. Upon information and belief, for a period of approximately two years, prior to their relationships with Global and MSMI, Sorat and DMS sold several million dollars of workers compensation receivables for the Compounds to a Roseville, California-based medical billing company known as OccMeds Billing Services, Inc. ("OccMeds"). Upon information and belief, OccMeds processed and billed the receivables to workers compensation providers, including the OWCP/DOL, SCIF, and California municipal entities, and paid a percentage of their face value to Sorat or DMS. Upon information and belief, OccMeds collected on some proportion of the Compound claims that it presented, including claims presented to the Federal Government and the State of California. Further, as reflected in spreadsheets of Compound billing data processed by them and OccMeds, which Sorat and DMS provided to the Boudreaus, Sorat and OccMeds caused a large proportion of the Compound prescriptions to be billed as if they had been dispensed in pill form, whereas the Compounds are topical analgesics. This apparently was done because, unlike topical analgesics, pills have a standard NDC, or National Drug Code, that simplifies billing procedures and reduces opportunities for rejection of claims.

80. Upon information and belief, as a result of the fraudulent billing of Compounds by Sorat and Aucmeds, the United States, the State of California, and numerous California municipal entities have made substantial workers compensation payments on false or fraudulent claims for prescriptions that were not filled.

81. OccMeds filed for bankruptcy protection in October 2007.

82. Upon information and belief, the Defendants' intentional violations of the Federal False Claims Act and the California False Claims Act related to the Compounds are ongoing.

COUNT I
(All Defendants)

Violations of Federal False Claims Act
31 U.S.C. § 3729 *et seq.*

83. Relators incorporate by reference and re-allege all above paragraphs as if fully set forth herein.

84. This Count is brought by Relators in the name of the United States against the Defendants under the *qui tam* provisions of 31 U.S.C. § 3730 for Defendants' violation of 31 U.S.C. § 3729(a)(1) and (a)(2).

85. Defendants knowingly and willfully, or with deliberate ignorance or reckless disregard for their falsity, presented and caused to be presented the fraudulent and false claims as set forth in the Complaint herein, in violation of 31 U.S.C. § 3729(a)(1) and (a)(2).

86. By means of the above-described unlawful acts, Defendants knowingly made, used or caused to be made or used false records and statements, and omitted material facts, to induce the United States to approve and pay such false and fraudulent claims under the FECA program.

87. The amounts of the false or fraudulent claims to the United States were material.

88. Plaintiff United States, unaware of the falsity and fraudulent nature of the claims presented and/or of the statements made or caused to be made by Defendants, and in reliance on the accuracy thereof, paid and may continue to pay for claims that otherwise would not have been paid under federal health care programs established pursuant to the FECA.

89. Had the wrongful conduct of the Defendants described herein been known to the Government officials responsible for adjudicating and paying workers compensation claims, the claims presented and caused to be presented by the Defendants would not have been paid.

90. By reason of Defendants' wrongful conduct, the United States has incurred costs to review the Compound claims.

91. By reason of Defendants' wrongful conduct, the United States has suffered actual losses, and continues to be damaged, in substantial amounts to be determined at trial.

92. The United States is entitled to the maximum civil penalty of \$11,000 for each and every false or fraudulent claim, record or statement made, used, presented or caused to be made, used or presented by Defendants.

WHEREFORE, Relators demand judgment against Defendants as follows:

a. That by reason of the aforementioned violations of the False Claims Act, this Court enter judgment in favor of the United States of America and against Defendants, jointly and severally, in an amount equal to three (3) times the amount of losses that the United States has sustained as a result of Defendants' actions, plus other appropriate financial damages, plus a civil penalty if not less than \$5,500 nor more than \$11,000 for each violation of 31 U.S.C. § 3729;

b. That Relators, as *Qui Tam* Plaintiffs, be awarded the maximum amount allowed pursuant to § 3730(d) of the False Claims Act and/or any other applicable provision of the law;

c. That Relators be awarded all costs and expenses of this action, including attorneys' fees and court costs incurred in the prosecution of this suit; and

d. That the United States and Relators have such other and further relief as this Court deems just and proper.

COUNT II
(All Defendants)

California False Claims Act
Cal. Government Code § 12650 *et seq.*

93. Relators incorporate by reference and re-allege all above paragraphs as if fully set forth herein.

94. This is a claim against Defendants for treble damages and penalties on behalf of the State of California under the California False Claims Act, California Government Code §§ 12650 *et seq.*

95. By means of the above-described acts, among others, Defendants knowingly and willfully violated the California False Claims Act.

96. By means of the above-described unlawful acts, Defendants knowingly, or with deliberate ignorance or reckless disregard for their falsity, made, used, or caused to be made or used false records and statements, and omitted material facts, to induce the State of California and its political subdivisions to approve and pay such false and fraudulent claims, including by means of the SCIF program.

97. The State of California and numerous political subdivisions of the State of California, unaware of the falsity and fraudulent nature of the claims and/or records and statements that Defendants made or caused to be made or presented, paid and continue to pay claims that would otherwise not have been paid.

98. Had the wrongful conduct of the Defendants described herein been known to the Government officials responsible for adjudicating and paying workers compensation claims, the claims presented and caused to be presented by the Defendants would not have been paid.

99. The State of California and numerous political subdivisions of the State of California, unaware of the falsity of the claims and/or statements which Defendants made or caused to be made or presented, have incurred costs to review the claims.

100. By reason of Defendants' wrongful conduct, the State of California and numerous political subdivisions of the State of California have suffered actual losses, and continue to be damaged, in substantial amounts to be determined at trial.

101. The State of California is entitled to the maximum civil penalty of \$10,000 for each and every false or fraudulent claim, record or statement made, used, presented or caused to be made, used or presented by Defendants.

WHEREFORE, Relators demand judgment against the Defendants as follows:

a. That by reason of the aforementioned violations of the California False Claims Act, this Court enter judgment in favor of the State of California and against Defendants, jointly and severally, in an amount equal to not less than two times and not more than three times the amount of losses that California has sustained as a result of Defendants' actions, plus other appropriate financial damages, plus a civil penalty of not more than \$10,000 for each violation of CAL. GOV. CODE §12651(a)(3);

b. That Relators, as *Qui Tam* Plaintiffs, be awarded the maximum amount allowed pursuant to CAL. GOV. CODE §12652(g)(2) and/or any other applicable provision of law;

c. That Relators be awarded all costs and expenses of this action, including attorneys' fees and court costs incurred in the prosecution of this suit; and

d. That the State of California and Relators have such other and further relief that this Court deems just and proper.

COUNT III

**Global v. Sorat and DMS
(Breach of Contract)**

102. Global incorporates by reference and alleges herein all above paragraphs of the Relators' Complaint as if fully set forth herein.

103. Sorat and DMS entered into a contract with Global. Pursuant to that contract, Global was to provide certain bill processing and collection services to Sorat and DMS for accounts receivable involving the Compounds. Pursuant to that contract, Sorat and DMS were to pay Global a fee of 15% of all amounts paid on such billed accounts other than liened claims, plus 25% of all amounts paid on workers compensation liens related to the Compounds.

104. Global performed or otherwise discharged, or as a result of defendants' misconduct was excused from performing, its obligations under the parties' agreement.

105. Notwithstanding Global's performance, Sorat and DMS without excuse or justification have failed to pay Global a large proportion of the agreed fee.

106. Sorat and DMS have failed to provide Global with explanations of benefits ("EOBs") as evidence of the actual amounts paid on claims billed by Global. This has prevented Global from confirming the total amount of fees payable to it by Sorat and DMS. However, Global believes that Sorat and DMS owe it at least \$ 500,000 in fees on work related to Compounds claims, and additional unpaid fees on work related to workers compensation liens. More than this is owed on Compound claims if actual collections on those claims exceeded the most recent collection rate of about 38%.

107. Sorat and DMS have breached their contract with Global in material respects.

108. As a proximate result of said breach, Global has been harmed financially.

109. Because DMS was engaged in a fraud at Sorat's behest and for his financial benefit, Sorat is personally liable for damages caused to Global by said breach of contract.

COUNT IV

**Global v. Sorat and DMS
(Breach of Covenant of Good Faith and Fair Dealing)**

110. Global incorporates by reference and re-alleges herein all above paragraphs as if fully set forth herein.

111. By statement or omission, Sorat and DMS misrepresented to Global: that they would pay Global all amounts due under the parties' contract, that the claims for which they provided data to Global and which they asked Global to process and bill pursuant to the parties' contract were valid and reimbursable claims, and that they were not engaging in insurance fraud.

112. By means of these misrepresentations, Sorat and DMS have breached the covenant of good faith and fair dealing implicit in the parties' contract.

113. As a proximate result of said breach, Global has been harmed financially.

114. Because DMS was engaged in a fraud at Sorat's behest and for his financial benefit, Sorat is personally liable for damages caused to Global by said breach.

COUNT V

**Global v. Sorat and van Aucken
(Deceit/Intentional Misrepresentation)**

115. Global incorporates by reference and re-alleges herein all above paragraphs as if fully set forth herein.

116. Sorat and van Aucken represented to Global that they intended to pay or to have DMS pay Global all amounts due under the parties' contract and that the claims for which they

provided or had others provide data to Global and which they asked Global to process and bill pursuant to the parties' contract were valid and reimbursable claims.

117. Those representations were false, and were known by Sorat and van Aucken to be false, at the time they were made.

118. Those representations were material to Global's willingness to provide and to continue to provide services to Sorat and DMS.

119. At the time they made those representations, Sorat and van Aucken intended Global to rely upon them.

120. Global had a right to rely on those misrepresentations and it relied upon them reasonably and justifiably.

121. As a proximate result of said intentional misrepresentations, Global has been harmed financially. Such harm has included, but is not limited to, lost revenue, lost business opportunities, and increased expenses.

122. It was foreseeable by Sorat and van Aucken that Global would be harmed in this manner and to this extent as a result of their deception.

COUNT VI

Global v. Sorat and DMS (Unjust Enrichment)

123. Global incorporates by reference and re-alleges herein all above paragraphs as if fully set forth herein.

124. As a result of their wrongful failure to pay Global the full and fair value of the services performed for them and at their request, DMS and Sorat, its owner, have been unjustly enriched at Global's expense.

125. It would be unjust for Sorat and DMS to retain the benefit of Global's services without payment.

126. Sorat and DMS are obligated to pay Global for the services that it provided for their benefit or to disgorge to Global the amount of the gains reaped by them as a consequence.

COUNT VII

Global v. Sorat, DMS and van Aucken (Unfair Trade Practices in Violation of NH RSA 358-A)

127. Global incorporates by reference and re-alleges herein all above paragraphs as if fully set forth herein.

128. New Hampshire RSA 358-A:2 proscribes unfair or deceptive acts or practices in the conduct of trade or commerce in New Hampshire.

129. The fraudulent conduct of Sorat, DMS and van Aucken involving the Compounds and claims submitted for them, as described herein, constitutes unfair and deceptive trade practices.

130. The material and intentional misrepresentations made by them to Global, in furtherance of their own financial interest, constitute unfair and deceptive trade practices.

131. Some or all of said conduct and misrepresentations were undertaken by those defendants in or to Global in New Hampshire.

132. The unfair or deceptive practices by Sorat, van Aucken and DMS were knowing and willful.

133. Global suffered financial losses as a proximate result of those practices.

134. Pursuant to NH RSA 358-A:10, Sorat, van Aucken and DMS are liable to Global for its losses, for three times the amount of Global's actual losses, and for Global's attorneys' fees and costs incurred in pursuing this claim against them.

GLOBAL'S PRAYERS FOR RELIEF AGAINST SORAT, VAN AUCKEN AND DMS

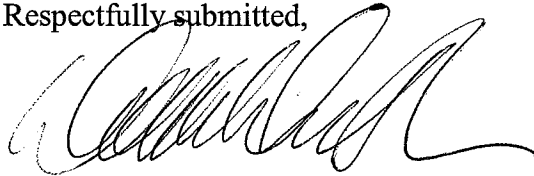
WHEREFORE, Global prays that this Honorable Court grant it the following relief as against Sorat, van Aucken and DMS:

- a. Pursuant to Counts III and IV, award to Global and against Sorat and DMS the full amount remaining unpaid under the terms of the parties' contract;
- b. Pursuant to Counts V, VI and VII, award to Global and against Sorat, van Aucken and DMS all damages, including all reasonably foreseeable losses, incurred by Global as a result of the wrongful conduct of those defendants;
- c. Pursuant to Count VII, award to Global and against Sorat, van Aucken and DMS three times the amount of actual losses incurred by Global as a result of the deceptive or unfair trade practices of those defendants;
- d. Pursuant to Count VII, award to Global and against Sorat, van Aucken and DMS the amount of attorney fees and costs incurred by Global in pursuing its claims against them;
- e. Pursuant to Counts III through VII, award to Global and against Sorat, van Aucken and DMS pre-judgment interest on all losses incurred by Global at the maximum rates prescribed by law; and
- f. Award to Global such other and further relief as the Court deems just and appropriate.

Demand for Jury Trial

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Relators and Plaintiff hereby demand a trial by jury of all claims for which jury trial is available.

Respectfully submitted,



Daniel R. Deutsch (NH Bar ID No. 2824)

Steven J. Brooks

Stefan L. Jouret

DEUTSCH WILLIAMS BROOKS

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Date: March 26, 2009

Attorneys for Relators and Plaintiff
Global Healthcare Recovery Services, LLC

DWLIBDB 229249v1
9808/00

Ex. A

DrLName	DrFName	DrMidinit	DrAddr1	DrAddr2	DrCity	DrState	DrZip
1	Abitol	Jean	5395 Ruffin Rd		San Diego	CA	92123
2	Ahmad	Sohail	39000 Bob Hope Drive		Rancho Mirage	CA	92270
3	Ahmed	Khalid	820 34th St	Suite 100	Bakersfield	CA	93301
4	Akmakjian	Jack	3602 Inland Empire Blvd	Suite B140	Ontario	CA	91764
5	Allen	Aaron	754 N Mountain Ave		Ontario	CA	91762
6	Amin	Chirag	1485 Spruce St	Suite Q	Riverside	CA	92507
7	Anand	Veerinder	1318 S Imperial Ave		El Centro	CA	92243
8	Anel	Manuel	3711 Long Beach Blvd		Long Beach	CA	90807
9	Anguizola	Eduardo	10229 Rosecrans Ave		Bellflower	CA	90706
10	Ansari	Shapour	2 Connecticut Street		San Francisco	CA	94107
11	Aram	Davar	879 W. Grand Ave		Porterville	CA	93257
12	Arbenz	Frederick	860 West Valley Parkway	Suite 150	Escondido	CA	92025
13	Arrogante	Revelyn	1803 W March Lane	Suite C	Stockton	CA	95215
14	Ashley	Edwin	5722 Bellflower Blvd		Lakewood	CA	90713
15	Azevedo	Michael	1805 East	Suite 102	Fresno	CA	93720
16	Baden	Scott	5000 Van Nuys Blvd 210		Sherman Oaks	CA	91403
17	Baron	Kaithleen	255 W Bullard Ave	Suite 124	Clovis	CA	93612
18	Bartoli	Adrian	2 Connecticut Street		San Francisco	CA	94107
19	Bautista	Raymond	701 E 28th street	suite 111	Long Beach	CA	90806
20	Bazel	Michael	4001 E Florence Ave		Bell	CA	90201
21	Beck	John	754 N Mountain Ave		Ontario	CA	91762
22	Bennett	Gary	6011 Pacific Blvd		Huntington Park	CA	90255
23	Bergey	Darren	900 E Washington Street		Colton	CA	92324
24	Bernadett	Faustino	1040 Elm Ave	3100	Long Beach	CA	90813
25	Bernstein	Clifford	450 Newport Center dr 650		Fontana	CA	92335
26	Biscaro	Carlo	1220 Hemlock Way	Suite 200	Santa Ana	CA	92707
27	Bond	David	1150 N Indian Canyon Drive		Palm Springs	CA	92262
28	Brazil	John	2323 16th St	Suite 302	Bakersfield	CA	93301
29	Brennen	Patrick	9673 Sierra Ave		Fontana	CA	92335
30	Brose	William	2680 Hanover Street		Palo Alto	CA	94304
31	Brown	Denise	1450 West 6th Street	Suite 102	Corona	CA	92882
32	Brown	Mark	10602 Grove Oak Drive		Santa Ana	CA	92705
33	Brownhill	Hosea	27062 La Paz Rd		Aliso Viejo	CA	92656
34	Cao	David	9475 Heil Ave	Suite D	Fountain Valley	CA	92708
35	Capen	Daniel	7700 Imperial Hwy	Suite R	Downey	CA	90242
36	Casey	John	609 E Orangeburg	Suite 201	Modesto	CA	95350
37	Chabra	Bashamber	16444 Paramount Blvd	Suite 101	Paramount	CA	90723
38	Chanin	Craig	1040 Elm Street	Suite 206	Long Beach	CA	90806
39	Chauhan	Sanjay	2407 Sussex Way	Suite 107	Fresno	CA	93726
40	Chen	Gary	1414S Grand Ave	Suite 103	Los Angeles	CA	90015
41	Chodakiewitz	Jacob	1125 S Beverly Drive	610	Los Angeles	CA	90035
42	Coleman	James	3605 Long Beach Blvd		Long Beach	CA	90802
43	Cox	Jeffrey	545 Brent Lane		Pensacola	FL	32503
44	Creek	James	120 W. Cole Rd	Suite B	Calexico	CA	92231
45	DeCarlo	Bruce	1230 W 3rd ST		Los Angeles	CA	90017
46	Dorsey	John	25431 Cabot Rd	Suite 110	Laguna Hills	CA	92653
47	Doshi	Tushar	3711 Long Beach Blvd		Long Beach	CA	90807
48	Doty	David	399 E Highland Ave	Suite 409	San Bernardino	CA	92404
49	Druet	Jack	27720 Jefferson Ave	Suite 100B	Temecula	CA	92590
50	Duncan	Laura	8405 N Fresno	Suite 110	Fresno	CA	93720
51	Durazo	Francisco	200 Medical Plaza		Los Angeles	CA	90095
52	Dureza	Catalino	820 34th St	100	Bakersfield	CA	93301
53	Ebrahimian	Rodney	8832 Sierra Ave / 16444 Paramount Blvd., Ste. 101		Fontana / Paramount	CA / CA	92335 / 90723
54	Ernad	Behzad	5757 Wilshire Blvd	Suite 500	Los Angeles	CA	90036
55	Esposito	Michael	754 N Mountain Ave / 10229 Rosecrans Ave		Ontario / Bellflower	CA / CA	91762 / 90706

DrName	DrFName	DrMidInit	DrAddr1	DrAddr2	DrCity	DrState	DrZip
56 Etemad	Alex		754 N Mountain Ave		Ontario	CA	91762
57 Fenison	Anthony		23100 Eucalyptus Ave		Moreno Valle	CA	92553-5932
58 Few	Lisa		2 Connecticut Street		San Francisco	CA	94107
59 Fischer	Carmen	I	9300 Stockdale Hwy	Suite 100	Bakersfield	CA	93311
60 Fisher	David	E	1850 S Waterman Ave	Suite E	San Bernardino	CA	92408
61 Fishman	Bruce		15450 Ventura Blvd		Sherman Oaks	CA	91403
62 Flowe	Chelsea		255 W Bullard	Suite 124	Clovis	CA	93612
63 Fonseca	Allen		1125 E 17th	Suite W 130	Santa Ana	CA	92701
64 Foxley	William		1357 W Shaw Avenue	Suite 103	Fresno	CA	93711
65 Frank	Harold	T	860 West Valley Pkwy	Suite 150	Escondido	CA	92025
66 Futalan	Ramiro	L	8292 Telegraph Rd		Downey	CA	90240
67 Gasperevich	John	A	9673 Sierra Ave	Suite A	Fontana	CA	92335
68 Gigante Conenna	Jennifer		2 Connecticut Street		San Francisco	CA	94107
69 Gluzman	Arie		27882 Forbes Rd		Laguna Niguel	CA	92677
70 Goottischalk	Guy		1520 Nutmeg Place	110	Costa Mesa	CA	92626
71 Gray	James		8292 Telegraph Rd		Downey	CA	90240
72 Green	Edward		1040 Elm Ave	Suite 100	Long Beach	CA	90813
73 Gross	Jeffrey		1901 Newport Blvd	177	Costa Mesa	CA	92627
74 Gumbs	Vincent	L	18433 Rosoe blvd	102	Northridge	CA	91325
75 Gwartz	Brian	L	210 S Grand Avenue	Suite 315	Glendora	CA	91741
76 Haertel	Rona		2 Connecticut Street		San Francisco	CA	94107
77 Hafezi	Fred		10229 Rosecrans Ave		Bellflower	CA	90706
78 Hajj	Ahmad		1220 Hemlock Way	200	Santa Ana	CA	92707
79 Hammond	Gareth	W	1040 Elm Avenue	Suite 100	Long Beach	CA	90813
80 Heidary	Peyman		1450 W 6th St	Suite 102	Corona	CA	92822
81 Holland	William	C	10865 Rancho Bernardo Road		San Diego	CA	92127
82 Hossain	Syed	G	320 S Garfield Avenue	Suite 322	Alhambra	CA	91801
83 Houten	Lorne		22643 Collins Street		Woodland Hills	CA	91367
84 Hubbard	Eugene		1908 South Business Center Drive	Suite 109	San Bernardino	CA	92408
85 hurria	Kesho		10229 Rosecrans Ave		Bellflower	CA	90706
86 Hyde	Gilbert	L	72-301 Country Club Dr	Suite 104	Rancho Mirage	CA	92270
87 Jain	Sanjiv		11145 Tampa Ave	14A	Northridge	CA	91326
88 Jain	Shubna		11145 Tampa Ave	14A	Northridge	CA	91326
89 Jakubowski	Alan		1803 W March Lane	Suite C	Stockton	CA	95207
90 James	Dwight		876 W Grand Ave	140	Porterville	CA	93257
91 Jedamski	Waldtraut		1401 N Tustin Ave	Suite 111	Santa Ana	CA	92705
92 Jung	James	K	701 E 28th Street		Long Beach	CA	90806
93 Katz	Stanley		754 N Mountain Ave		Ontario	CA	91762
94 Kent	Vincent		16444 Paramount Blvd	Suite 101	Paramount	CA	90723
95 Khan	Rahil		3756 Santa Rosalia	Suite 616	Los Angeles	CA	90008
96 Kharrazi	Daniel		2400 East Katella Ave		Anaheim	CA	92806
97 Kim	Paul	E	3023 Bunker Hill St	Suite 201	San Diego	CA	92109
98 Kim	S Don		701 E 28th Street	Suite 111	Long Beach	CA	90806
99 Klein	David	S	225 West State Rd	434	Longwood	FL	32750
100 Konce	Allan		2 Connecticut Street		San Francisco	CA	94107
101 Lai	Christopher	C	196 W Legion Road		Brawley	CA	92227
102 Lai	Albert		71843 Hwy 111	Suite A	Rancho Mirage	CA	92270
103 Lane	John	G	8008 Frost Street		San Diego	CA	92123
104 LaTourette	Gary		3602 Inland Empire Blvd		Ontario	CA	91764
105 Le	Tom	L	15450 Ventura Blvd	Suite 102	Sherman Oaks	CA	91403
106 Leung	Raymond		1717 E Lincoln Ave		Anaheim	CA	92805
107 Lewis	Charles	O	4559 N Cedar Ave		Fresno	CA	93226
108 Lewis	Marshall	S	2619 F Street		Bakersfield	CA	93301
109 Liceaga	Alvaro		14350 Whittier Blvd	Suite 210	Whittier	CA	90605
110 Lopez	Roland		754 N. Mountain Ave		Ontario	CA	91766

DLName	DrFName	DrMidInit	DrAddr1	DrAddr2	DrCity	DrState	DrZip
111 Lowenstein	Michael	H	3605 Long Beach Blvd	Suite 100	Long Beach	CA	90807
112 Lyons	John	W	P. O. Box 3677		Pittsfield	MA	01202-3677
113 Mahrou	Reza		15825 Laguna Canyon Road	Suite 108	Irvine	CA	92618
114 Makoui	Amir		44241 15th St W	Suite 105	Lancaster	CA	93534
115 Malin	Leonard	L	29752 Ivy Glenn Dr		Laguna Niguel	CA	92677
116 Marinow	Harry		1040 Elm Avenue	Suite 100	Long Beach	CA	90813
117 Martinez	Julio	C	83-233 Indio Blvd	Suite 14	Indio	CA	92201
118 Mashoof	Afshin	A	27881 La Paz	Suite G208	Laguna Niguel	CA	92677
119 Matos	Max		1520 Nutmeg Place	110	Costa Mesa	CA	92626
120 Maxwell	Richard	R	1415 N 7th Avenue		Phoenix	AZ	85007
121 Mays	Archie		1200 Wilshire blvd		Los Angeles	CA	90017
122 Maywood	Robert	M	3444 Kearny Villa Rd	Suite 303	San Diego	CA	92123
123 McClure	Robert		7052 Oragewood Ave.	Number 6	Garden Grove	CA	92841
124 McClurg	James	R	1855 1st Ave	100	San Diego	CA	92101
125 Miller	Lawrence		8641 Wilshire Blvd	Suite 200	Beverly Hills	CA	90211
126 Mills	Douglas	J	1201 East 17th Street		Santa Ana	CA	92701
127 Minkoff	Evan		71843 Hwy 111		Rancho Mirage	CA	92270
128 Miraliakbar	Hamid		13320 Riverside Dr	222	Sherman Oaks	CA	91423
129 Mirza	Tariq		39180 State Street		Union City	CA	90706
130 Moelleken	Alan	P	301 E Cook Street		Santa Maria	CA	93454
131 Moheimani	Amichael / Assad	M	1911 N Broadway	Suite C	Santa Ana	CA	92706
132 Mulvania	Richard		3711 Long Beach Blvd	Suite 200	Long Beach	CA	90807
133 Munoz	Lorenzo		751 W Legion Road	Suite 102	Brawley	CA	92227
134 Novak	Steve		80-545 Hwy 111		Indio	CA	92201
135 Nugent	Paul	J	8405 N Fresno Street	Suite 110	Fresno	CA	93720
136 Ogbonnaya	Elenya Oghury		4801 N Main Street		Columbia	SC	29203
137 Okonkwoaguolu	Jerry	A	1625 W Vernon Avenue		Los Angeles	CA	90062
138 Palencia	Arturo	E	9300 Stockdale Hwy	Suite 100	Bakersfield	CA	93311
139 Park	Kevin	S	1125 Brookshire Ave	Suite 201	Downey	CA	90241
140 Paskewitz	Mark		1411 W Olive Ave	A	Burbank	CA	91506
141 Patel	Chunliat	N	657 Camino De Los Mares	Suite 243	San Clemente	CA	92673
142 Patel	Sanjay		1521 N Carpenter Rd	Suite D1	Modesto	CA	95351
143 Patel	Nayan	D	508 W Commonwealth Ave		Fullerton	CA	92832
144 Payandeh	Faramarz		1125 E 17th St	560	Santa Ana	CA	92701
145 Payne	David		1908 S Business Center Dr	Suite 109	San Bernardino	CA	92408
146 Pereiman	Ronald	B	18531 Roscoe Blvd	Suite 202	Northridge	CA	91324
147 Perez Pabon	Manuel		1051 Calle 3 SE	Suite 508	Rio Piedras	PR	00921
148 Pospisil	Rick		2677 Zoe Ave		Huntington Park	CA	90255
149 Pouradib	Amir	A	23961 Calle De La Magdalena	Suite 402	Laguna Hills	CA	92653
150 Pratlley	Brent		1520 Nutmeg Place	Suite 110	Costa Mesa	CA	92626
151 Previte	William	J	9040 Friars Road	Suite 500	San Diego	CA	92108
152 Propst	David	A	26730 Crown Valley Pkwy	Suite 200	Mission Viejo	CA	92691
153 Quinonez	Jose Alfredo		250 Market Street		San Diego	CA	92101
154 Rabinovich	Jacob		42-800 Bob Hope Dr	Suite 205	Rancho Mirage	CA	92270
155 Ragland	Howard		2614 S Normandie Ave		Los Angeles	CA	90004
156 Rajagopalan	Bal		1414 S Grand Ave	123	Los Angeles	CA	90015
157 Roger	Douglas	J	42-800 Bob Hope Drive	Suite 201	Rancho Mirage	CA	92270
158 Rose	Daniel	M	6011 Pacific blvd	116	Huntington Park	CA	90255
159 Rottermann	Israel		1220 Hernlock Way		Santa Ana	CA	92707
160 Rubanenko	Gabriel		6222 Wilshire Blvd	303	Los Angeles	CA	90048
161 Ryan	Ramon	O	9400 University Pkwy		Pensacola	FL	32514
162 Salomon	Gary		2 Connecticut Stree		San Francisco	CA	94107
163 Salzberg	Sarita		9394 Biz Horn Blvd		Elk Grove	CA	95831
164 Sanders	Russell	E	450 Newport Center DR		Newport Beach	CA	92660
165 Schmidt	Isaac		1450 E. 17th Street	Suite 102	Santa Ana	CA	92705

DrLName	DrFName	DrMidInit	DrAddr1	DrAddr2	DrCity	DrState	DrZip
166 Scivally	John	W	130 La Casa Via	Bldg 1 Suite 204	Walnut Creek	CA	94598
167 Scott	Jeffrey		1521 N Carpenter Rd	Suite D1	Modesto	CA	95351
168 Shah	Nimish		21520 Pioneer Blvd	202	Hawaiian Gardens	CA	90716
169 Shamlou	Kouroush	K	11525 Brookshire Ave	201	Downey	CA	90241
170 Shanfield	Stewart		1530 E Edinger Ave		Santa Ana	CA	92705
171 Shin	Daniel		3711 Long Beach Blvd	Suite 200	Long Beach	CA	90807
172 Shulze	Roman		754 N. Mountain Ave.		Ontario	CA	91762
173 Signorelli	Domenic		1520 Nutmeg Place	110	Costa Mesa	CA	92626
174 Silva	Ismael		754 N Mountain Ave		Ontario	CA	91762
175 Simpson	William		21501 S. Avalon Rd.	200	Carson	CA	90745
176 Singh	Harwinder		1805 E Fir Ave	Suite 102	Fresno	CA	93720
177 Singh	Vikram		73525 Medical Center DR	206	West Hills	CA	91307
178 Smith	Merlin	C	16444 Paramount Blvd	Suite 101	Paramount	CA	90723
179 Smith	Michael	D	5901 West Olympic Blvd	Suite 310	Los Angeles	CA	90036
180 Smith	Gregg		700 N Pacific Coast Hwy	Suite 203	Redondo Beach	CA	90277
181 Sodaghiani	Iraj		16444 Paramount Blvd	Suite 101	Paramount	CA	90723
182 Steiger	Ralph		1250 S Sunset Ave		West Covina	CA	91790
183 Steirnitz	Jules		1580 Valencia Street	Suite 504	San Francisco	CA	94110
184 Stretten	Marc		27062 La Paz Rd		Alison Viejo	CA	35815
185 Streutker	Anthony		67-80 E Palm Canyon Drive		Cathedral City	CA	92234
186 Sukoff	Michael		999 N Tustin Ave	SRE 13	Santa Clara	CA	92705
187 Tizon	Lorenzo		506 South Alvarado Street		Los Angeles	CA	90057
188 Tran	Trieu		12901 Harbor Blvd	Suite A-1	Garden Grove	CA	92840
189 Trinh	Kevin		6501 Truxtun Ave		Bakersfield	CA	93309
190 Uppal	Gurvinder	S	6800 Brockton Ave		Riverside	CA	92506
191 Uwaydah	Munir		211 S Maclay Avenue		San Fernando	CA	91340
192 Valdez	Vincent		11411 Brookshire Ave		Downey	CA	90242
193 Varela	Gilbert		5232 East Beverly Blvd		Los Angeles	CA	90022
194 Venn Watson	Edward		365 S Rancho Santa Fe Road	Suite 103	San Marcos	CA	92078
195 Vesco	David		4937 Las Virgenes Road	Suite 104	Calabasas	CA	91302
196 Vogel	Jay		2110 Main Street	Suite 620	Irvine	CA	92614
197 Vu	Van		3711 Long Beach Blvd	Suite 200	Long Beach	CA	90807
198 Walker	Lorenzo	G	201 N Solar Dr	275	Oxnard	CA	93036
199 Wasseff	Ezzat	W	5750 Downey Ave		Lakewood	CA	90712
200 Weil	Lawrence		2485 Highschool Ave	Suite 201	Concord	CA	94520
201 Westerband	Julio		10229 Rosecrans Ave	2nd Floor	Los Angeles	CA	90017
202 Wood	David	L	900 East Washington Street	Suite 100	Colton	CA	92324
203 Yuan	Philip	S	2760 Atlantic Ave		Long Beach	CA	90806
204 Yusim	Jeffrey	D	840 Townsite Drive		Visita	CA	92084
205 Zahari	Christopher	A	26 Centerpointe Drive	Suite 115	La Palma	CA	90623
206 Zavarei	Keywan		4750 Barranca Pkwy	Suite 107	Irvine	CA	92604
207 Zonner	Steven	W	2 Connecticut St		San Francisco	CA	94107
208 Zuckerman	Israel	D	16444 Paramount Blvd	Suite 101	Paramount	CA	90723

Ex. B

NEW



WORKER'S COMPENSATION PATIENT COMPOUND RX ORDER FORM

Please fax this form with demographics to 866-665-0248

Date _____

Patient's Name _____ Phone # _____

D.O.B. _____ Allergies _____

Patient Address _____

Label Language: English Spanish

ICD-9 Code _____ Diagnosis _____ Body Part L Knee

RX - Transdermal Compounds

- LidoGabaKeto-C-TD 6/10/10/2% (lidocaine / gabapentin / ketoprofen / cyclobenzaprine)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Capflex-MC-Mild-C-TD (capsaicin 0.0375% / menthol / camphor / cyclobenzaprine 2%)
Quantity: 120 gram jar Sig: Apply thin layer to affected area 15 minutes before exercise and as needed
- Capflex-MC-Hot-C-TD (capsaicin 0.05% / menthol / camphor / cyclobenzaprine 2%)
Quantity: 120 gram jar Sig: Apply thin layer to affected area 15 minutes before exercise and as needed
- Diclof 20-G-TD 20/10% (diclofenac sodium / gabapentin)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- LidoGabaKeto-AC-TD 6/10/10/2/2% (lidocaine / gabapentin / ketoprofen / amitriptyline / cyclobenzaprine)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- KetoGaba -10 / 10 -TD 10% (ketoprofen) / 10% (gabapentin)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- KetoGaba-20 / 10-TD 20% (ketoprofen) / 10% (gabapentin)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Lido-Gaba-TD 10/10% (lidocaine / gabapentin)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- LidoGabaKeto-TD 6/10/10% (lidocaine / gabapentin / ketoprofen)
Quantity: 70 gram jar Sig: Apply a thin layer to affected area twice daily, as directed by physician
- Gaba 10-TD 10% (gabapentin)
Quantity: _____ Sig: Apply a thin layer to affected area twice daily as directed by physician

RX - Capsule Compound

Dr. Initial

- GabaB6400/25 (gabapentin pyridoxine HCl 400mg/25mg) Capsules
Quantity: 120 Capsules Sig: Take 1 capsule 4 Times per day

Patient has been instructed on correct body part to apply transdermal compound

(Must Complete This Section) TOTAL # OF RXs PRESCRIBED 2 AUTO REFILLS 2

Prescriber Name (Print) _____

Prescriber Signature _____

State License # _____ DEA # _____

Office Address _____

City/State/Zip _____

Phone # _____ Fax # _____



021

Agency
1 Avenue
Tustin, CA 92780
(714) 669-4000 Fax (866) 665-0248

WORKER'S COMPENSATION PATIENT COMPOUND RX ORDER FORM

Please fax this form with demographics to 866-665-0248

Date: 11/15/07

Patient's Name _____ Phone # _____

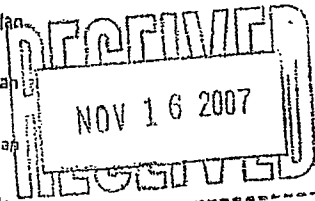
D.O.B. _____ Allergies _____

Patient Address _____

Label Language: English Spanish ICD-9 Code 3 Diagnosis Body Part

RX - Transdermal Compounds

- LidoKato-TD 10/0/10% (lidocaine / gabapentin / ketoprofen)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Capflex-MC-Mild-TD (capsaicin 0.0375% / menthol / camphor)
Quantity: 60 gram jar Sig: Apply thin layer to affected area 15 minutes before exercise and as needed
- Capflex-MC-Hot-TD (capsaicin 0.05% / menthol / camphor)
Quantity: 60 gram jar Sig: Apply thin layer to affected area 15 minutes before exercise and as needed
- Diclof 20-TD 20% (diclofenac sodium)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Indo 20-TD 20% (indomethacin)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Keto 10-TD 10% (ketoprofen)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Keto 20-TD 20% (ketoprofen)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Lido-Keto-TD 10/20% (lidocaine / ketoprofen)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician
- Lido 5-TD 5% (lidocaine)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily, dosed 6 hours apart, then withhold for 12 hours
- Lido 10-TD 10% (lidocaine)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily, dosed 6 hours apart, then withhold for 12 hours
- Gaba 10-TD 10% (gabapentin)
Quantity: 60 gram jar Sig: Apply a thin layer to affected area twice daily as directed by physician



RX - Capsule Compound

- GabaB6400/25 (gabapentin / pyridoxine HCl 400mg/25mg) Capsules
Quantity: 120 Capsules Sig: Take 1 capsule 4 times per day

Dr. Initial

Patient has been instructed on correct body part to apply transdermal compound

(Must Complete This Section) TOTAL # OF RXs PRESCRIBED 1 AUTO REFILLS 8

Prescriber Name (Print) _____

Prescriber Signature _____

State License # _____

Office Address _____

City/State/Zip _____

Phone # _____ Fax # _____

31/107

This form does not approve or disapprove the use, level of dilution, quantity, or preparation of compounds as prepared in accordance with state and federal regulations governing compounding and may vary by jurisdiction.