



*United States Attorney
District of New Jersey*

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**ATLANTIC COUNTY, NEW JERSEY, PHARMACEUTICAL REPRESENTATIVE
ADMITS HEALTH CARE FRAUD CONSPIRACY**

CAMDEN, N.J. – A Linwood, New Jersey, woman today admitted using phony claims for medically unnecessary prescriptions to defraud New Jersey state health benefits programs, U.S. Attorney Craig Carpenito and New Jersey Attorney General Gurbir S. Grewal announced.

Tara Lamonaca, 43, pleaded guilty before U.S. District Judge Robert B. Kugler in Camden federal court to an information charging her with conspiracy to commit health care fraud.

According to documents filed in this case and statements made in court:

From January 2015 through April 2016, Lamonaca recruited individuals in New Jersey to obtain very expensive and medically unnecessary compounded medications from an out-of-state pharmacy, identified in the informations as the “Compounding Pharmacy.” Certain compound medications – including pain, scar, antifungal, and libido creams, as well as vitamin combinations – were reimbursed for thousands of dollars for a one-month supply.

The conspirators knew that these medications were covered by an entity referred to in the informations as the “Pharmacy Benefits Administrator.” The Pharmacy Benefits Administrator provided benefit management services for the State Health Benefits Program, which covers qualified state and local government employees, retirees, and eligible dependents, and the School Employees’ Health Benefits Program, which covers qualified local education employees, retirees, and eligible dependents.

Lamonaca and others recruited individuals covered by the Pharmacy Benefits Administrator, including public employees, to fraudulently obtain unnecessary compounded medications from the Compounding Pharmacy. Lamonaca obtained insurance information from those individuals and gave it to another conspirator, who completed the prescriptions and had a doctor sign them

without examining the individuals. The prescriptions were faxed to the Compounding Pharmacy, which filled the prescriptions and billed the Pharmacy Benefits Administrator.

The pharmacy then paid one of their conspirators a percentage of each prescription filled and paid by the Pharmacy Benefits Administrator, which was then distributed to Lamonaca and other members of the conspiracy.

According to the information, the Pharmacy Benefits Administrator paid Compounding Pharmacy over \$50 million for compounded medications mailed to individuals in New Jersey, including \$530,527.01 for prescriptions submitted by Lamonaca and her cohorts. Lamonaca received approximately \$89,855.13 for her role in the scheme.

Lamonaca faces a maximum penalty of 10 years in prison and a \$250,000 fine, or twice the gross gain or loss from the offense. As part of her plea agreement, Lamonaca must forfeit her criminal proceeds and pay restitution in an amount to be determined at sentencing. Sentencing is scheduled for July 19, 2018.

Eighteen other conspirators have pleaded guilty from August through March 2018 and await sentencing.

U.S. Attorney Carpenito credited agents of the FBI's Atlantic City Resident Agency, under the direction of Acting Special Agent in Charge Bradley W. Cohen in Newark, IRS – Criminal Investigation, under the direction of Special Agent in Charge Jonathan D. Larsen in Newark, and the U.S. Department of Labor, Office of Inspector General, under the direction of Acting Special Agent in Charge Peter Nozka in New York, with the investigation leading to the guilty pleas. He also thanked the Pensions and Financial Transactions Section of the Division of Law, within the Attorney General's Office, under the direction of Attorney General Grewal and Division Chief Eileen Schlindwein Den Bleyker, for its assistance in the investigation.

The government is represented by Assistant U.S. Attorneys Jacqueline M. Carle and R. David Walk, Jr. of the U.S. Attorney's Office in Camden.

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Defense counsel: Barry Gross Esq., Philadelphia

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