



Department of Justice

United States Attorney's Office
Western District of Texas

FOR IMMEDIATE RELEASE
THURSDAY, NOVEMBER 10, 2016

CONTACT: PAO DARYL FIELDS
(210) 384-7440

HOUSTON PHARMACIST PLEADS GUILTY TO ROLE IN MULTI-MILLION DOLLAR HEALTH CARE FRAUD SCHEME

Nermin Awad El-Hadik, 40-year-old owner of Hope Pharmacy, Inc. in Houston, faces up to five years in federal prison and has agreed to pay more than \$5 million restitution after pleading guilty to paying kickbacks in a health care fraud scheme announced United States Attorney Richard L. Durbin, Jr.

Appearing before U.S. Magistrate Judge Andrew Austin yesterday afternoon in Austin, the Houston resident pleaded guilty to a one count Information charging her with willful offer and payment of illegal remuneration in relation to a federal health care program. By pleading guilty, El-Hadik admitted that from March 2015 to December 2015, she paid kickbacks totaling \$5,334,303.04 to Garry Wayne Craighead. Craighead, a chiropractor, organized and controlled multiple health care related entities, including eight clinics in Texas (Dallas, Fort Worth, Killeen, Austin, San Antonio, Corpus Christi, Weslaco, and Beaumont), that derived substantial revenue from the U.S. Department of Labor's health care benefit programs. El-Hadik paid Craighead cash for patient referrals of federally-insured employees in need of prescription services; and, for his influence in encouraging physicians to prescribe compounded medications for patients, which would then be furnished at Hope Pharmacy.

El-Hadik remains on bond pending sentencing before U.S. District Judge Sam Sparks in Austin. No sentencing date has been scheduled.

On December 4, 2015, Craighead pleaded guilty to one count of solicitation and receipt of illegal remunerations in federal health care programs and one count of engaging in monetary transactions in property derived from specified unlawful activity. On June 10, 2016, Craighead was sentenced to 14 years in federal prison and ordered to pay over \$17 million restitution to the U.S. Department of Labor.

The U.S. Postal Service Office of the Inspector General, U.S. Army Criminal Investigation Command's Major Procurement Fraud Unit, Federal Bureau of Investigation, Internal Revenue Service-Criminal Investigation, and the U.S. Department of Labor Office of the Inspector General conducted this investigation. Assistant U.S. Attorneys James Blankinship and Mark Marshall are prosecuting this case for the government.

#####