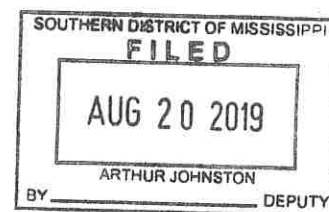


IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI  
EASTERN DIVISION



UNITED STATES OF AMERICA

CRIMINAL NO. 2:19 CR51-KS-MTP

v.

WADE ASHLEY WALTERS

21 USC § 846  
21 USC § 841(a)(1)  
18 USC § 2

**The Grand Jury Charges:**

**Background**

1. The Controlled Substances Act (“CSA”) governed the manufacture, distribution, and dispensing of controlled substances in the United States. The CSA and the Code of Federal Regulations (“CFR”) contained definitions relevant to this Indictment, some of which are set forth below.

2. Under the CSA, the United States Drug Enforcement Administration (“DEA”) regulated certain pharmaceutical drugs that were classified as controlled substances because of their potential for abuse or dependence, their accepted medical use, and their accepted safety for use under medical supervision.

3. Controlled substances were classified into five schedules: Schedule I contained the most dangerous drugs with the highest potential for abuse or dependence, and had no accepted medical use in the United States; and Schedule V contained the least dangerous drugs with the lowest potential for abuse or dependence, and had accepted medical uses in the United States.

4. The term “practitioner” meant a physician, nurse practitioner, or other individual licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which she

or he practices, to distribute or dispense a controlled substance in the course of professional practice. 21 U.S.C. § 802(21).

5. The term “in-person medical evaluation” was defined as “a medical evaluation that is conducted with the patient in the physical presence of the practitioner, without regard to whether portions of the evaluation are conducted by other health professionals.” 21 U.S.C. § 829(e)(2)(B)(i).

6. The term “covering practitioner” was defined as a practitioner who conducts a medical evaluation at the request of a practitioner who has already conducted an in-person medical evaluation or a telemedicine evaluation of the patient in the previous 24 month or is temporarily unavailable to conduct the evaluation. 21 U.S.C. § 829(e)(2)(C).

7. The term “dispense” meant to deliver a controlled substance to an ultimate user by, or pursuant to the lawful order of, a practitioner, including the prescribing and administering of a controlled substance. 21 U.S.C. § 802(10).

8. The term “distribute” meant to deliver (other than by administering or dispensing) a controlled substance. 21 U.S.C. § 802(11).

9. The DEA issued registration numbers to qualifying practitioners, including physicians and nurse practitioners, which permitted them to prescribe and dispense Schedule II, III, IV, and V controlled substances consistent with the terms of that registration.

10. Generally, Schedule IV drugs could only be dispensed by way of written or oral prescriptions issued by licensed and registered practitioners. 21 U.S.C. § 829(b).

11. “A prescription for a controlled substance to be effective must be issued for a legitimate medical purpose by an individual practitioner acting in the usual course of his professional practice.” 21 C.F.R. § 1306.04(a). In other words, a valid prescription was defined as “a

prescription that is issued for a legitimate medical purpose in the usual course of professional practice by (i) a practitioner who has conducted at least 1 in-person medical evaluation of the patient; or (ii) a covering practitioner.” 21 U.S.C. § 829(e)(2)(A).

12. Tramadol was a prescription opioid analgesic that was approved by the United States Food and Drug Administration (“FDA”) for the treatment of moderate to moderately severe pain in adults. According to the FDA, tramadol could induce psychological and physical dependence of the morphine-type. Tramadol was a Schedule IV controlled substance under the laws of the State of Mississippi as of July 2011, and a Schedule IV controlled substance under the CSA as of August 18, 2014. 21 C.F.R. § 1308.14. Abuse of Schedule IV drugs could lead to limited physical dependence or psychological dependence. 21 U.S.C. § 812(b)(4).

#### **The Defendant and Relevant Entities and Individuals**

13. Prime Care Marketing, LLC (“Prime Care Marketing”), formed in 2012 and located in Lamar County, Mississippi, marketed medications to practitioners on behalf of several pharmacies located in the Southern District of Mississippi, and elsewhere.

14. Defendant **WADE ASHLEY WALTERS** (“WALTERS”), of Lamar County, Mississippi, co-owned and operated several marketing companies, including Prime Care Marketing, and pharmacies located in Southern District of Mississippi, and elsewhere.

15. Gregory Grafton Parker (“Parker”) was a licensed nurse practitioner in the state of Mississippi and had the ability to prescribe medications. Parker co-owned Prime Care Marketing.

#### **COUNT 1**

#### **The Conspiracy and Its Object**

16. The allegations at paragraphs 1 through 15 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

17. Beginning in or around August 2014, and continuing through in or around December 2015, in Lamar County, in the Southern District of Mississippi, and elsewhere, the defendant,

**WADE ASHLEY WALTERS,**

did knowingly and intentionally conspire, confederate, and agree with Parker to distribute and dispense, outside the scope of professional practice and not for a legitimate medical purpose, quantities of tramadol, a Schedule IV controlled substance, in violation of Title 21, United States Code, Section 841(a)(1); all in violation of Title 21, United States Code, Section 846.

**Purpose of the Conspiracy**

18. It was a purpose of the conspiracy for the defendant and his co-conspirator to unlawfully obtain, distribute, and deliver controlled substances, namely tramadol, without valid prescriptions.

**Manner and Means of the Conspiracy**

The manner and means by which the defendant and his co-conspirator sought to accomplish the object and purpose of the conspiracy included, among other things:

19. **WALTERS** and Parker were business partners regarding Prime Care Marketing and had no nurse-patient relationship.

20. In or around January 2014, **WALTERS** represented to Parker that he (**WALTERS**) was experiencing pain due to weight-gain and requested that Parker write a prescription to **WALTERS** for tramadol. **WALTERS** further represented to Parker that tramadol improved his mood.

21. On or about January 22, 2014, at **WALTERS'** request, Parker authorized a prescription for tramadol to **WALTERS**, without first examining **WALTERS** and not for a legitimate medical purpose ("fraudulent prescription"), in exchange for **WALTERS'** agreement to deliver half of the tramadol tablets back to Parker, who did not have a valid prescription for tramadol.

22. That same day, **WALTERS** filled the fraudulent prescription and received 120 50mg tramadol tablets, and, in turn and as per the agreement, distributed and delivered approximately 60 50mg tramadol tablets to Parker, despite Parker not having a valid prescription.

23. Thereafter, on four separate occasions, namely on or about March 31, 2014, August 29, 2014, September 14, 2015, and December 22, 2015 (“other dates”), **WALTERS** caused Parker to authorize additional fraudulent prescriptions for tramadol.

24. On those other dates, **WALTERS** again filled the fraudulent prescriptions authorizing tramadol tablets, and, in turn and as per the agreement, distributed and delivered approximately half of the tramadol tablets obtained to Parker, despite Parker not having valid prescriptions for tramadol.

All in violation of Title 21, United States Code, Section 846.

**COUNTS 2-4**

25. Paragraphs 1 through 15 and 18 through 24 of the Indictment are realleged and incorporated by reference herein as though fully set forth herein.

26. On or about the dates set forth below, in Lamar County, in the Southern District of Mississippi, and elsewhere, the defendant,

**WADE ASHLEY WALTERS,**

aided and abetted by Parker, did knowingly and intentionally distribute quantities of tramadol, a Schedule IV controlled substance:

<b>Count</b>	<b>Date</b>	<b>Controlled Substance</b>
2	08/29/2014	Approximately 60 tablets of tramadol (approximately 3 grams)
3	09/14/2015	Approximately 45 tablets of tramadol (approximately 2.25 grams)
4	12/22/2015	Approximately 45 tablets of tramadol (approximately 2.25 grams)

All in violation of Title 21, United States Code, Section 841(a)(1) and Title 18, United States Code, Section 2.

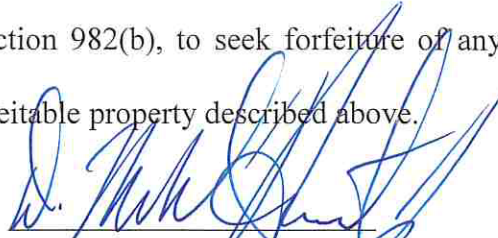
**NOTICE OF INTENT TO SEEK CRIMINAL FORFEITURE**

1. Upon conviction of Counts 1 through 4 contained in this Indictment, the defendant, **WADE ASHLEY WALTERS**, shall forfeit to the United States pursuant to Title 21, United States Code, Section 853, any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of the violations, including but not limited to a sum of money equal to the amount of gross proceeds of the offenses, all property involved in or traceable to property involved in the offenses, and all property used to facilitate the offenses.

2. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court; and
- d. has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) as incorporated by Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

  
\_\_\_\_\_  
D. MICHAEL HURST, JR.  
United States Attorney

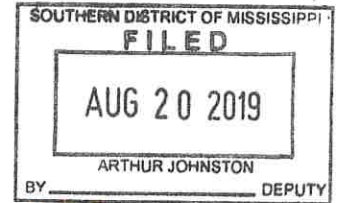
s/ signature redacted

\_\_\_\_\_  
Foreperson of the Grand Jury

This indictment was returned in open court by the foreperson or deputy foreperson of the Grand Jury on this the 20<sup>th</sup> day of August, 2019.

  
\_\_\_\_\_  
UNITED STATES MAGISTRATE JUDGE





CRIMINAL CASE COVER SHEET  
 U.S. District Court  
 PLACE OF OFFENSE:

**RELATED CASE INFORMATION:**

CITY: \_\_\_\_\_  
 COUNTY: Lamar

SUPERSEDING INDICTMENT \_\_\_\_\_ DOCKET # 2:19CR51-KS-MTP  
 SAME DEFENDANT \_\_\_\_\_ NEW DEFENDANT \_\_\_\_\_  
 MAGISTRATE JUDGE CASE NUMBER \_\_\_\_\_  
 R 20/ R 40 FROM DISTRICT OF \_\_\_\_\_

**DEFENDANT INFORMATION:**

JUVENILE: \_\_\_ YES X NO  
 MATTER TO BE SEALED: x YES \_\_\_ NO  
 NAME/ALIAS: Wade Ashley Walters

**U.S. ATTORNEY INFORMATION:**

AUSA Mary Helen Wall BAR # MS 100857  
 INTERPRETER: X NO \_\_\_ YES LIST LANGUAGE AND/OR DIALECT: \_\_\_\_\_

**LOCATION STATUS:**

ARREST DATE \_\_\_\_\_  
 \_\_\_ ALREADY IN FEDERAL CUSTODY AS OF \_\_\_\_\_  
 \_\_\_ ALREADY IN STATE CUSTODY  
 \_\_\_ ON PRETRIAL RELEASE

**U.S.C. CITATIONS**

TOTAL # OF COUNTS: 4 \_\_\_\_\_ PETTY \_\_\_\_\_ MISDEMEANOR 4 \_\_\_\_\_ FELONY

(CLERK'S OFFICE USE ONLY)	INDEX KEY/CODE	DESCRIPTION OF OFFENSE CHARGED	COUNT(S)
Set 1	<u>21:846=CD.F</u>	<u>21 U.S.C. § 846</u>	<u>1</u>
		<u>Conspiracy to distribute a controlled substance - Tramadol</u>	
Set 2	<u>21:841A=CD.F</u>	<u>21 U.S.C. § 841(a)(1)</u>	<u>2-4</u>
		<u>Distribute a controlled substance - Tramadol</u>	
Set 3	_____	_____	_____
Set 4	_____	_____	_____
Set 5	_____	_____	_____

Date: 8-13-19 SIGNATURE OF AUSA: Mary Helen Wall