

Office of the Special Narcotics Prosecutor for the City of New York

Bridget G. Brennan, Special Narcotics Prosecutor

80 Centre Street, Sixth Floor
New York, NY 10013
212-815-0400, Gen
212-815-0440, Fax

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Contacts:

Kati Cornell
Special Narcotics Prosecutor's Office
212-815-0525

Paul J. Browne
New York Police Department
646-610-6700

Jeffrey Gordon
New York State Department of Health
(518) 474-7354

Doctor Arrested for Illegally Selling Prescriptions to Overdose Victim: Pain Management Clinic Shuttered in Queens

BRIDGET G. BRENNAN, New York City's Special Narcotics Prosecutor, RAYMOND W. KELLY, New York City Police Commissioner, NIRAV R. SHAH, M.D., M.P.H., New York State Commissioner of Health, TOM F. O'DONNELL, Special Agent-in-Charge of the U.S. Office of Inspector General of the Department of Health and Human Services, New York Region, WILBERT L. PLUMMER, Acting Special-Agent-in-Charge of the Drug Enforcement Administration, New York Field Division (DEA), and CHARLES PINE, Special Agent-in-Charge, Internal Revenue Service, Criminal Investigation, New York (IRS), announced today the indictment and arrest of STAN XUHUI LI, a physician who illegally sold prescriptions for controlled substances from a pain management clinic he operated in Flushing, Queens.

The indictment follows a year-long investigation and charges LI with 15 counts of Criminal Sale of a Prescription for a Controlled Substance and 5 counts of Reckless Endangerment in the 2nd degree in connection with illegal sales of prescriptions to MICHAEL CORNETTA. CORNETTA, a Queens resident, received dozens of prescriptions for multiple controlled substances from LI between May 2009 and August 2010, and overdosed at least two times during this period. CORNETTA ultimately died of an overdose in November 2010 at the age of 40.

LI was arrested at 9:30 a.m. Saturday at his clinic, Medical Pain Management, located at 132-59 41st Road in Flushing. His arraignment is scheduled for this morning in Manhattan Supreme Court before Justice Michael Sonberg.

This indictment is the first filed by the newly created Prescription Drug Investigation Unit for the Office of the Special Narcotics Prosecutor. The unit was formed to combat the proliferation of prescription narcotics on the black market by investigating and prosecuting the criminal distribution of these drugs.

In addition to the CORNETTA case, Special Narcotics is investigating LI's sale of prescriptions to other patients, including nine individuals who suffered fatal drug overdoses since January 2009.

As part of the investigation, Special Narcotics is examining the money LI charged his patients for the

visits and the funds he obtained from government health insurance programs, including Medicare and Medicaid.

On Saturday morning, investigators from Special Narcotics and the Bureau of Narcotic Enforcement (BNE) for the New York State Health Department, NYPD detectives and agents with the DEA and the IRS conducted a court authorized search of LI's Flushing clinic and seized financial and medical records and computer equipment. Subsequently, investigators and agents conducted a search of LI's home at 16 Secretario Way in Hamilton, NJ, where they seized additional records.

The Bureau of Narcotic Enforcement, the NYPD's Queens Narcotics Squad and the Office of National Drug Control Policy: NY/NJ HIDTA are partnering in this investigation, with assistance from the Office of the Inspector General for the U.S. Department of Health and Human Services Office, the New York State Office of the Medicaid Inspector General, the IRS and the New York Drug Enforcement Task Force, Group T-13, which includes members of the DEA, the NYPD and the New York State Police.

LI's Prescribing Practices

The investigation began after members of the community and relatives of LI's patients contacted authorities to complain about the doctor's prescribing practices. They reported that the doctor was selling prescriptions for controlled substances that were not medically necessary. Law enforcement officers observed patients selling pills in front of the clinic. In fact, two patients were arrested by the NYPD's Queens Narcotics Squad for selling pills outside a pharmacy immediately after receiving a prescription from LI on August 20, 2011.

Pursuant to subpoenas, investigators and a HIDTA analyst conducted an exhaustive review of LI's prescribing practices since January 1, 2009. The investigators also obtained autopsy reports maintained by Medical Examiners for New York City, Nassau County and Suffolk County. Additionally, investigators conducted extensive surveillance in the vicinity of LI's clinic.

LI, a licensed physician who works full-time as an anesthesiologist at a New Jersey hospital in New Jersey, operated Medical Pain Management on Saturdays and an occasional Sunday. Patients routinely lined up outside the clinic to see the doctor before office hours even began. LI saw as many as 120 patients a day at his clinic, which has been in operation since January 1, 2009.

Over the past 2 ½ years, LI wrote more than 17,000 prescriptions for controlled substances to his pain management patients. Of these prescriptions, an estimated 65 percent were for oxycodone or other highly addictive opiate drugs. More than half of LI's patients were between the ages of 21 and 40.

Michael Cornetta

Investigators learned that MICHAEL CORNETTA first received prescriptions for three controlled substances from LI in May 2009. The prescribed drugs were oxycodone, alprazolam (Xanax), and fentanyl (a potent, slow-release narcotic pain medication that comes in patch form). LI continued to write prescriptions for the controlled substances to CORNETTA at least once a month over the next 15 months – sometimes prescribing two different strengths of a pain medication at the same time – even after CORNETTA overdosed and sought treatment for substance abuse.

On January 17, 2010, a physician at a New York City hospital called LI and notified him that CORNETTA was being treated in the emergency room. LI continued to prescribe fentanyl, oxycodone and alprazolam to CORNETTA without any reduction in strength, quantity or dosage. In fact, LI increased the quantity of fentanyl each month. LI wrote at least 15 more prescriptions for controlled substances to CORNETTA after the January 17, 2010 call. These 15 prescriptions are the subject of the charges in the indictment.

On March 1, 2010, CORNETTA overdosed again and was sent to an emergency room. LI had prescribed him fentanyl and other controlled substances on February 27. On May 19, 2010

CORNETTA suffered another overdose and was sent to an emergency room. LI had prescribed him fentanyl three days earlier.

LI wrote his final prescription to CORNETTA on August 14, 2010. Three months later, on November 11, 2010, CORNETTA suffered a final overdose. He died on November 18, 2010 after a week on life support. The cause of death was acute intoxication due to the combined effects of fentanyl, cocaine and benzodiazepines.

Each count of Criminal Sale of a Prescription for a Controlled Substance, a C felony, carries a maximum sentence of 5 ½ years in prison. Reckless Endangerment in the 2nd degree, an A misdemeanor, carries a sentence of up to 1 year in prison.

BRIDGET G. BRENNAN thanked the New York City Police Department, the Bureau of Narcotic Enforcement for the New York State Department of Health, the Office of National Drug Control Policy: NY/NJ HIDTA, the Office of the Inspector General for the U.S. Department of Housing and Human Services, the New York Drug Enforcement Task Force, the Drug Enforcement Administration, New York Field Division, the Internal Revenue Service, Criminal Investigation, New York, the New York City Office of the Chief Medical Examiner, the New York City Department of Health and Mental Hygiene, the New York City Bureau of Fraud Investigation's Prescription Drug Fraud Unit, the New York State Office of the Medicaid Inspector General and the U.S. Attorney's Office for the District of New Jersey.

BRIDGET G. BRENNAN said, "The prescription drug epidemic is the first crisis of addiction that has originated with the medical profession. Many doctors have unwittingly fostered dependence and addiction by prescribing opiate drugs. Dr. Li is charged with conduct of a completely different nature. He is accused of intentionally writing prescriptions for addictive narcotics in return for cash and for no legitimate medical reason. The conduct charged is just another form of drug dealing."

RAYMOND W. KELLY said, "Dr. Li was signing off on prescriptions for oxycodone and other highly addictive narcotics but in reality he was signing a death warrant for Michael Cornetta. This is another example of how the illegal distribution of prescription drugs destroys lives."

NIRAV R. SHAH, M.D., M.P.H., said, "Crimes involving the illegal distribution of prescription drugs are a serious threat to the public's health and safety and must be addressed with every tool at government's disposal. Today's arraignment, the result of coordination and cooperation among many agencies, is an important signal to those seeking to profit from the illegal trade of prescription drugs. I am proud that the Department of Health's Bureau of Narcotic Enforcement has played a role in helping to bring this case to justice."

TOM F. O'DONNELL said, "Writing illicit narcotics prescriptions – as the government contends Dr. Li did – poses a menace to public safety and patient care, and violates the physician's oath to do no harm. We will aggressively pursue those stealing federally funded health benefits intended for the most vulnerable Americans."

WILBERT L. PLUMMER said, "The arrest of Dr. Li is a tremendous success for the New York City's Office of the Special Narcotics Prosecutor and all the law enforcement entities who assisted in the investigation. Prescription drug abuse is an epidemic that has hit our country hard and now is the time to again increase the awareness of the dangers of abusing diverted prescription drugs. We will continue to combat this problem with education, treatment, prevention and enforcement."

CHARLES R. PINE stated, "Traditionally, IRS Special Agents have long partnered with the law enforcement community to investigate narcotics violations related the more popular international drug trafficking or marijuana grow house operations. The public may be surprised to know that our agents are involved in narcotics investigations that cross over into healthcare fraud, such as selling illegal prescriptions. This area of fraud normally generates an extensive paperwork trail which leads to the illegally earned cash which criminals try to hide. Our agency's value to the investigative team is to

provide financial expertise to analyze the paperwork and document how the perpetrators of these schemes financially benefited from their fraudulent activities.”

DEFENDANT	CHARGES
Stan Xuhui Li 2/10/1954 16 Secretario Way Hamilton, NJ	Criminal Sale of a Prescription for a Controlled Substance – 15 cts Reckless Endangerment 2 nd – 5 cts

The charges and allegations are merely accusations and the defendant is presumed innocent until proven guilty.