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DOCTOR PLEADS GUILTY TO CHARGES OF CONSPIRACY TO DISTRIBUTE PHENTERMINE AND MONEY LAUNDERING

Tampa, Florida - United States Attorney Robert E. O'Neill announced that Jose Mercado Francis, a 54 year old resident of Michigan, formerly of Puerto Rico, pleaded guilty to conspiracy to distribute phentermine and conspiracy to commit money laundering late yesterday afternoon. The maximum penalty Mercado Francis faces for both charges is twenty-three years' imprisonment and a fine of \$750,000. He also faces forfeiture of his Michigan and Puerto Rico medical licenses and a money judgment.

Mercado Francis is a medical doctor who has been licensed to practice medicine and prescribe controlled substances in Puerto Rico and the state of Michigan.

In September 2004, Francis signed a contract with a corporation that operated an internet website to prescribe medications for internet customers including Phentermine, a Schedule IV controlled substance. The contract provided that Francis would be paid a consultation fee of \$3.00 for every prescription drug order through the internet website. By accessing the website, customers were presented with various products, including Phentermine. The customers clicked on the amount they wanted and the strength. Customers then completed an internet questionnaire and provide information such as their

first and last name, date of birth, gender, height, weight, list of allergies, list of surgeries, description of medical condition, billing information, shipping information, and email address.

Francis had a code that allowed him to access the website and review the list of customers, their requests, and questionnaires. Francis would click his approval of the order and a prescription would be generated with a signature of Francis. Pharmacies located in the Middle District of Florida would download the prescriptions, fill the order, and ship the drugs to customers throughout the United States, usually by United Parcel Service. The customer would receive the medication with the pharmacy's name and the prescribing doctor on the prescription bottle.

A prescription for Phentermine, Schedule IV controlled substance, requires a doctor-patient relationship. Francis never saw or spoke to any of the internet customers for whom he prescribed the prescriptions, nor did he keep any medical records for the any of the internet customers.

The corporation, through its employees, wire-transferred Francis's fee on a weekly basis directly to his bank account. An analysis of the bank account of the corporation, located in the Middle District of Florida, showed that from October 2004 through July 2005, \$37,083.80 was wired from the corporation's bank account to Francis's bank account in Puerto Rico. Francis was paid for writing more than 12,671 illicit prescriptions and he prescribed more than 40,000 dosage units of Phentermine. Francis used his medical licenses to distribute the controlled substances.

The case was a joint investigation by the Drug Enforcement Administration, Office of Diversion Control, Orlando Field Office and Tampa Resident Office and the Internal

Revenue Service, Criminal Investigation Division. The case is being prosecuted by Assistant United States Attorney Patricia A. Kerwin.