



Department of Justice

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CINCINNATI DOCTOR RECEIVES TWO-YEAR SENTENCE FOR MONEY LAUNDERING IN CONNECTION WITH ROLE IN SOUTHERN OHIO PAIN CLINICS

CINCINNATI - Gregory L. Ebner, age 55, of Cincinnati, Ohio was sentenced to serve 24 months of incarceration, followed by three years of supervised release, and ordered to pay a \$10,000 fine for his role in a money laundering and structuring money transactions scheme relative to the proceeds he received from prescribing controlled substances. Ebner plead guilty on June 15, 2006.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio, Jeffrey I. Cooper, Acting Special Agent in Charge, Internal Revenue Service (IRS), Criminal Investigation; Timothy P. Murphy, Special Agent in Charge, Federal Bureau of Investigation, Cincinnati Field Division; David Krupnick, Special Agent in Charge, U.S. Department of Health and Human Services; and Lawrence County Sheriff Timothy W. Sexton announced the sentence handed down today by United States District Judge Sandra S. Beckwith.

According to testimony and court records, beginning in January 2001, Ebner, a medical doctor, worked in several "pain clinics in Southern Ohio. The "pain clinics" were located in Lucasville, Chillicothe, Hanging Rock, and Jackson, Ohio. These "pain clinics" were owned and operated by William Jewell, Jr.

Local law enforcement began investigating these "pain clinics" after becoming overwhelmed with public complaints of drug addicts frequenting the community while purchasing prescriptions for drugs from the "pain clinics".

Ebner worked in the "pain clinics" two or three days a week and saw around 30 patients a day. Other physicians worked at the "pain clinics" during the other days of the week, namely Nico Capurro. Ebner prescribed drugs including Lorcet and Xanax after cursory medical examinations in which he never checked the height, weight, or blood pressure of his patients. Ebner never maintained any diagnostic equipment at the "pain clinics". Patients paid cash in amounts ranging from \$175 to \$200 per visit. The "pain clinics" would not accept insurance, personal checks, credit cards, or any other form of payment. New patients were required to bring an X-Ray or MRI to create an aura of legitimacy to the "pain clinics." Despite different ailments and complaints, all patients received prescriptions that were called into a pharmacy from the "pain clinic". The prescriptions were filled at only a few pharmacies, including the South Shore Pharmacy in South Shore, Kentucky. Many of the patients signed an agreement to use only this pharmacy. Ebner admitted that what he was doing at the "pain clinics" was below the accepted standards of medical practice.

Ebner evenly split the patient payments with William Jewell, Jr. Ebner took the illegal "pain clinic" proceeds and laundered and structured these funds in order to conceal and hide his involvement in this illegal activity. Ebner did this by leading others to believe these were legitimate medical practice proceeds and he broke down these funds into smaller amounts of currency, typically under \$10,000, for deposit into his personal bank accounts so as to avoid the Currency Transaction Reporting (CTR) requirements. This is known as structuring. Ebner took

these illegal proceeds and issued checks for investments. These investments included a down payment on real estate, purchased of shares of a medical partnership, and a pay-off of his home mortgage.

On September 20, 2006, Nico Capurro, of Cincinnati, and William Jewell, Jr., of Paintsville, Kentucky, were indicted on charges of conspiracy to distribute controlled substances. In addition, Capurro was indicted on three counts of money laundering and three counts of structuring. Also, Jewell was indicted on one count of money laundering. Two forfeiture allegations were also included in the indictment of Capurro and Jewell. Both Capurro and Jewell plead not guilty to all of the charges and have been released on bond pending their respective trials.

Jeffrey I. Cooper, Acting Special Agent in Charge, IRS, Criminal Investigation, stated, "Money laundering is not a victimless crime. Not only are innocent people "duped" by various schemes, but the underground, untaxed economy harms the entire nation's economic strength."

Ebner was ordered to surrender to the Bureau of Prisons on March 19, 2007.

Lockhart commended the cooperative investigation by agents of IRS-Criminal Investigation, FBI, U.S. Department of Health and Human Services, and deputies of the Lawrence County Sheriff's Department, and Deputy Criminal Chief Anthony Springer, who prosecuted the case.

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