

FILED  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE

SEP 28 2022

DAVID H. YAMASAKI, Clerk of the Court  
E. ORTEGA, DEPUTY

**PLEA AGREEMENT FOR MOHAMED WADDAH EL NACHEFF  
CASE # 20NF0688**

The following is the complete agreement between the People of the State of California ("The People"), represented by Deputy Attorney General Aishwarya Naidu, and defendant Mohamed Waddah El Nacheff ("El Nacheff"), represented by his attorney, Christopher Bou Saeed, in Orange County Superior Court Case # 20NF0688. The parties agree as follows:

1. **Guilty Plea:** El Nacheff agrees to plead guilty to Count 3, Penal Code § 550(b)(3), Insurance Fraud and Count 6, Business and Professions Code § 2052(b), Aiding and Abetting the Unlicensed Practice of Medicine, both felonies. El Nacheff will admit that Counts 3 and 6 are related felonies, a material element of which is fraud, and that the loss caused as a result of his commission of these offenses exceeds \$500,000, in violation of Penal Code § 186.11(a)(2).
2. **Factual Basis:** The factual basis of El Nacheff's plea shall be as follows: *"Between June 23, 2014 through at least April, 2016, I knowingly and willfully conspired with and aided and abetted Steven Fleming, Oscar Abrons III, Marcella Charles, Youpa Valentine and others by participating in a scheme to defraud the Medi-Cal Program. As a licensed physician, I prescribed medically unnecessary antiviral medications, antipsychotics, and opioids to hundreds of patients at Cancer Treatment Center in Orange County and God's Property in Los Angeles County. The medications I prescribed were billed to Medi-Cal and paid for by the Medi-Cal program. Further, I was aware that Fleming and Abrons were not licensed healthcare providers, but I still agreed to work with them at God's Property, their unlicensed medical clinic. I further admit that the loss caused to Medi-Cal as a result of this scheme exceeds \$20 million."*
3. **Bail:** Upon entry of El Nacheff's guilty plea, the People will not oppose his release on his own recognizance until the date of his sentencing, provided that he complies with the terms of this Plea Agreement, appears in person for all scheduled court dates (or obtains prior written permission from the People if his attorney is appearing on his behalf pursuant to Penal Code §977(b)), and violates no new laws.
4. **Restitution, Restitution Hearing and Stipulated Loss Amount:** El Nacheff stipulates that the collective loss to the *State of California* (i.e. *Medi-Cal*) caused by him and others involved with the fraud scheme charged in Count 3 and 6 exceeds \$20 million.
  - a. El Nacheff agrees to pay \$2.35 million in restitution, plus \$150,000 in costs of investigation, in the following manner:
    - i. \$25,000 shall be paid on or before Friday, September 30, 2022;
    - ii. The balance, \$2.475 million, shall be paid on or before August 1, 2023.

Initials of the Parties: AN The People \_\_\_\_\_ Defense Counsel \_\_\_\_\_ Defendant

- b. The People are aware that El Nachef intends to pay the agreed upon restitution through the sale of the following two properties:

<u>Property 1</u>	<u>Property 2</u>
27055 Hidden Trail Road Laguna Hills, CA 92653 Assessor's Parcel No. 627-102-13, County of Orange	1310 West Stewart Drive, # 210 Orange, CA 92868 Assessor's Parcel No. 931—23-465, County of Orange

- c. The People agree to cooperate, including facilitating the opening of an escrow account, executing any deeds or promissory notes, and lifting the PC §186.11 lis pendens as necessary to enable the equity in El-Nachef's two properties to be accessed for restitution.
- d. El Nachef shall provide the People with certified appraisals for the aforementioned properties at or before the time of his plea.
- i. El Nachef agrees that he will make a good faith and ongoing effort to sell and to close the sale of the properties at their appraised value prior to August 1, 2023. These efforts shall include, but are limited to, retaining a licensed real estate agent, properly listing the properties, conducting open houses, and keeping the People informed of any legitimate offers that come in, as well as the status of escrow should any offers be accepted. Any offers that are below the appraised values may be submitted to the People for review and approval.
- ii. If El Nachef has the People's approval to accept offer(s) below the properties' fully appraised values, and the proceeds resulting from the sale(s) do not collectively exceed the \$2.475 million balance he owes, this deficiency shall not automatically be considered a material breach of the plea agreement. In such event, El Nachef agrees to pay the proceeds he does receive through the pre-approved sale of the properties, and to pay the remaining balance through an installment plan negotiated by both parties.
- e. In the event that El Nachef is unable to sell either property prior to August 1, 2023, despite making a good faith effort to do so, the People agree that this failure shall not automatically be considered a material breach of the plea agreement. However, in such event, El Nachef agrees to coordinate the transfer of the aforementioned properties to the People, with the assistance of a third-party receiver. El Nachef shall

Initials of the Parties: AN The People \_\_\_\_\_ Defense Counsel \_\_\_\_\_ Defendant

retain and be responsible for any outstanding mortgages or property taxes pending on the properties at the time of the transfer.

- i. El Nachef agrees that he will not take any actions to diminish the value of the properties; nor will he attempt to take out any mortgages, access the equity, or transfer the properties into any other person's name prior to their sale or transfer. If he does any of these acts, it shall be deemed a material breach of this plea agreement, and El Nachef will be subject to sentencing provisions outlined in Section 9 of this plea agreement, Material Breach Before Sentencing. If El Nachef has taken no willful actions to diminish the value of either property between the time of the first appraisal and the transfer to the third party receiver, then these transfers shall be deemed sufficient to satisfy \$2.475 million balance that he still owes.
- f. El Nachef understands and agrees that the \$2.475 million that he has agreed to pay in restitution is not all the restitution he owes in this case. His remaining share of restitution shall be determined at a Restitution Hearing, which will be scheduled on a future date that is mutually convenient for the Parties and the Court. El Nachef understands and agrees that any outcome or ruling from this Restitution Hearing shall not constitute grounds for withdrawal of his guilty plea nor will it alter any of the terms in this Plea Agreement. The People will, at the El Nachef's request, present documentation of his restitution payments to the Court at the Restitution Hearing.

5. **Sentencing:**

The parties agree to waive time for sentencing so that El Nachef can be sentenced on August 1, 2023 or at the conclusion of litigation against any defendant or entity that is discovered as a result of his cooperation, whichever is the later date.

- a. The parties agree, pursuant to People v. Arbuckle, 22 Cal.3d 749 (1978), that El Nachef may be sentenced by any judge of the Superior Court, whether or not it is the judge who accepts his guilty plea. If any of the matters on which El Nachef is cooperating on under this Plea Agreement go to trial, the Parties will request that El Nachef's sentencing occur before the judge presiding over the last such trial.
- b. El Nachef agrees to waive his rights pursuant to People v. Harvey, 25 Cal.3d 754 (1979), so that the Court can consider dismissed charges or enhancements, if applicable, during sentencing and for purposes of determining restitution.
- c. El Nachef acknowledges that he has been advised that, without this Plea Agreement, if he were found guilty on all counts and enhancements that he could be sentenced to 10 years in state prison and be ordered to pay fines equaling three times the loss, or at least \$60 million. However, in lieu of contesting the charges, and in view of facts

Initials of the Parties:     AN     The People     \_\_\_\_\_ Defense Counsel     \_\_\_\_\_ Defendant

known to the Parties at the date of this Plea Agreement, El Nacheff and the People agree to sentencing within the parameters of this Plea Agreement.

- d. El Nacheff will receive credit for time he has served in County Jail and on home detention before sentencing, including good conduct credits in accordance with applicable sections of the Penal Code. Per the parties' calculations, El Nacheff shall receive credit for 422 days (211 actual + 211 good conduct) towards his sentence.
  - e. The parties agree that if El Nacheff fulfills all obligations under this Plea Agreement and tenders the remaining \$2.475 million prior to August 1, 2023, then on the date of his sentencing:
    - i. He will be permitted to withdraw his admission to Penal Code §186.11(a)(2), Loss Over \$500K, and the People will move to dismiss this enhancement.
    - ii. His felony convictions on Counts 3 and 6 will remain intact and he will be sentenced as follows:
      1. 5 years (high-term) split sentence on Count 3
        - a. 2 years in custody in local prison
        - b. 3 years on Mandatory Supervision
      2. 8 months (1/3 of mid-term) on Count 6, to run concurrently with the sentence on Count 3
  - g. The parties agree to waive the preparation of a sentencing report by the Orange County Probation Department.
  - h. The remaining terms and conditions enumerated in the accompanying felony plea form are incorporated herein.
6. **Dismissal of Remaining Charges:** The People agree to dismiss all remaining charges and special allegations pending against El Nacheff in Case # 20NF0688 at the time of sentencing provided he is in compliance with the material terms of this Plea Agreement.
7. **Surrender of Medical License:** El Nacheff understands that his conviction will result in exclusion from any government funded-healthcare program and will result in revocation or suspension of any professional licensure/certifications that he holds. El Nacheff agrees to voluntarily surrender his state medical license at the time of his guilty plea; and further agrees that he will not work in healthcare, in any capacity, paid or unpaid, in the United States. El Nacheff agrees to contact the Medical Board to initiate the proceedings for the surrender of his license, and agrees to notify the People once the surrender is finalized.

Initials of the Parties:      AN The People      \_\_\_\_\_ Defense Counsel      \_\_\_\_\_ Defendant

**8. Cooperation:**

- a. The parties agree that El Nachef's cooperation with law enforcement and honesty in this regard are material terms of this Plea Agreement. El Nachef understands that this cooperation may include truthfully answering questions in interviews with law enforcement, including the review of evidence shown to him by law enforcement, and testifying honestly in any court proceedings against defendants related to his case, or other potential defendants who are identified through the cooperation of El Nachef. El Nachef agrees that all information provided in meetings, and all testimony given, will be honest, complete, and that he will keep his statements confidential.
- b. El Nachef understands that whether he will be called as a prosecution witness in any matter is solely a tactical decision of the prosecutors in the case.

**9. Material Breach Before Sentencing:**

- a. El Nachef agrees that his willful failure to appear for any duly calendared court appearance, including sentencing, or any effort to flee the state or the United States constitutes a material breach of this Plea Agreement. El Nachef consents to having judgment and sentencing imposed *in absentia* if the court finds that he willfully failed to appear for any duly calendared court appearance.
- b. El Nachef acknowledges that if he takes any action after the signing of this Plea Agreement, to mislead, deceive, or otherwise obstruct the People in their investigation and prosecution of any defendants with a pending criminal action, or other individuals who are discovered as a result of his cooperation, that this would also constitute a material breach of this Plea Agreement. It is further understood that El Nachef may be subjected to prosecution for perjury or criminal charges for obstruction of justice for any intentional deviation from the truth.
- c. El Nachef understands that his payment of restitution is a material term of this Agreement and that he must either pay restitution in a timely fashion or make a transfer of the two properties, as laid out in Section 4, in order to comply with his obligations under this Plea Agreement. Any willful failure to do so will be deemed a material breach of this Plea Agreement.
- d. The parties agree that if El Nachef commits a material breach of this Plea Agreement, then he may be sentenced forthwith upon request of the People or at such date and time as convenient for the Court. In such event, El Nachef will not be permitted to withdraw his admission to the Penal Code §186.11(a)(2) enhancement, nor will the Counts run concurrently; the Court will then be entitled to sentence El Nachef to up to 10 years and 8 months in state prison, calculated as follows:
  - i. 5 years on Count 3 [base – high-term]

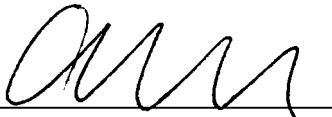
Initials of the Parties:     AN     The People     \_\_\_\_\_ Defense Counsel     \_\_\_\_\_ Defendant

- ii. 8 months on Count 6 [1/3 of the mid-term]
- iii. 5 years on the PC §186.11(a)(2) enhancement

10. **Immunity:** Other than the charges to which El Nachef has agreed to plead guilty in this case, the People agree to grant immunity to El Nachef for his truthful and complete statements about non-violent criminal conduct occurring prior to the effective date of this agreement, as described in the terms of the Immunity Agreement (attached as *Exhibit 2*).
11. **Waiver of Right to Appeal:** El Nachef agrees to waive his right to appeal any sentence he receives within the range specified in this agreement, agrees to waive his right to appeal any ruling in this case, and also waives his right to contest any issues of search and seizure.

**AGREED AND ACCEPTED AS TO ALL TERMS:**

ROB BONTA, Attorney General



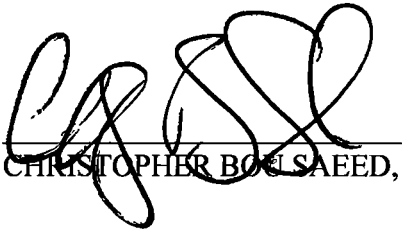
AISHWARYA NAIDU, Deputy Attorney General,  
For the People of the State of California

Dated: 09/28/22



MOHAMED WADDAH EL NACHEF, Defendant

Dated: 09/28/22



CHRISTOPHER BOU SAEED, Attorney for EL NACHEF

Dated: 09/28/22

Initials of the Parties: AN The People \_\_\_\_\_ Defense Counsel \_\_\_\_\_ Defendant