

THE STATE OF TEXAS
VS.

00371935

D.A. LOG NUMBER: 1636199
CJS TRACKING NO.:

BARRY THOMAS RANSOM
3819 GALWAY
HOUSTON, TX

SPN:
DOB: WM 02/25/1959
DATE PREPARED: 5/27/2010

BY: JL DA NO: 002122789
AGENCY: HCFM
O/R NO: 1010967
ARREST DATE: TO BE

FILED
Loren Jackson
District Clerk

MAY 27 2010
Harris County, Texas
Time: _____
By: _____ Deputy

NCIC CODE: 2101 25

RELATED CASES: SELLARS- 2 FEL / VAZQUEZ- 2 FEL

FELONY CHARGE: Engaging in Organized Criminal Activity

CAUSE NO:

HARRIS COUNTY DISTRICT COURT NO:

FIRST SETTING DATE:

1264762

178

BAIL: \$NO BOND
PRIOR CAUSE NO:

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

Before me, the undersigned Assistant District Attorney of Harris County, Texas, this day appeared the undersigned affiant, who under oath says that he has good reason to believe and does believe that in Harris County, Texas, **BARRY THOMAS RANSOM** hereafter styled the Defendant, heretofore on or about **DECEMBER 1, 2009**, did then and there unlawfully with intent to establish, maintain and participate in a combination and in the profits of a combination, said combination consisting of **NANCY SELLARS, BARRY RANSOM AND FRANCISCO VAZQUEZ**, COMMIT the offense of **FRAUD**, namely, in that he did unlawfully **KNOWINGLY DELIVER A PRESCRIPTION FOR FOR OTHER THAN A VALID MEDICAL PURPOSE IN THE COURSE OF PROFESSIONAL PRACTICE**.

Affiant, **Dustin Deutsch**, a certified peace officer employed by the Harris County Fire Marshall's Office, hereafter styled Affiant, has good reason to believe, does believe and hereby charges and accuses that beginning on or about January 1, 2009 and continuing through March 16th, 2010, at 9110 Jones Road, Suite #127, Houston, Harris County, Texas, Dr. Christina Clardy along with Barry Ransom, Nancy Sellars and Francisco Vazquez committed a felony offense against the laws of the State of Texas, to-wit Francisco Vazquez did then and there with intent to maintain, and participate in combination and in the profits of a combination, said combination consisting of Christina Joy Clardy, Barry Ransom, Nancy Sellars and Francisco Vazquez commit the offense of Fraud by knowingly deliver a prescription form for other than a medical purpose in the course of professional practice in violation of Section 481.129 of the Texas Controlled Substances Act.

Affiant has probable cause for said belief by reason of the following facts and circumstances:

Affiant was assigned an investigation into an incendiary fire at the Uptown Medical Clinic located at 7231 FM 1960, Suite F in Humble, Harris County, Texas. At the conclusion of this investigation, affiant filed felony charges against Dr. Christina Clardy, Brandon Harris, Tawny Hughes and Wilfredo Duran for knowingly distributing and selling prescriptions for controlled substances without a medical necessity. Dr. Christina Clardy told your affiant and Drug Enforcement Agency Special Agent Jennifer Sanchez that she knowingly participated with defendants Barry Ransom, Nancy Sellars, Wilfredo Duran and Francisco Vazquez by pre-signing prescription pads and allowing non-licensed personnel to treat and diagnose patients at S&G Medical Clinic and Texas Medicine Direct. Dr Christina Clardy stated that she received approximately \$12,000 in cash and cashier's checks a month from defendants Barry Ransom and Nancy Sellars for her role as the medical director for both clinics.

Affiant reviewed evidence recovered during a search warrant that was executed at the S&G Medical Clinic on March 17th, 2010. Affiant learned that many of the patterns associated with this clinic were similar to an operation distributing scheduled narcotics to individuals without a medical necessity. This is based on the observations of the affiant that non-licensed personnel were filling out pre-signed medical prescriptions for a variety of medicines. A majority of the prescriptions were written for is referred to on the street as a "cocktail". A "cocktail" includes Vicodin, Soma and Xanax. All of the prescriptions written were labeled as "No Refills." Affiant learned through Special Agent Jennifer Sanchez that this combination of scheduled narcotics are the most commonly abused narcotics in the Houston area. Affiant further learned from Special Agent Sanchez that Vicodin abuse has surpassed the illicit use of marijuana in the Greater Houston area. During the course of the investigation, affiant spoke with Special Agent Sanchez and learned that the Harris County Medical Examiner's Office has directly attributed 111 deaths from June 2009 to December 2009 as related to the overdose of the narcotics included in the "cocktail." At least two of the deaths have been directly linked to prescriptions issued by Dr Christina Clardy.

Affiant interviewed Nancy Sellars after conducting surveillance operations at the S&G Medical Clinic. Affiant observed defendant Sellars entering the clinic. During the interview with Nancy Sellars, affiant learned that she owns the clinic and Dr Christina Clardy is the medical director. Affiant also learned that Nancy Sellars was a licensed doctor in Texas but, had surrendered her medical license as the result of a felony criminal charge in Harris County for illegally distributing prescriptions without a medical necessity.

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Affiant reviewed records from Texas Department of Public Safety and learned that in 2009, Dr Christina Clardy issued approximately 30,703 prescriptions for 1.4 Million tablets of Vicodin, 660,000 tablets of Soma and 452,000 tablets of Xanax. These three medicines together are what is commonly referred to as the "cocktail." Affiant also learned that Dr Christina Clardy was one of top ten prescribing doctors in the State of Texas for the "cocktail" narcotics. Affiant learned through an interview with Dr. Christina Clardy that she had only worked in 2009 at two clinics, S&G Medical Clinic and Texas Medicine Direct. Both of these clinics are owned and operated by Defendants Barry Ransom and Nancy Sellars. Affiant has reviewed business documents including doing business as records associated with Nancy Sellars and Barry Ransom depicting their control, direction and ownership of the two medical clinics.

Affiant interviewed defendant Francisco Vazquez on April 20th, 2010 at the Harris County Fire Marshal's Office. During this interview, affiant learned that defendant Vazquez starting working at the S&G Medical Clinic in January of 2010. Defendant Vazquez stated that he would routinely see patients, diagnose medical problems and prescribe various narcotics for patients. A majority of these prescriptions were for Vicodin, Soma and Xanax. Defendant Vazquez stated that he would write the prescriptions and that they were already signed by Dr Christina Clardy. Affiant reviewed Texas Medical Board licensures and determined that defendant Vazquez was not licensed in the State of Texas to practice medicine. Defendant Vazquez also stated that he was not licensed to practice medicine in the State of Texas. Defendant Vazquez prepared a written and signed statement detailing his involvement in the aforementioned activities. Defendant Vazquez also stated that individuals would come to the S&G Clinic for refills of the "cocktail" narcotics and many times they would simply pay \$100 and receive a written prescription without ever seeing a licensed medical professional. Defendant Vazquez stated that he was paid approximately

Affiant interviewed witness Christian Loza who stated that he was the Director of Operations for the S&G Medical Clinic in 2009. During this interview, affiant learned that nearly all of the employees of S&G Medical Clinic were paid in cash. Witness Loza further stated that he rarely saw Dr Christina Clardy at the S&G Medical Clinic. Witness Loza also stated that he reported directly to defendants Barry Ransom and Nancy Sellars and that both defendants would routinely pick up the proceeds from the S&G Medical Clinic. Witness Loza stated that the clinic did not accept health insurance and would only accept cash payments. Witness Loza stated that the clinic would routinely open and Dr Christina Clardy would not physically be at the clinic. Witness Loza stated that defendant Vazquez and Wilfredo Duran would see patients and write prescriptions for the "cocktail." Witness Loza stated that the clinic staff was directed by Dr Christina Clardy to add Vitamin B1 Complex to the "cocktail" prescription in an effort to make it look legitimate. Witness Loza wrote a three page statement detailing the activities at the S&G Medical Clinic.

Affiant interviewed witness Kajsia Reynolds on April 30th, 2010 at the Harris County Fire Marshal's Office. During this interview, affiant learned that she was an office manager for S&G Medical Clinic. Witness Reynolds stated that patients would come to the clinic and pay \$80 to \$100 first, fill out papers and then would be seen by defendants Duran or Vazquez. Witness Reynolds stated that she was told by defendant Sellars to write prescriptions for returning patients who were seeking refills. Witness Reynolds stated that she directly reported to defendants Ransom and Sellars and that both defendants would pick up the cash from the proceeds of the clinic.

Affiant assisted in the execution of a search warrant at 3819 Galway in Houston, Texas on April 22nd, 2010. This address is the residence of defendant Barry Ransom. Affiant has spoken to defendant Barry Ransom on several occasions during the course of the investigation. Defendant Ransom has consistently denied any involvement, ownership, control or financial benefit in either the S&G Medical Clinic or Texas Medicine Direct. During the search of defendant Ransom's residence, affiant discovered multiple deposit slips for a Sterling Bank Account listing the names of Barry Ransom and Nancy Sellars as the account owners. Affiant later determined that this account was the common operating account for the S&G Medical Clinic and Texas Medicine Direct. Affiant also found doing business as papers where Barry Ransom was listed at the primary owner of Texas Medicine Direct. Affiant also recovered papers where the ownership of Texas Medicine Direct was transferred to his son in an effort to disguise or obscure ownership of the illegal clinic. Affiant also recovered papers detailing a financial partnership between defendants Ransom and Sellars with both clinics (S&G Medical Clinic and Texas Medicine Direct.) Affiant determined that defendant Ransom has a controlling interest and financial pecuniary interest in both clinics. Affiant also reviewed a forged prescription listing defendant Barry Ransom as the beneficiary of the "cocktail".

Affiant interviewed defendant Nancy Sellars on April 30th, 2010. This interview was witnessed by Special Agent Jennifer Sanchez. During the interview, defendant Sellars stated that her and defendant Ransom owned both clinics and that she knew what they were doing was wrong. Defendant Sellars stated that she was charged with a felony years ago in Harris County for the same criminal activity. Defendant Sellars stated that she had lost her medical license as a result of this criminal charge. Defendant Sellars signed a consent to search form and allowed affiant to recover 22 boxes of evidence including medical files, business documents, and other incriminating evidence. Affiant reviewed some of the medical records and observed defendant Sellars' signature on the medical records. Affiant asked why her signature was on these medical records when she was not licensed to practice medicine. Defendant Sellars stated that she was in fact practicing medicine illegally. This oral statement was made in front of affiant and Drug Enforcement Agency Special Agent Jennifer Sanchez.

Affiant has reviewed all of the statements, evidence, files and transactions and has determined that defendants Barry Ransom, Nancy Sellars and Francisco Vazquez engaged in organized criminal activity by illegally distributing prescriptions for scheduled narcotics against the laws of the

State of Texas. Furthermore, defendants Sellars and Vazquez illegally practiced medicine within the State of Texas without a license on August 7th, 2010 and January 5th, 2010 respectively.

AGAINST THE PEACE AND DIGNITY OF THE STATE.

Sworn to and subscribed before me on May 27, 2010

AFFIANT

ASSISTANT DISTRICT ATTORNEY
OF HARRIS COUNTY, TEXAS.

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BAR NO.

COMPLAINT

RECORDER'S MEMORANDUM
This instrument is of poor quality
at the time of imaging