

10 Charged for Operating \$20M HIV Medicine Fraud

Defendants, including pharmacy owners, allegedly preyed on low-income individuals and spent millions on cars and real estate.

October 31, 2023 By [Trent Straube](#)

Federal prosecutors in New York indicted 10 people for running a yearslong health care scheme involving HIV medications that defrauded Medicaid, Medicare and private insurance companies of at least \$20 million, according to a [press release from the U.S. Attorney's Office, Southern District of New York](#). What's more, note the prosecutors, the scheme preyed on vulnerable members of the community—such as low-income people living with [HIV](#)—and exposed them to unnecessary risks.

The defendants are located in [New York City](#) and nearby Woodmere, on Long Island. [According to the 24-page indictment](#), some of the defendants “spent the proceeds of the scheme to purchase luxury cars, including a 2021 Mercedes-Benz Maybach with an estimated fair market value of approximately \$245,000, waterfront real estate, including two properties in the Bronx purchased for a total of approximately \$2.4 million, designer clothes, and jewelry.”

“As alleged, the defendants orchestrated a scheme to get rich by lying to Medicaid, Medicare, and private insurance companies and depriving vulnerable HIV patients of legitimate and safe medications,” said U.S. Attorney Damian Williams in the release. “The defendants allegedly made millions of dollars through submitting fraudulent insurance claims, paying illegal kickbacks, and buying and selling black-market HIV medications. Today’s charges send a clear message that this Office will be tireless in its pursuit of those who seek to line their pockets by lying to federal agencies and preying on vulnerable members of society.”

The defendants include at least three pharmacy owners—Christy Corvalan, Irina Polvanova and Roman Shamalov—who allegedly bought black market HIV meds and sold them to unwitting customers. The scheme also involved buying and then reselling HIV drugs from low-income people who had been prescribed the lifesaving treatments, often paying them a few hundred dollars for their monthly supply of meds.

The indictment lays out many details of the scheme. In June 2020, for example, a person with a

prescription for the HIV med Biktarvy texted one of the defendants: “350 when the pills actually cost 2,000 idk bro why am I risking my life for such little \$ I feel like there’s people that will actually pay more I just gotta find them lol.” In May 2021, a different person wrote to the same defendant: “U still want the biktarvy I told u I dnt let it go for no more than 400 no less I dnt bargain the pills cost 3000 the insurance ppl told me so 400 is good enough.”

In a related scheme, the defendants paid patients illegal kickbacks to recruit others to fill their prescriptions at pharmacies involved in the scheme that would then fraudulently bill government insurance, according to the U.S. Attorney’s Office. Corvalan’s pharmacies allegedly billed insurance companies the full value of the meds and pocketed about \$3,000 for each monthly prescription.

The defendants are also charged with paying patients to sell the HIV meds back to the pharmacy. This means that these people, who are living with HIV, are not taking meds, which jeopardizes their health and could make them more likely to transmit the virus. (People with HIV on medication who maintain an undetectable viral load don’t transmit HIV through sex, a fact referred to as Undetectable Equals Untransmittable, or U=U).

Several of the defendants were charged in March. In October, prosecutors charged six others and added new charges, including conspiracy to commit wire fraud and health care fraud and conspiracy to commit money laundering, all of which carry a maximum potential sentence of 20 years in prison.

The 10 defendants are:

Boris Aminov

Christy Corvalan

Irina Polvanova

Roman Shamalov

Jonathan Gavrielof

Antonio Payano

David Fernandez

Crystal Medina

Juan Hernandez a.k.a. “Pop”

Ibert Yagudayev

In related news, see “[Florida Man Pleads Guilty to Distributing Over \\$16M in Altered HIV Meds.](#)”