



Attorney General Doug Peterson

News Release

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Attorney General Doug Peterson announced this morning that a Beatrice pharmacist has pled guilty to one count of Medicaid fraud in Gage County District Court. Tod Lundberg, 50, formerly owned and operated The Medicine Shoppe pharmacy in downtown Beatrice. The pharmacy has since closed. Lundberg entered his guilty plea on January 5.

An investigation by the Attorney General's Medicaid Fraud and Patient Abuse Unit found that Lundberg billed Nebraska Medicaid for the brand name of certain drugs and then dispensed the generic version of those drugs. Medicaid then paid Lundberg a higher price for the brand name version of the drug. Lundberg engaged in this practice from at least 2010 through 2013. The matter came to the Attorney General's attention after receiving information from a former employee of Lundberg's.

As part of a plea agreement, Lundberg pled guilty to one count of Fraudulently Obtaining Payment on Behalf of a Recipient of Medical Assistance, a Class IV felony. The State agreed not to file additional charges against Lundberg if he pled guilty and agreed to pay restitution of \$37,759, which is the difference between what Lundberg was reimbursed by Medicaid during the course of the scheme and what he should have been paid. The State agreed to recommend a probationary sentence if the restitution was paid in full prior to sentencing, which is scheduled for early March. The final decision about Lundberg's sentence will be made by the District Judge. Lundberg faces the possibility of serving five years in prison and paying a \$10,000 fine.

The Attorney General's Medicaid Fraud Unit was assisted in the investigation by the FBI and the Office of Inspector General of the U.S. Department of Health and Human Services.

Lundberg's sentencing is scheduled for March 2 at 1:30 p.m. in Gage County District Court.

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