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Dykema's New White Collar Group Sees First Criminal Defense Win in WDTX

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Two men who were accused of orchestrating a fraudulent billing scheme involving urine drug tests won't have to face those charges anymore, after a federal judge in El Paso on Tuesday granted the government's request to dismiss the case.

U.S. District Judge Kathleen Cardone dismissed the charges against Israel Navarro, 47, a resident of Puerto Rico and Dallas, and Jose Huerta, 58, who in July surrendered to authorities after being federally indicted on charges related to the alleged scheme involving pass-through billing of lab tests to Blue Cross Blue Shield of Texas.

Navarro and Huerta were each charged with one count of conspiracy to commit wire fraud, one count of wire fraud and one count of conspiracy to commit mail fraud.

Dykema members *Leigha Simon-ton*, who formerly was the U.S. attorney for the Northern District of Texas, and her colleague *Tiffany H. Eggers*, who also made the move to Dykema recently, represented Navarro. They are part of the firm's new Texas investigations and white collar defense practice group, which began with the hiring of Simon-ton in April. The team was complete when Eggers joined in August.

On Eggers' first day with the firm, she had a meeting with Navarro. Almost three months later, the team secured its first criminal defense win in Texas.

Huerta was the chief executive officer for two long-term acute care hospitals in El Paso, and Navarro owned one of the hospitals and was financially connected to the other. The Dykema team argued

that the billing procedure Navarro's hospitals used was legal and that the five-year statute of limitations had expired because the charges were for conduct that occurred in 2018.

The government argued that the statute of limitations had not expired because Blue Cross Blue Shield of Texas allegedly deposited a payment into one of Navarro's hospitals' bank accounts in July 2020.

The defense moved for dismissal, claiming the government could not establish the alleged 2020 payment extended the statute of limitations. On Monday, the government filed its motion for dismissal in which it asserted that it had learned additional information about the events that occurred between Aug. 14, 2018, and the July 2020 remittance that caused it to no longer wish to pursue the case.

Eggers said getting to tell their client the case was dismissed was "truly awesome."

"We've spent our entire lives calling victims to provide them with the outcome of cases that we handled, right?" Eggers said, referencing her career as a prosecutor. "We've had those calls before, but this is a man whose life has basically been on pause since July 18, when he was notified that the government had obtained an indictment against him."

She added that it has been a stressful experience for Navarro, who was only allowed to leave his residence for court or meetings with his attorneys.

When Eggers and Simon-ton and others on the team called Navarro, they said they had good news and bad news. The bad news was that they wouldn't be meet-

ing in El Paso on Tuesday. The good news was that the case was dismissed.

“I think he can finally breathe again,” Eggers said.

Simonton noted that while Navarro is now able to go back to his life working in the healthcare field, the publicity of the allegations is a shadow that looms over him.

“That’s always hard for a criminal defendant, even when you know the case is bad, to know that now everyone knows that. That’s the hard part,” Simonton said.

Navarro is also represented by Ryan Downton of the Texas Trial Group, Sean McKenna of NelsonMullins, and Dykema attorneys *Scott Hogan* and *Sarah Douglas*, who also formerly worked at the U.S. Attorney’s Office for the Northern District of Texas.

Assistant U.S. Attorneys Patricia Acosta and Shane Romero represented the government in the case. Neither immediately responded to a request for comment.

The case is *USA v. Huerta et al.*, 3:25-cr-1547.