



**DEPARTMENT OF JUSTICE
Drug Enforcement Administration**

**Ali Elhorr, M.D.;
Decision and Order**

On May 22, 2025, the Drug Enforcement Administration (DEA or Government) issued an Order to Show Cause (OSC) to Ali Elhorr, M.D. (Applicant), of Dearborn, Michigan. Request for Final Agency Action (RFAA), Exhibit (RFAAX) 1, at 1, 4. The OSC proposed the denial of Applicant’s application for DEA registration, Control No. W22137646C, alleging that Applicant is mandatorily excluded from participation in Medicare, Medicaid, and all Federal health care programs pursuant to 42 U.S.C. 1320a-7(a) and that Applicant materially falsified his application for registration. *Id.*, at 2-3 (citing 21 U.S.C. 824(a)(5), 824(a)(1)).

On July 7, 2025, the Government submitted an RFAA requesting that the Agency issue a default final order denying Applicant’s application. RFAA, at 1, 5. After carefully reviewing the entire record and conducting the analysis as set forth in detail below, the Agency finds that Applicant is in default, finds that Applicant is mandatorily excluded, and finds that Applicant materially falsified his application for registration. Accordingly, the Agency grants the Government’s RFAA and denies Applicant’s application.

I. DEFAULT DETERMINATION

Under 21 CFR 1301.43, an applicant entitled to a hearing who fails to file a timely hearing request “within 30 days after the date of receipt of the [OSC] . . . shall be deemed to have waived their right to a hearing and to be in default” unless “good cause” is established for the failure. 21 CFR 1301.43(a), (c)(1). In the absence of a demonstration of good cause, an applicant who fails to timely file an answer also is “deemed to have waived their right to a hearing and to be in default.” 21 CFR 1301.43(c)(2). Unless excused, a default constitutes “an admission of the factual allegations of the [OSC].” 21 CFR 1301.43(e).

The OSC notified Applicant of his right to file a written request for hearing and answer, and that if he failed to file such a request and answer, he would be deemed to have waived his right to a hearing and be in default.¹ RFAAX 1, at 3 (citing 21 CFR 1301.43). Applicant has not requested a hearing or filed an answer. RFAA, at 2. Thus, the Agency finds that Applicant is in default and therefore has admitted to the factual allegations in the OSC. 21 CFR 1301.43(e).

II. MANDATORY EXCLUSION

A. Findings of Fact

The Agency finds that, in light of Applicant's default, the factual allegations in the OSC are deemed admitted. 21 CFR 1301.43(e). Accordingly, Applicant admits that in September 2016, he pled guilty to health care fraud in violation of 18 U.S.C. 1347. RFAAX 1, at 2. As a result of Applicant's conviction,² the United States Department of Health and Human Services, Office of Inspector General (HHS/OIG), mandatorily excluded Applicant from participation in Medicare, Medicaid, and all Federal health care programs pursuant to 42 U.S.C. 1320a-7(a) for a minimum period of 15 years, effective on February 20, 2017. *Id.*

B. Discussion

Pursuant to 21 U.S.C. 824(a)(5), the Agency³ is authorized to suspend or revoke a registration upon finding that the registrant "has been excluded (or directed to be excluded) from participation in a program pursuant to [42 U.S.C. 1320a-7(a)]." The Agency has consistently held that it may also deny an application upon finding that an applicant has been excluded from a Federal health care program. *Mark Agresti, M.D.*, 90 Fed. Reg. 30,098, 30,099 (2025); *Samirkumar Shah, M.D.*, 89 Fed. Reg. 71,931, 71,933 (2024); *Arvinder Singh, M.D.*, 81 Fed. Reg. 8,247, 8,248 (2016).

¹ Based on the Government's submission in its RFAA dated July 7, 2025, the Agency finds that service of the OSC on Applicant was adequate. The included attachment shows that on June 3, 2025, a Diversion Investigator personally served the OSC on Applicant and Applicant signed a receipt of service. RFAAX 2.

² The underlying conviction forming the basis for mandatory exclusion from participation in Federal health care programs need not involve controlled substances to provide the grounds for revocation or denial pursuant to section 824(a)(5). See *Moustafa M. Aboshady, M.D.*, 90 Fed. Reg. 15,992, 15,993 n.5 (2025) (collecting cases).

³ The Controlled Substances Act (CSA) delegates power to the Attorney General, who has delegated it to the Administrator of the DEA (the Agency) by 28 CFR 0.100.

Here, the Agency finds substantial record evidence⁴ that Applicant is mandatorily excluded from participation in Medicare, Medicaid, and all Federal health care programs pursuant to 42 U.S.C. 1320a-7(a) for a minimum of 15 years. RFAAX 1, at 2. Accordingly, the Agency finds that the Government established a *prima facie* case for sanction based on mandatory exclusion, that Applicant did not rebut that *prima facie* case, and that there is substantial record evidence supporting the imposition of sanctions. 21 U.S.C. 824(a)(5).

III. MATERIAL FALSIFICATION

A. Findings of Fact

The Agency finds that, in light of Applicant’s default, the factual allegations in the OSC are deemed admitted. 21 CFR 1301.43(e). Accordingly, Applicant is deemed to have admitted to each of the following facts. On October 19, 2022, Applicant submitted an application for DEA registration as a practitioner in Schedules II through V. RFAAX 1, at 2. The application form contained the following liability question: “[h]as the applicant ever been . . . excluded or directed to be excluded from participation in a medicare or state health care program, or [is] any such action pending?” *Id.*, at 3 (“Liability Question 1”). Applicant answered “No” to Liability Question 1. *Id.* At the time he submitted his application, Applicant was mandatorily excluded from “participation in Medicare, Medicaid, and all Federal health care programs” by HHS/OIG. *Id.*; *see supra* Section II.

B. Discussion

A DEA registration may be denied, suspended, or revoked upon a finding that the applicant or registrant materially falsified any application filed pursuant to or required by the CSA. 21 U.S.C. 824(a)(1).⁵ To present a *prima facie* case for material falsification, the

⁴ According to the CSA, “[f]indings of fact by the [DEA Administrator], if supported by substantial evidence, shall be conclusive.” 21 U.S.C. 877. Here, where Applicant is found to be in default, all the factual allegations in the OSC are deemed to be admitted. These uncontested and deemed admitted facts constitute evidence that exceeds the “substantial evidence” standard of 21 U.S.C. 877; it is un rebutted evidence.

⁵ A statutory basis to deny an application pursuant to section 823 is also a basis to revoke or suspend a registration pursuant to section 824, and vice versa, because doing “otherwise would mean that all applications would have to be granted only to be revoked the next day” *Robert Wayne Locklear, M.D.*, 86 Fed. Reg. 33,738, 33,744-45 (2021) (collecting cases).

Government's record evidence must show (1) the submission of an application, (2) containing a false statement and/or omitting information that the application requires, (3) when the submitter knew or should have known that the statement is false and/or that the omitted information existed and the application required its disclosure, and (4) the false statement and/or required but omitted information is material, that is, it "connects to at least one of the section 823 factors that, according to the CSA, the Administrator shall consider when analyzing whether issuing a registration would be inconsistent with the public interest." *Michael Bouknight*, 90 Fed. Reg. 31,247, 31,249 (2025) (quoting *Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. 45,229, 45,238 (2020)) (cleaned up) (citing 21 U.S.C. 823 and *Kungys*, 485 U.S. at 771). The Government must establish material falsification with record evidence that is clear, unequivocal, and convincing. *Kungys*, 485 U.S. at 772; *Michael Bouknight*, 90 Fed. Reg. at 31,249-50; *Sasha Melissa Ikramelahai*, 90 Fed. Reg. 32,017, 32,019-20 (2025); *Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. at 45,230-39.

First, the Government must prove that the applicant or registrant submitted an application for registration pursuant to the CSA.⁶ 21 U.S.C. 824(a)(1); *see also* 21 U.S.C. 822 (persons required to register); 21 U.S.C. 823(g)(1) (registration requirements).

Second, the Government must prove that the application contained a false statement or omitted information that the application required, either of which may constitute a material falsity. *See, e.g., Emed Medical Company LLC and Med Assist Pharmacy*, 88 Fed. Reg. 21,719, 21,720 (2023) (applicant falsely answered "no" to Liability Question 3 on seventeen applications when the true answer was "yes"); *Richard J. Settles, D.O.*, 81 Fed. Reg. 64,940, 64,945-46 (2016) (applicant failed to disclose an interim consent agreement restricting his license based on findings that he issued controlled substance prescriptions without federal or state legal authority

The United States Supreme Court's decision in *Kungys v. United States*, 485 U.S. 759 (1988), and its progeny, guide the Agency's implementation of these CSA provisions.

⁶ "The CSA and its implementing regulations set forth strict requirements regarding registration" as a part of Congress' "closed regulatory system" for the manufacture, distribution, dispensing, and possession of controlled substances. *Gonzales v. Raich*, 545 U.S. 1, 12-14 (2005).

to do so). In making this assessment, the Agency will examine the entire application, including registrant's "yes/no" answers to the liability questions and any follow-up response(s). *Daniel A. Glick, D.D.S.*, 80 Fed. Reg. 74,800, 74,802, 74,808-09 (2015). To establish an omission, the Government must show both that omitted information existed and that the application required inclusion of that information. *See, e.g., Richard A. Herbert, M.D.*, 76 Fed. Reg. 53,942, 53,956 (2011) (omission of a probation which the application required to be identified); *Michel P. Toret, M.D.*, 82 Fed. Reg. 60,041, 60,042 (2017) (Voluntary Surrender Form alone is insufficient evidence to find material falsification based on registrant's "no" answer to the question regarding "surrender[s] (for cause)").

Third, the Government must prove that the applicant or registrant knew or should have known that the statement is false and/or that the omitted information existed and the application required its disclosure. *See John J. Cienki, M.D.*, 63 Fed. Reg. 52,293, 52,295 (1998) ("[I]n finding that there has been a material falsification of an application, it must be determined that the applicant knew or should have known that the response given to the liability question was false."); *Samuel Arnold, D.D.S.*, 63 Fed. Reg. 8,687, 8,688 (1998) ("It is also undisputed that Respondent knew that his Ohio dental license had previously been suspended."); *Bobby Watts, M.D.*, 58 Fed. Reg. 46,995, 46,995 (1993) ("Respondent knew that the Tennessee Board of Medical Examiners had suspended his medical license on May 7, 1987, and had placed his state medical license on probation on May 2, 1988."); *see also Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. at 45,236-37 & nn.22-23 (collecting cases).

Fourth, the Government must prove that the false statement and/or required but omitted information is "material." The *Kungys* Court held that a statement is material if it is "predictably capable of affecting, *i.e.*, had a natural tendency to affect, the [Agency's] official decision," or stated differently, "had a natural tendency to influence the decision." *Kungys*, 485 U.S. at 771-72. As already discussed, materiality, for the purposes of the CSA, is tied to the factors that the Administrator "shall" consider when determining whether issuance of a registration "would be

inconsistent with the public interest.”⁷ 21 U.S.C. 823; *Kungys*, 485 U.S. at 771-72; *Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. at 45,234, 45,238.

The Government has the burden of proof in this proceeding. 21 CFR 1301.44. Here, the Agency finds that the Government’s clear, unequivocal, and convincing record evidence presents a *prima facie* case that Applicant submitted a materially false application. 21 U.S.C. 823(g)(1), 824(a)(1).

In light of Applicant’s default admissions, the Agency finds clear, unequivocal, and convincing record evidence of the following facts. On October 19, 2022, Applicant submitted an application for DEA registration. RFAAX 1, at 2. The application required Applicant to state whether or not he has ever been excluded from participation in Federal or state health care programs, to which Applicant responded “no” despite having been excluded from all Federal health care programs by HHS/OIG. *Id.*, at 3. Thus, Applicant falsified his application by representing that he was not excluded from Federal health care programs when he, in fact, knew or should have known that he was excluded and that the application required disclosure of this information. *See Lee S. Altman, M.D.*, 90 Fed. Reg. 23,955, 23,958 (2025) (“the applicant bears the responsibility to carefully read the liability questions and to answer them honestly”); *Zelideh I. Cordova-Velazco, M.D.*, 83 Fed. Reg. 62,902, 62,906 (2018) (“[a]llegedly misunderstanding or misinterpreting liability questions does not relieve the applicant of this responsibility”).

In addition, this falsification was material. Applicant’s provision of false information in response to Liability Question 1 on his application deprived the Agency of the legally relevant information needed to make an informed decision regarding his application. *See* 21 U.S.C. 824(a)(5); *Lee S. Altman, M.D.*, 90 Fed. Reg. at 23,958; *Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. at 45,234. Therefore, Applicant’s provision of false information was “predictably capable of affecting . . . the [Agency’s] official decision.” *Kungys*, 485 U.S. at 771; *see also Daniel R.*

⁷ Because the bases for revocation listed in 21 U.S.C. 824 may also serve as bases to deny an application, *see supra* n.5, a finding of materiality may also be tied to 21 U.S.C. 824(a)(1)-(5).

Nevarre, M.D., 87 Fed. Reg. 3,340, 3,342-43 (2022) (finding that providing a false response regarding exclusion from health care programs constitutes material falsification); *Michael Jones, M.D.*, 86 Fed. Reg. 20,728, 20,730-32 (2021) (same).

As a result of this established violation, the Agency finds that the Government has established a *prima facie* case for sanction based on material falsification, that Applicant did not rebut that *prima facie* case, and that there is substantial record evidence supporting the imposition of sanctions. 21 U.S.C. 824(a)(1).

IV. SANCTION

Where, as here, the Government has presented a *prima facie* case showing that an applicant is mandatorily excluded from Federal health care programs and submitted a materially false application for registration, the burden shifts to Applicant to show why he can be trusted with a registration. *Morall v. Drug Enf't Admin.*, 412 F.3d 165, 181 (D.C. Cir. 2005); *Jones Total Health Care Pharmacy, LLC v. Drug Enf't Admin.*, 881 F.3d 823, 830 (11th Cir. 2018); *Garrett Howard Smith, M.D.*, 83 Fed. Reg. 18,882, 18,904 (2018). The issue of trust is a fact-dependent determination based on the circumstances presented by the individual practitioner. *Jeffrey Stein, M.D.*, 84 Fed. Reg. 46,968, 46,972 (2019); *see also Jones Total Health Care Pharmacy*, 881 F.3d at 833. Historically, the Agency has considered acceptance of responsibility, egregiousness, and deterrence when making this assessment. *See Michael Bouknight*, 90 Fed. Reg. at 31,250; *Sasha Melissa Ikramelahai*, 90 Fed. Reg. at 32,020-21; *Frank Joseph Stirlacci, M.D.*, 85 Fed. Reg. at 45,239-40.

Specifically, the Agency requires the practitioner to accept responsibility for his or her violation. *Jones Total Health Care Pharmacy*, 881 F.3d at 833; *ALRA Labs, Inc. v. Drug Enf't Admin.*, 54 F.3d 450, 452 (7th Cir. 1995). Acceptance of responsibility must be unequivocal. *Janet S. Pettyjohn, D.O.*, 89 Fed. Reg. 82,639, 82,641 (2024); *Mohammed Asgar, M.D.*, 83 Fed. Reg. 29,569, 29,573 (2018); *see also Jones Total Health Care Pharmacy*, 881 F.3d at 830-31.

In addition, the Agency considers the egregiousness and extent of the misconduct in determining the appropriate sanction. *Jones Total Health Care Pharmacy*, 881 F.3d at 834 & n.4. The Agency also considers the need to deter similar acts by Applicant and by future applicants for registration. *Jeffrey Stein, M.D.*, 84 Fed. Reg. at 46,972-73.

Here, Applicant failed to answer the allegations contained in the OSC and did not otherwise avail himself of the opportunity to refute the Government's case. *See supra* Section I. Thus, there is no record evidence that Applicant takes responsibility, let alone unequivocal responsibility, for the misconduct. Accordingly, he has not convinced the Agency that his future controlled-substance-related actions will comply with the CSA such that he can be entrusted with the responsibilities of a registration.

Further, the interests of specific and general deterrence weigh in favor of denial. Applicant's conduct in this matter concerns the CSA's "strict requirements regarding registration" and, therefore, goes to the heart of the CSA's "closed regulatory system" specifically designed "to conquer drug abuse and to control the legitimate and illegitimate traffic in controlled substances." *Gonzales*, 545 U.S. at 12-14. If the Agency were to issue a registration to Applicant under these circumstances, it would send a dangerous message that compliance with the law is not essential to obtaining a registration.

Accordingly, the Agency will order the denial of Applicant's application.⁸

⁸ In this matter there are two separate and distinct grounds by which the Government proposed denial, Applicant's mandatory exclusion and his material falsification; each ground, standing alone, supports the Agency's decision to deny.

ORDER

Pursuant to 28 CFR 0.100(b) and the authority vested in me by 21 U.S.C. 824, I hereby deny the pending application for a DEA Certificate of Registration, Control No. W22137646C, submitted by Ali Elhorr, M.D., as well as any other pending applications of Ali Elhorr, M.D., for additional registration in Michigan. This Order is effective **[INSERT DATE THIRTY DAYS FROM THE DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

SIGNING AUTHORITY

This document of the Drug Enforcement Administration was signed on October 9, 2025, by Administrator Terrance Cole. That document with the original signature and date is maintained by DEA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DEA Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of DEA. This administrative process in no way alters the legal effect of this document upon publication in the Federal Register.

Heather Achbach,
Federal Register Liaison Officer,
Drug Enforcement Administration.

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