

Whistleblower Lawsuits and False Claims Act Recoveries For Health Care Fraud Net \$2.6 Billion For Federal Government in 2013

In its continuing effort to safeguard expenditures of taxpayer dollars, the United States Justice Department has reported a 2013 recovery of \$3.8 billion in settlements and judgments resolving a myriad of whistleblower lawsuits and False Claims Act cases.* Cases involving health care fraud comprised more than one-half of the total reported recovery, or \$2.6 billion.

The bulk of health care whistleblower and False Claims Act lawsuits involved Medicare and Medicaid fraud. Especially evident within this group of cases were fraud and false claims for pharmaceuticals and medical devices that also included TRICARE, the governmental arm that provides medical benefits for military personnel and their families.

Also prominent among whistleblower lawsuits favorably resolved for the federal government in 2013 were cases involving claims of “off-label marketing” by pharmaceutical manufacturers. In these cases, drug companies were alleged to have promoted their products for uses not approved by the U.S. Food and Drug Administration (FDA).



The Justice Department also succeeded in 2013 to obtain a \$237 million judgment against Tuomey Healthcare of South Carolina based on violations of the Stark Act. The Stark Act prohibits hospitals from submitting claims to Medicare on behalf of patients referred to the hospital by physicians holding financial interests in the charging hospitals.

Attorney William Audet, whose San Francisco-based law firm of Audet and Partners, LLP has prosecuted several whistleblower cases and specializes in dangerous pharmaceuticals and

dangerous medical device litigation, applauds the work of the Justice Department in prosecuting and successfully resolving these fraudulent health care claims. “We are consistently approached by individuals who have suffered serious side effects from pharmaceuticals and medical devices prescribed for uses later found to be inconsistent with uses actually approved by the FDA. The fierce competition for profits within the pharmaceutical industry seems to have prompted a steady stream of marketing initiatives inflating the efficacy of drugs and devices, and placed patient safety in serious peril.

Whistleblower and False Claims Act lawsuits are typically initiated by private attorneys representing individuals who have witnessed defrauding of the federal government. If you believe you have been witness to such fraudulent activity, you are urged to contact a whistleblower lawyer at Audet and Partners, LLP for a free case evaluation by calling (800) 965-1461. For more information on whistleblower and False Claims Act lawsuits, you can also visit <http://www.audetlaw.com>.