



The United States Attorney's Office

Western District of Kentucky

Department of Justice



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KENTUCKY DOCTOR PAYS U.S. \$349,860 TO SETTLE FALSE CLAIMS ACT ALLEGATIONS

– Allegedly Double-Billed Medicare for Infusing Arthritis Drug

LOUISVILLE, KY –Louisville physician Dr. Steven H. Stern and his practice, Kentuckiana Center for Better Bone and Joint Health, PLLC (KCB) has agreed to pay \$349,860 to settle allegations of overbilling Medicare, David J. Hale, United States Attorney for the Western District of Kentucky and the Justice Department jointly announced today.

The complaint, initially brought by a former employee of KCB, alleges that Stern and KCB falsely billed Medicare for infusing Infliximab, a drug used to treat rheumatoid arthritis. Specifically, the complaint alleges that Stern and KCB were splitting vials of Infliximab across multiple patients, then billing Medicare as if a whole vial was used for each patient. The complaint alleges that this practice resulted in the submission of fraudulent claims. The alleged over-billing covered a three-year period from December 2003 through December 2006.

"Physicians and other providers who overbill Medicare defraud the government and drive up the cost of health care for us all," said Tony West, Assistant Attorney General for the Civil Division of the Department of Justice. "Recovering taxpayer dollars lost to fraud helps keep strong those critical public health care programs so many people depend on."

"This case illustrates the importance and value of whistleblower lawsuits under the False Claims Act, said United States Attorney David J. Hale. "Because this employee stepped forward to report suspected double-billing of Medicare, we have been able to stop a practice that we believe was costing taxpayers hundreds of thousands of dollars. Pursuing health care and Medicare fraud is a priority of my Office and the Department of Justice. We will continue to work with the Department of Health and Human Services and the public to ensure that fraudulent claims are investigated and those responsible are required to pay."

"Overbilling Medicare - as the government alleged in this case - is no more to be tolerated than pick

pocketing taxpayers' wallets," said Derrick L. Jackson, Special Agent in Charge of the Atlanta Region for the Office of Inspector General of the Department of Health and Human Services. "Along with our law enforcement partners we will bring justice to those who see government health programs as nothing more than personal piggy banks."

In addition, Stern and KCB will pay attorney's fees, costs and expenses of former KCB employee Suzette L. Sewell-Scheuremann for filing the civil qui tam complaint on behalf of the United States. As a relator (whistle-blower) Sewell-Scheuremann will receive a payment of \$70,000 as a relator's share.

This case was prosecuted by Assistant United States Attorney L. Jay Gilbert of the Western District of Kentucky, and J. Jennifer Koh Department of Justice Commercial Litigation Branch. This case was investigated by the Office of Inspector General of the Department of Health and Human Services and AdvancedMed Corporation, Medicare's Program Safeguard Contractor for Kentucky.

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