NEWS

Vanguard Health Care, Vanguard Health Care Ancillary To Pay Two Million Dollars To Settle False Claims Act Allegations

FOR IMMEDIATE RELEASE November 8, 2011

Vanguard and its wholly owned subsidiary, Vanguard Health Care Ancillary, have agreed to pay the United States and the State of Tennessee two million dollars to settle False Claims Act allegations, announced Jerry E. Martin, U.S. Attorney for the Middle District of Tennessee. The settlement resolves claims by the United States and the state of Tennessee that Vanguard wrongly billed Medicare for enteral feeding services and supplies to patients in nursing homes that it also billed to the Tennessee Medicaid program. The settlement also resolves allegations that Vanguard wrongly billed Medicare for enteral feeding supplies that it received for free and for billing Medicare for patients who were not eligible for the skilled nursing in-patient benefit.

Pursuant to the settlement agreement to pay a total of $2 million, Vanguard agreed to pay $1,880,619.02 to the United States and $119,380.98 to the state of Tennessee. Vanguard will also enter into a comprehensive Corporate Integrity Agreement with the United States Department of Health and Human Services.

"The resolution of these allegations is another example of this office's commitment to combat health care fraud," said U.S. Attorney Jerry E. Martin. "When health care providers double bill the Medicare and Medicaid programs we will hold them accountable. Healthcare fraud remains a priority of this office and we will continue to aggressively pursue fraudulent conduct by those in the health care industry and ensure that proper safeguards are in place to prevent fraud.

Tennessee Attorney General Bob Cooper said, "We are grateful for the cooperation of all the state and federal agencies involved in this effort to stop these examples of double-billing because ultimately all Tennesseans pay the price."

"Companies that pile up profits by filing false claims, as alleged in this case, can count on being relentlessly pursued," 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 are dedicated to protecting taxpayers and vulnerable recipients of government health programs."

This resolution is part of the United States' emphasis on combating health care fraud and another step for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative, which was announced by Attorney General Eric Holder and Kathleen Sebelius, Secretary of the Department of Health and Human Services , in May 2009. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in that effort is the False Claims Act, which the Justice Department has used to recover more than $5.9 billion since January 2009 in cases involving fraud against federal health care programs. The Justice Department's total recoveries in False Claims Act cases since January 2009 are **more** than $7.5 billion.

The case was investigated by the Department of Health and Human Services- Office of Inspector General (HHS-OIG) and the settlement agreement was negotiated by the Justice Department's Civil Division, the U.S. Attorney's Office for the Middle District of Tennessee and the Tennessee Attorney General's Office. Assistant U.S. Attorney Lisa Rivera and United States Department of Justice attorney Jill Callahan represented the United States.

UNITED STATES ATTORNEYS' OFFICES HOMEPAGE

UNITED STATES ATTORNEYS' OFFICES BRIEFING ROOM

STOP Medicare Fraud .gov

Stop Medicare Fraud

The U.S. Department of Health and Human Services (HHS) and U.S. Department of Justice (DOJ) are working together to help eliminate fraud and investigate fraudulent Medicare and Medicaid operators who are cheating the system.

project safe childhood

Help us combat the proliferation of sexual exploitation crimes against children.

PROJECT SAFE NEIGHBORHOODS

Our nation-wide commitment to reducing gun crime in America.

Greetings JUSTICE for Kids & Youth

United States Attorneys Kids Page

Diversity at DOJ

Return to Top