



# Department of Justice

United States Attorney Edward J. Tarver

Southern District of Georgia

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FOR IMMEDIATE RELEASE  
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**U.S. FILES SUIT AGAINST UNITED DISTRIBUTORS AND AN OHIO COMPANY  
FOR DEFRAUDING THE MEDICARE PROGRAM**

*Complaint Alleges a Conspiracy to Get Medicare to Pay For Medical Bills  
Totaling Over \$1.3 Million*

**SAVANNAH, GA:** The United States has filed a complaint under the False Claims Act (FCA) against United Distributors, Inc., Commerce Benefits Group, Inc., Thomas Patton of Avon Lake, Ohio, and Linnie Reaves of Smyrna, Georgia. The complaint, entered today in the United States District Court in Savannah, alleges that the defendants violated the FCA by knowingly causing the submission of false and fraudulent claims for payment to the Medicare program.

The complaint alleges that when faced with paying over \$1.3 million dollars in medical bills for an employee who was hospitalized and in a coma, the defendants falsely represented that the patient's insurance coverage had been switched, which led to Medicare paying primary for his medical care. The government contends that the employee, who was a full-time driver for United Distributors, was actually covered through the company's health insurance plan, and therefore, Medicare should not have paid as primary payer.

United States Attorney Edward J. Tarver said, "The complaint alleges that these defendants attempted to use the Medicare program as their own piggy bank by forcing Medicare to pay for medical expenses that they simply did not want to pay. Every Medicare dollar is precious. By filing this complaint, we are ensuring that everyone plays by the rules in order to protect the financial integrity of one of the nation's most valuable programs."

The lawsuit was originally filed by St. Joseph's/Candler Hospital. Under the *qui tam*, or whistleblower, provisions of the FCA, an individual or entity can file an action on behalf of the United States and receive a portion of any recovery. In May of this year, the United States intervened in the lawsuit, and today filed its own complaint. Under the FCA, the government may recover up to three times the amount of its losses, plus civil penalties based on the number of false claims submitted.

Mr. Tarver stated that the United States' intervention is part of the United States Attorney's Office emphasis on combating health care fraud. The investigation is being handled by Special Agent David Graupner, Office of Inspector General for the Department of Health and Human Services, and Kimberly Reinken, Investigator, with the U.S. Attorney's Office. The United States is being represented by Assistant United States Attorney Edgar Bueno.

For additional information, please contact First Assistant United States Attorney, James D. Durham at (912) 201-2547.