



# Department of Justice

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Southern District of Indiana**

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## **UNITED STATES ATTORNEY'S OFFICE RECOVERS \$578,820 FROM LOUISVILLE COMPANY IN INDIANA HEALTH CARE FRAUD CASE**

### PRESS RELEASE

JEFFERSONVILLE – Joseph H. Hogsett, United States Attorney, announced today that civil claims against Premier Home Care, a durable medical equipment provider operating in southern Indiana, as well as central and southeastern Kentucky, have been resolved. Premier has agreed to pay \$578,820 to the United States and \$21,180 to the State of Indiana, more than twice the estimated damages resulting from the fraudulent acts.

“The False Claims Act was created to serve as a tool for combating fraud, waste and abuse in federally funded programs,” said Hogsett. “This settlement sends the message that health care providers must take responsibility for their compliance, and any fraud or abuse of taxpayer-funded programs will not be tolerated.”

In 2008, a former employee of Premier filed a sealed complaint or “whistleblower” lawsuit against Premier under the civil False Claims Act in the New Albany Division of the United States District Court for the Southern District of Indiana. The complaint alleged that Premier violated the False Claims Act by falsely certifying that it was in compliance with state licensure requirements when it used unlicensed personnel to set-up continuous positive airway pressure (“CPAP”) and bi-level positive airway pressure (“BiPAP”) respiratory machines, both of which provide respiratory ventilation to patients and otherwise help patients breathe. The complaint also alleged that Premier’s claims for payment to the Medicare and Medicare programs were false because the services were rendered by unqualified personnel.

The whistleblower’s complaint led to an investigation conducted by the Department of Health and Human Services, Office of the Inspector General, and the Indiana Attorney General’s Office Medicaid Fraud Control Unit, in coordination with the United States Attorney’s Office for the Southern District of Indiana and the United States Department of Justice in Washington, D.C.

According to Assistant United States Attorneys Will McCoskey and Shelese Woods, two of the attorneys who handled the case for the United States, the estimated loss to the Medicare and Medicaid programs was \$245,657.64. Premier agreed to resolve the matter for a payment of \$578,820 to the United States, which is more than two times the estimated loss.

The civil False Claims Act provides that when a whistleblower or “relator” files a lawsuit alleging fraud under this statute, he or she is entitled to between 15 and 25 % of the government’s recovery. This is meant to encourage individuals to come forward when they see fraud occurring.

Premier also agreed to pay \$21,180 to the State of Indiana. Indiana Attorney General Greg Zoeller said, “It took the courage of a whistleblower coming to us to bring a halt to this fraud against the Medicare and Medicaid programs. The Attorney General’s Medicaid Fraud Control Unit collaborated closely with our federal colleagues in completing this important investigation.”

In agreeing to the terms of the settlement, Premier denied all liability under the False Claims Act. HHS did not uncover any evidence or have any indication that the machines at issue malfunctioned, and there were no reports of patient injury related to the alleged conduct.

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