



# Department of Justice

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## **Fort Mitchell Chiropractic Clinic Agrees to Settle Allegations of Improper Billing for Electro-Acupuncture Devices**

**LEXINGTON, Ky.** — The United States Attorney’s Office announced on Thursday that Lifestyle Resumption Integrative Health (“Lifestyle Resumption”), a chiropractic clinic located in Fort Mitchell, Ky., and its owner, Klaude Kocan, D.C., have agreed to pay \$200,000 to resolve allegations that they violated the False Claims Act, by improperly billing Medicare for services involving electro-acupuncture devices.

According to the Settlement Agreement, between July 2016 and March 2018, Lifestyle Resumption billed Medicare for the implantation of neurostimulator devices – a surgical procedure during which devices are implanted into the central nervous system or targeted peripheral nerves. The United States contends that these bills falsely represented the services provided, because Lifestyle Resumption did not actually perform surgical procedures. Instead, Lifestyle Resumption’s nurse practitioner applied electro-acupuncture devices to patients’ ears by inserting a limited number of needles and using an adhesive. Medicare does not pay for electro-acupuncture devices billed as implantable neurostimulators and did not reimburse for acupuncture at all during the relevant period.

The United States encourages anyone with information about the improper billing of electro-acupuncture devices (common brand names include P-Stim, Stivax, NeuroStim, ANSiStim, E-Pulse, and NSS-2 Bridge), or about other potential fraud, abuse, or mismanagement of Medicare or Medicaid funds, to call the U.S. Department of Health and Human Services’ hotline at 800-HHS-TIPS (800-447-8477). False Claims Act allegations can also be brought under the *qui tam* provision of the Act, which encourages whistleblowers to bring suit on behalf of the United States and potentially share in any financial recovery.

This matter was handled by the U.S. Attorney’s Office’s Affirmative Civil Enforcement section, including Assistant U.S. Attorneys Christine Corndorf and Meghan Stubblebine.

The settlement resolves claims alleged by the United States; there has been no determination of liability.

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