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## **OWNER OF AGING CARE HOME HEALTH CARE SENTENCED IN FEDERAL COURT FOR FALSIFYING HEALTH CARE RECORDS**

*U.S. also awarded \$5,000,000 judgment in civil case against company, owner and her husband for creating a sham physician advisory board and illegally paying its member doctors for Medicare referrals rather than for legitimate services*

**MONROE, LOUISIANA . . .** United States Attorney Donald W. Washington announced today that JANICE DAVIS, age 62, of West Monroe, was sentenced in United States District Court for healthcare fraud. U.S. Chief Judge Robert G. James sentenced DAVIS to spend 15 months in federal prison and a term of three years of supervised release following confinement.

DAVIS was charged in July 2008 in a one-count indictment and later plead guilty to concealment or falsification of records in a federal investigation. After being served with a subpoena for documents from the Department of Health and Human Services (HSS), Office of Inspector General (OIG), on July 23, 2003, the defendant personally destroyed, concealed, covered up, and falsified records and documents, including physician service

logs, with the intent to impede, obstruct, and influence an investigation into Medicare fraud by ACHH. The investigation revealed that DAVIS produced documents that she created after receipt of the OIG subpoena and that many of ACHH's doctors did not perform the services indicated in the records.

JANICE DAVIS has owned and operated ACHH, a Monroe-based company, since 1991 until its closure in 2005. ACHH provided nursing and therapy services to patients in their homes. Clinic-based doctors monitored the patients' home health services by updating treatment plans and prescribing medications. Normally, a physician would bill Care Plan Oversight services directly to Medicare. Payment is made by Medicare directly to the physician for services rendered to home health and hospice patients.

The subpoena issued by HSS-OIG to Aging Care Home Health was a result of an October 2002 False Claims Act suit which alleged that ACHH tracked physicians "Care Plan Oversight" services and billed Medicare as a means to induce patient referrals from physicians. In November of 2004, the United States intervened in that suit alleging that Janice Davis, her husband Otis Davis and her company violated federal Stark and Anti-Kickback statutes by creating a sham physician advisory board and paying its members not for legitimate duties actually performed, but instead for Medicare referrals, which is illegal. The False Claims Act lawsuit ended in 2008 when U.S. District Judge Robert James granted several motions for summary judgment against Janice Davis, Otis Davis and Aging Care and

awarded almost \$5,000,000 in damages and penalties to the United States. In that suit, Judge James also found that Janice Davis had destroyed company records which were responsive to the federal subpoena and attempted to replace them with false records she fabricated in an attempt to mislead federal regulators and law enforcement.

United States Attorney Donald W. Washington stated: “Healthcare and Medicare fraud should be a concern to every citizen. The costs associated with this type of fraud compromises the integrity of the Medicare program and negatively impacts the healthcare burden for all of us.”

Sentencing in federal court is determined by the discretion of federal judges and the governing statute. United States Sentencing Guidelines established by the United States Congress and the United States Sentencing Commission are only used as guidelines by the judge in determining the appropriate sentence. Parole has been abolished in the federal system.

This case was investigated by Special Agent Jeff Richards of Health & Human Services. The case was prosecuted by Assistant United States Attorney Cytheria D. Jernigan. The related False Claims Act matter was handled by Assistant United States Attorney Alec Alexander and Sara McLean, United States Department of Justice, Washington, D.C.

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