



Department of Justice

Robert M. Duncan, Jr.
United States Attorney
Eastern District of Kentucky

FOR IMMEDIATE RELEASE
DATE: JUNE 29, 2018
www.usdoj.gov/usao/kye

CONTACT: WM. ALLEN LOVE
PHONE: (859) 685-4805
E-MAIL: William.Allen.Love@usdoj.gov

Ashland Physician and her Substance Abuse Treatment Center Sued for Healthcare Fraud and Controlled Substances Act Violations

ASHLAND, Ky. – The U.S. Attorney’s Office has filed a civil lawsuit against an Ashland addiction treatment specialist, Dr. Rose O. Uradu, and her substance abuse treatment center, Ultimate Care Medical Services, LLC d/b/a Ultimate Treatment Center, alleging that they defrauded the both Medicare and Medicaid programs, and that they violated the Controlled Substances Act.

The lawsuit alleges that the defendants sought and received payments from Medicare and Medicaid for services that were not actually provided to patients. According to the complaint, between January 2013 and September 2014, defendants billed these government programs for “evaluation and management” services purportedly provided to patients who visited the clinic to receive daily methadone doses for their substance abuse treatment. Evaluation and management services typically include performance of an examination of the patient, a patient history, and medical decision-making. The complaint alleges that Ultimate Treatment Center did not perform these services when patients received their methadone doses, but billed Medicare and Medicaid for the services anyway. According to the complaint, defendants falsely documented the performance of evaluation and management services in the patients’ medical records, including by electronically copying notes from one visit to the next – for days, weeks, and even months.

The complaint further alleges that during the period July 2013 to December 2014, defendants billed Medicare and Medicaid for complex urine drug testing that was not actually performed.

The lawsuit contends that billing for services not provided violates the False Claims Act. If found liable, the defendants will have to repay Medicare and Medicaid three times the amount of the Government’s loss for the fraud, in addition to financial penalties of \$5,500 to \$11,000 per false claim. According to the complaint, the Government’s loss exceeds \$1 million.

The lawsuit also alleges that, for a three-month period in 2014, Dr. Uradu issued buprenorphine prescriptions to twice as many patients as is permitted by law. Buprenorphine is marketed under the brand names Suboxone and Subutex, and is used medically in the treatment of opioid addiction. Because buprenorphine has the potential for diversion and abuse by recreational users, it is a controlled substance regulated by law. According to the complaint, Dr. Uradu was only permitted to treat 100 patients with buprenorphine drug products, but repeatedly exceeded her patient limit. Specifically, the complaint alleges that three months in a row, she wrote prescriptions for buprenorphine for more than 200 unique patients – twice her limit. The complaint contends that Dr. Uradu violated the Controlled Substances Act each time she wrote a prescription over her limit. Under that law, if found liable, Dr. Uradu is subject to a financial penalty of up to \$25,000 for each violation.

Finally, the complaint further alleges that during the period January 1, 2017 to April 28, 2017, Ultimate Treatment Center failed to maintain complete and accurate records of the clinic's methadone and buprenorphine inventories, as is required by law. According to the complaint, Ultimate Treatment Center's records did not account for the equivalent of 45 bottles of methadone oral solution, and 22 bottles of buprenorphine tablets. The complaint contends that Ultimate Treatment Center's failure to keep accurate records violates the Controlled Substances Act. Under that law, Ultimate Treatment Center is subject to a financial penalty of up to \$10,000 for each recordkeeping violation.

The lawsuit is captioned *United States v. Rose O. Uradu, M.D., et al.*, Civ. No. 18-66. The investigation preceding the complaint was conducted by agents with the U.S. Drug Enforcement Administration, Federal Bureau of Investigation, and the Kentucky Attorney General's Medicaid Fraud and Abuse Control Unit. Assistant U.S. Attorney Christine Corndorf will represent the United States in this case.

– END –