



# Department of Justice

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## **Lee County Ambulance Service and its Director Agree to Pay \$253,930 to Resolve Allegations of False Claims to Medicare**

**LEXINGTON, Ky.** – The Lee County Fiscal Court (“Lee County”) and the former director of its ambulance service, Joseph Broadwell, have agreed to resolve civil allegations that Lee County Ambulance violated the False Claims Act, a federal law that prohibits the submission of false or fraudulent claims, agreeing to pay \$253,930 to the federal government.

The agreement resolves a civil lawsuit that was filed by the United States against Lee County and Broadwell, on September 14, 2018. In the lawsuit, the United States alleged that the ambulance service, at Mr. Broadwell’s direction, submitted over one thousand false claims to Medicare, seeking payment for unnecessary non-emergency ambulance transports, from January 2013 to June 2016. Medicare pays for non-emergency ambulance transports only if the patient’s condition is such that taking other forms of transportation would endanger the patient’s health. The United States alleged that Lee County and Broadwell knowingly disregarded the Medicare rules related to ambulance transports, despite having received years of training on these rules, and submitted claims to Medicare for the transport of patients to and from dialysis clinics without the required medical need. The United States further alleged that the ambulance service and Broadwell made false statements in the medical records supporting the patients’ medical conditions, to secure the reimbursement.

As part of the agreement, Lee County and Broadwell acknowledged that they engaged in this conduct, including the submission of false claims and the creation of false records. In reaching the agreement, Lee County admitted to submitting false claims to Medicare for non-emergency ambulance transports of two patients to and from dialysis treatment. The transports, which occurred from January 1, 2013, to June 15, 2016, resulted in the submission of over one thousand false claims for reimbursement. Lee County also admitted that it made, or caused to be made and used, false records related to the medical conditions of the patients. Lee County acknowledged that the claims for reimbursements submitted to Medicare were done with a reckless disregard for the truth or falsity of the information submitted. Lee County agreed that its conduct caused damage to the United States.

Last year, the United States entered into additional settlement agreements, with paramedic Daniel Williams, who served as Lee County Ambulance’s Captain of Operations, and Lee

County's third-party billing company, Medical Claims Assistance, Inc., to resolve allegations that they also violated the False Claims Act, by causing Lee County's submission of the false claims. Through these combined agreements, the United States has recovered over \$515,000 in connection with Lee County's submission of false claims to Medicare and Medicaid.

"Lee County Ambulance admitted it submitted false claims to the Medicare Program and received improper payments," said Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky. "Unfortunately, this conduct represents another example of a common ambulance service scheme, one where Medicare pays hundreds of thousands of dollars to transport patients who simply had no need for an ambulance. No matter who submits them, the payment of false or fraudulent claims damages the public and reduces the limited tax dollars available to pay legitimate claims intended to help program recipients. The public deserves a watchful eye to prevent the submission of false or fraudulent Medicare claims, and our Office will continue to do its part in that effort."

"Medicare only pays for ambulance transports when a patient cannot be safely transported by other means," said Derrick L. Jackson, Special Agent in Charge at the U.S. Department of Health and Human Services, Office of Inspector General. "This company billed for patients who could walk unassisted and did not need a stretcher to get them to their medical appointments."

This case was investigated by the U.S. Department of Health and Human Services, Office of Inspector General, and the Office of the Kentucky Attorney General's Medicaid Fraud and Abuse Control Unit. Assistant United States Attorneys Jennifer Williams and Mary Melton handled the matter for the United States.

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