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**BOSTON MEDICAL CENTER AND EAST BOSTON NEIGHBORHOOD HEALTH
CENTER PAY \$600,000 TO SETTLE FALSE CLAIMS ALLEGATIONS**

BOSTON – Attorney General Martha Coakley’s Office, in conjunction with United States Attorney Michael J. Sullivan, has reached a settlement with Boston Medical Center (BMC) and its community health center, East Boston Neighborhood Health Center (EBNHC), to settle allegations they submitted inappropriate charges to the Massachusetts Uncompensated Care Pool for emergency services performed at the health center. Under the terms of the agreement, BMC and EBNHC will pay \$600,000. Boston Medical Center and East Boston Neighborhood Health Center have also agreed to enter into discussions with the Massachusetts Department of Public Health regarding the standards for operation in the Urgent Care Department of EBNHC.

The Attorney General’s Office began its investigation in December 2003. The Massachusetts Uncompensated Care Pool, now known as the Health Safety Net Trust Fund, and commonly referred to as the “Free Care Pool”, provides reimbursement to acute care hospitals and community health centers for medically necessary services provided to low-income, uninsured and underinsured residents of Massachusetts. The Free Care Pool is funded in part by the federal and state governments. The settlement agreement resolves the civil lawsuit filed against East Boston Neighborhood Health Center and Boston Medical Center, which alleged that they overcharged the government for services provided to patients seen in the Urgent Care Department of EBNHC. The alleged overcharges submitted to the Free Care Pool were designed to compensate healthcare providers that are usually not open after 10:00 p.m., on Sundays, holidays, or for emergencies. The Urgent Care Department is open for urgent care and emergencies 24 hours a day, 7 days a week. By submitting these charges, authorities alleged that EBNHC increased its overall reimbursement from the Uncompensated Care Pool during the fiscal years of 2003 to 2006.

The investigation was handled jointly by Assistant Attorney General Ann Ackil, of Attorney General Martha Coakley’s Medicaid Fraud Division, and Assistant United States Attorney Patricia Connolly in U.S. Attorney Michael Sullivan’s Civil Division. Investigators in

both Offices and analysts from the Massachusetts Division of Health Care Finance and Policy also assisted in this case.

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