WHISTLEBLOWER LAW COLLABORATIVE

DURRELL LAW OFFICE AND THOMAS & ASSOCIATES

Government Settles Whistleblowers' False Claims Act Case Against Oxygen and Sleep Therapy Company

For Immediate Release

BOSTON – DECEMBER 11, 2014 – Attorneys Suzanne E. Durrell and Robert M. Thomas, Jr. of the Whistleblower Law Collaborative are pleased to announce that the United States and the Commonwealth of Massachusetts have settled a federal and state False Claims Act case brought against North Atlantic Medical Services Inc. (NAMS), doing business as Regional Home Care Inc., by whistleblower clients of Ms. Durrell and Mr. Thomas. NAMS is a medical device company based in Massachusetts that provides equipment and services for the treatment of respiratory ailments, such as oxygen deficiency and sleep apnea. Under the terms of the settlement, NAMS has agreed to pay \$852,378 to resolve allegations that it used unlicensed employees to set up sleep apnea masks and oxygen therapy equipment for patients in Massachusetts and billed Medicare and Medicaid for these services. The whistleblowers will jointly share a portion of the federal and state recoveries in the case.

"We are proud of our clients, who took the risk in coming forward to alert law enforcement and other authorities to the improper billing of Medicare and Medicaid and the threat to patient safety," said Attorney Thomas. "Before our clients came to us, I think we all would have assumed that if it were our parents or our children in need of these services, they would be provided by appropriately licensed personnel," said Attorney Durrell.

The whistleblower complaint filed in 2012 in U.S. District Court in Boston alleged that NAMS knowingly violated Medicare and Medicaid billing requirements for sleep therapy and oxygen services in the home, and as a result, violated the Federal and Massachusetts False Claims Acts when it charged Medicare and Medicaid for those services. Under the False Claims Act, a private citizen (known as a "relator") who suspects or knows of fraud against the government can file a sealed complaint on behalf of the government. If the case is successful, the relator is entitled to a share of the government's recovery.

"I was worried about patient safety and that patients were not getting what Medicare and Medicaid were paying for: properly licensed respiratory therapists to set up and monitor their equipment," said whistleblower/relator Demetri Papageorgiou. Prior to filing the complaint, Mr. Papageorgiou alerted both HHS-OIG and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) of his concerns. Also alerted was the Massachusetts Department of Public Health's Board of Respiratory Therapists; as a result, one of NAMS' managers who permitted unlicensed personnel under his supervision to perform the sleep therapy and oxygen services is on license probation through May 31, 2016 according to the Board's website.

"The settlement would not have been possible without the outstanding work and perseverance of our colleagues in law enforcement in investigating and ultimately resolving this case: attorneys Ben Young of the U.S. Department of Justice, Giselle Joffre, of the Boston, Massachusetts U.S. Attorney's Office, and Assistant Attorney General David Scheffler and Investigator Scott Grannemann of the Massachusetts Attorney General's Office, along with agents of the FBI and the HHS/OIG," said Mr. Thomas. "While the dollars were smaller than in many health care fraud cases, they understood that the principle of licensure and patient safety was large," said Ms. Durrell.

The case is captioned United States ex rel. John Does v. Regional Home Care, Inc. d/b/a North Atlantic Medical also d/b/a North Atlantic Medical Tolman Clinical Laboratory and as North Atlantic Medical Services, Docket No. 12-CA-11979 (D. Mass.). A copy of the civil complaint is attached.

The Whistleblower Law Collaborative based in Boston combines the practices of Mr. Thomas and Ms. Durrell, two pre-eminent whistleblower attorneys, both recognized nationwide for successfully working with government prosecutors and investigators and for achieving successful results for their clients for over a decade. Among their successful health care fraud case settlements are Amedisys (\$150 million in 2014) (co-counsel), WellCare Health Plans (\$137.5 million in 2012), Amgen (\$762 million in 2012), International Nephrology Network (\$15 million in 2012), Elan/Eisai (\$214.5 million in 2011), Forest Labs (\$330 million in 2010) (co-counsel), Pfizer (\$2.3 billion in 2009), and Serono (\$704 million in 2006).

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