

ALERTS | [Coronavirus Update](#) ▼

Mass.gov

[\(1\) > Office of Attorney General Maura Healey \(/orgs/office-of-attorney-general-maura-healey\)](#)

PRESS RELEASE

Diagnostic Laboratory to Pay \$10 Million to Resolve Self-Referral and Kickback Allegations

Delaware Company Illegally Paid Kickbacks to Physicians and Physicians' Groups That Referred Testing to Its Labs; Massachusetts Will Receive More than \$140,000

FOR IMMEDIATE RELEASE:

7/14/2022

Office of Attorney General Maura Healey

MEDIA CONTACT

Thomas Dalton, Deputy Press Secretary

Phone

(617) 727-2543 (tel:6177272543)

Online

Thomas.F.Dalton@mass.gov (mailto:Thomas.F.Dalton@mass.gov)

BOSTON — A national diagnostic laboratory company has agreed to pay \$10 million to the federal government and the states of Massachusetts and Connecticut to resolve self-referral and false claims allegations raised by a whistleblower, Attorney General Maura Healey and United States Attorney Rachael Rollins announced today. Massachusetts will receive a total of \$141,000 for MassHealth, the Massachusetts Medicaid program.

According to the AG's Office, Delaware-based BioReference Health, LLC and its corporate parent OPKO Health, Inc. (OKPO) submitted claims to Medicare, MassHealth and Connecticut Medicaid that violated state and

federal anti-kickback and self-referral laws. The primary fraud allegation involved kickbacks disguised as rental payments to encourage referrals from high-volume physician groups.

“Diagnostic medical laboratories provide important services and testing, but this company engaged in dishonest and unlawful kickbacks to doctors instead of earning their business,” said **AG Healey**. “Patients and insurers should be able to trust that medical diagnostic companies are following the law and engaging in fair and honest business practices.”

“Medical decisions by doctors should be based on what is best for each patient, not a doctor’s personal financial interest,” said **United States Attorney Rachael S. Rollins**. “When companies violate the federal health care laws that are meant to protect patients, health care costs for hard working people increase. We will continue to find fraud and use the False Claims Act to make companies that break the law pay back the taxpayers they defrauded as well as pay a financial price for their misconduct.”

In April 2019, a former employee of OKPO and BioReference filed a whistleblower lawsuit raising the allegations resolved by this settlement.

This settlement is the latest development in the work of the AG’s Office to address kickbacks and false claims among Medicaid providers, particularly clinical and diagnostic laboratories. In May, the AG’s Medicaid Fraud Division [secured indictments \(/news/clinical-laboratory-and-owner-charged-in-medicaid-kickback-and-false-billing-scheme\)](#) against an independent clinical laboratory in New Bedford and one of its owners who allegedly conducted an illegal kickback and Medicaid fraud scheme involving urine drug screens at sober homes. In June, an investigation by the Medicaid Fraud Division [resulted in charges \(/news/three-clinical-laboratories-and-their-owner-charged-with-defrauding-masshealth-money-laundering-and-illegal-kickbacks\)](#) against three independent clinical laboratories, their owner and holding company, an additional independent clinical laboratory and its owner, two laboratory marketing companies, and a Massachusetts physician in connection with Medicaid fraud, money laundering, and kickbacks involving over \$2 million in urine drug tests.

This matter was handled by Managing Attorney Ian Marinoff of the AG’s Medicaid Fraud Division in close partnership with the U.S. Attorney’s Office for the District of Massachusetts. The Office of Inspector General for the United States Department of Health and Human Services, FBI Boston Division, and the Defense Criminal Investigative Service, the law enforcement arm of the Department of Defense Office of Inspector General, also assisted in this case.

The AG’s Medicaid Fraud Division receives 75 percent of its funding from the U.S. Department of Health and Human Services under a grant award. The remaining 25 percent is funded by the Commonwealth of Massachusetts.

###

Media Contact

Thomas Dalton, Deputy Press Secretary

Phone

(617) 727-2543 (tel:6177272543)

Online

Thomas.F.Dalton@mass.gov (mailto:Thomas.F.Dalton@mass.gov)

[Office of Attorney General Maura Healey](/orgs/office-of-attorney-general-maura-healey)

Attorney General Maura Healey is the chief lawyer and law enforcement officer of the Commonwealth of Massachusetts.

[More](/orgs/office-of-attorney-general-maura-healey)



[\(1\)](#)

[All Topics](/topics/massachusetts-topics)

[Site Policies](/site-policies)

[Public Records Requests](/topics/public-records-requests)

© 2022 Commonwealth of Massachusetts.

Mass.gov® is a registered service mark of the Commonwealth of Massachusetts. [Mass.gov Privacy Policy](/privacy-policy)