

Whistleblower Lawsuit Alleging Hospice Fraud in Nevada Resolved In Global Settlement of \$53.64 Million

Lawsuit alleged Genesis Healthcare Inc., through Creekside Hospice, defrauded the federal government by admitting ineligible hospice patients and billing inappropriately for certain physician evaluation management services. Relator Cretney-Tsosie, who initiated the lawsuit, is represented by Hughes Socol Piers Resnick & Dym, Ltd., The Cohen Law Group, P.C., and The Terry Law Firm, Ltd.

Las Vegas, June 16, 2017 – Hughes Socol Piers Resnick & Dym, Ltd., The Terry Law Firm, Ltd., and The Cohen Law Group are pleased to announce a settlement in a False Claims Act (“FCA”) case that was brought against for-profit Nevada hospice provider Creekside Hospice II, LLC and Skilled Healthcare LLC and their corporate parent Skilled Healthcare Group Inc., which were subsequently combined with Genesis Healthcare Inc. This global settlement of **\$53,639,288.04**, including interest, is part of the resolution of multiple FCA cases and investigations against Genesis Healthcare (and its subsidiaries).

This settlement resolves a case filed by Joanne Cretney-Tsosie, a registered nurse and former clinical manager at Creekside Hospice, who initiated this *qui tam* lawsuit under the FCA. The United States intervened to join in the case in November 2014. The FCA is a Civil War era law that allows relators (or whistleblowers) to assist the government in fighting fraud in taxpayer-funded programs such as Medicare. Relators are entitled to a percentage of any recovery the government ultimately secures from wrongdoers.

Hospice companies such as Creekside Hospice receive millions of dollars from Medicare to serve patients who are terminally ill. In the complaint, the United States alleged that, from 2010 to 2013, Creekside violated the FCA by knowingly submitting or causing the submission of false claims to Medicare for reimbursement for hospice services for patients who were ineligible for coverage and for inappropriate charges for certain physician evaluation management services. Among other things, the United States alleged that Creekside Hospice employed a variety of illegal practices to increase hospice admissions without regard for whether the patients needed or qualified for hospice care and that it ignored concerns expressed by its own staff regarding patient eligibility. The claims resolved by the settlement are allegations, with no determination as to liability.

Juliet Berger-White, counsel for Ms. Cretney-Tsosie stated: “The FCA provides an essential tool for the government to work in partnership with private individuals to pursue fraud, fight waste, and recover taxpayer dollars. We are grateful for the government’s commitment to litigating this case brought by Ms. Cretney-Tsosie and for the strong cooperative relationship between the relator’s team and the government’s lawyers.” Tim Terry, counsel for Ms. Cretney-Tsosie, added: “We applaud our client, Joanne Cretney-Tsosie, for bringing this important case to the attention of the government and for devoting over five years to assisting the government in bringing this matter to a successful conclusion.”

COHEN LAW GROUP, P.C.



In a statement issued on June 16, 2017, Acting Assistant Attorney General Chad A. Readler of the Justice Department's Civil Division said: "We will continue to hold health care providers accountable if they bill for unnecessary or substandard services or treatment." "Today's settlement demonstrates our unwavering commitment to protect federal health care programs against unscrupulous providers." The full statement from the Department of Justice is available at <https://www.justice.gov/opa/pr/genesis-healthcare-inc-agrees-pay-federal-government-536-million-resolve-false-claims-act>.

Cretney-Tsosie is represented by Hughes Socol Piers Resnick & Dym, Ltd. and The Cohen Law Group (both of Chicago, Illinois) and The Terry Law Firm, Ltd. (Carson City, Nevada).

The case is captioned *United States ex rel. Cretney-Tsosie v. Creekside Hospice II, LLC, et al.* and was litigated in the United States District Court in Nevada. The case number is 2:13-cv-00167.

For more information, please contact:

Juliet Berger-White
Hughes Socol Piers Resnick & Dym, Ltd.
www.hsplegal.com
312.604.2616

Tim Terry
The Terry Law Firm
<http://theterrylawfirm.com>
775.291.9071