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Assistant Attorney General Tony West Speaks at the Maxim Healthcare Settlement Press Conference

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Thank you, Acting U.S. Attorney Gilmore Childers, for that kind introduction. And thank you all for being here today.

My name is Tony West, and I'm the Assistant Attorney General for the Justice Department's Civil Division. In that capacity, I oversee much of the federal government's civil litigation across the country, including the department's efforts to recapture billions of taxpayer dollars lost to fraud, waste, and abuse, including health care fraud.

In the last two-and-a-half years, the Civil Division of the DOJ has cracked down on health care fraud like never before. And we've been able to do it by working with U.S. Attorneys' Offices across the country like this one and our federal partners in agencies like the FBI and the Departments of Health and Human Services and Veterans Affairs.

In fact, since January 2009, we've opened more health care fraud investigations, secured larger fines and judgments, and recovered more taxpayer dollars lost to health care fraud than in any comparable period in the Justice Department's history – more than \$8 billion.

And today's announcement is the latest result of those record-breaking efforts. Maxim Healthcare Services, Inc. – one of the country's largest providers of home health care services – has entered into a settlement to resolve civil and criminal allegations relating to a nationwide scheme to defraud Medicaid programs and the Veterans Affairs program.

In addition to the criminal resolution that Gilmore just discussed, Maxim has agreed to pay approximately \$130 million to settle the government's civil claims under the False Claims Act. More than \$50 million of that total is going to 42 states that suffered losses because of Maxim's fraudulent billing practices. And Maxim will also enter into a corporate integrity agreement with the HHS Office of Inspector General, which will require them to implement certain reforms and subjects them to monitoring to help ensure these unlawful practices won't happen again.

So this settlement represents a major accomplishment in the battle against health care fraud – indeed, it represents the department's largest civil recovery in a home health care fraud case ever.

Now, while the resolution in this case was tough, it was appropriate given Maxim's conduct. Our investigation revealed that, from 1998 through 2009, Maxim engaged in a common practice of submitting false bills to government health care programs.

Not only did Maxim fail to back up its billings with proper documentation, we found that Maxim frequently billed for services it never rendered or care it never provided. And, we learned, to avoid detection, Maxim's former officers and employees engaged in a variety of tactics to conceal the company's fraud.

So while this resolution may be tough, it is fair and appropriate.

And it's particularly important at a time when we are all looking for ways to reign in government spending and save taxpayer dollars that we hold accountable those corporations who pad their bottom lines through fraud, waste and abuse. Health care fraud costs taxpayers money – a lot of money. In this case, Maxim's scheme defrauded the government of more than \$61 million – which is unacceptable because ultimately each of us ends up footing that bill in higher health care costs.



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It's also unacceptable because this type of fraud uses patients as pawns in a game of corporate greed that puts cash over care, running up the bills on the very people our public health care programs are supposed to benefit – people like Richard West. Richard was one of Maxim's patients, and when he one day received a notice that said he was in danger of reaching the limits of his health care coverage because of all the services Maxim had supposedly provided to him, Richard was surprised because he hadn't received many of the services he was being billed for.

Well, Richard put two and two together and realized Maxim was overbilling. And so he filed a whistleblower lawsuit under the false claims act, and it's that action that is being resolved today. For Richard West and others who have caps on the amount of government services they may receive, overbilling schemes like Maxim's can cause real harm and leave them without the health care they need and deserve. Today's settlement helps right that wrong.

Before I turn it over to Tom O Donnell , I'd like to thank Assistant U.S. Attorney Alex Kriegsman for his excellent work on the civil case and for heading up this office's health care fraud enforcement efforts ; Assistant U.S. Attorney Jacob Elberg for leading the criminal prosecution ; and Sara Mclean and all the dedicated attorneys in the Civil Division's Fraud Section for their hard work on this case and their anti-fraud efforts across all sectors.

And, of course, I'd like to thank our partners at the FBI, HHS and the VA , and the Offices of the State Attorneys General for all their contributions to this excellent result .

Now, it's my pleasure to introduce Tom O Donnell .

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