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U.S. Attorney's Office

Middle District of Florida

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Hope Hospice Agrees To Pay \$3.2 Million To Settle False Claims Act Liability

Fort Myers, FL – United States Attorney Maria Chapa Lopez announces today that Hope Hospice has agreed to pay the United States \$3.2 million to resolve allegations that it knowingly submitted false claims to Medicare, Medicaid, and TRICARE for hospice care provided to beneficiaries who did not qualify for the service. Founded in 1979, Hope Hospice is a subsidiary of Hope Healthcare. Hope Healthcare is a not-for-profit organization that provides a variety of programs for the elderly in Lee, Hendry, and Glades Counties, including hospice and palliative care services.

Hospice care is special end-of-life care for terminally ill patients intended to comfort the dying. Patients admitted to hospice care generally stop receiving coverage for traditional medical care intended to cure their illnesses and instead receive medical care focused on providing them with relief from the symptoms, pain, and stress of a terminal illness. Medicare patients are considered to be terminally ill and hospice eligible when they have a life expectancy of six months or less if their illness runs its normal course.

This settlement resolves allegations that Hope Hospice knowingly submitted false claims to Medicare for hospice services for patients who were not terminally ill. According to the settlement agreement, the United States alleged that from July 1, 2012 to June 30, 2016, Hope Hospice billed Medicare for four or more years of hospice care for certain patients who were not terminally ill for at least a portion of their greater than four year hospice stay.

The settlement also resolves allegations that Hope Hospice knowingly submitted false claims to Medicare, Medicaid, and TRICARE for general inpatient ("GIP") hospice care in circumstances where that higher level of care was not medically necessary. Medicare, Medicaid, and TRICARE reimburse for four different levels of hospice care: routine home care, continuous home care, inpatient respite care, and GIP. GIP is for pain control or symptom management that cannot be managed in other settings, such as a patient's home. GIP is intended to be short-term and is reimbursed at a higher rate than routine home care or inpatient respite care. According to the settlement agreement, the United States alleged that Hope Hospice knowingly submitted false claims from January 1, 2011 to June 30, 2016, to Medicare, Medicaid and TRICARE for unnecessary GIP hospice care for certain patients for whom Hope Hospice billed for over two weeks of GIP care.

As part of the settlement, Hope Hospice has agreed to enter into a Corporate Integrity Agreement (CIA) with HHS OIG. The CIA promotes compliance with the statutes, regulations, program requirements, and written

directives of Medicare, Medicaid, and all other federal health care programs, specifically dealing with, among other things, the proper billing and submission of reimbursement claims by Hope Hospice.

“Our seniors rely on the hospice program to provide them with quality care, dignity and respect, when they are terminally ill and need end-of-life care,” said United States Attorney Maria Chapa Lopez. “This investigation and settlement demonstrates our continued commitment to combating health care fraud and protecting the financial solvency of this critical benefit.”

Attorney General Ashley Moody said, “Hospice care has brought peace of mind and reduced suffering for so many Floridians and their families. It is vital that we ensure this compassionate health care service is not exploited and that Medicaid recipients nearing the end of their journey are able to access these end-of-life resources to help bring dignity and peace to those with terminal illnesses. I am proud to work with our federal partners to preserve the integrity of hospice care in Florida.”

“Hospice care is designed to provide quality end-of-life care and is only medically appropriate – and reimbursable by Medicare – for terminally ill patients,” said Special Agent in Charge Omar Pérez Aybar of the U.S. Department of Health and Human Services Office of Inspector General (HHS OIG). “HHS OIG, in concert with our investigative and prosecutive partners, will continue to vigorously pursue and hold accountable providers who knowingly submit fraudulent claims to Medicare and Medicaid.”

"This settlement is representative of quality, uncompromising work by DCIS, our investigative partners and the U.S. Attorney's Office to ensure the integrity of the Department of Defense's Healthcare system, commented Cynthia A. Bruce, Special Agent in Charge, Southeast Field Office, Defense Criminal Investigative Service. We are committed to fully investigating allegations of fraud, waste and abuse, which jeopardize our military families' precious healthcare resources."

The settlement concludes a lawsuit originally filed in the United States District Court for the Middle District of Florida by Margaret Peters who formerly worked at Hope Hospice as the Director of Hospice Care. Peters sued under the *qui tam*, or whistleblower, provisions of the False Claims Act permitting a private citizen to sue on behalf of the United States for false claims and to share in the recovery. The case is captioned *U.S. and the State of Florida ex rel. Margaret Peters v. Hope Hospice and Community Services, et al*, No. 2:16-cv-6-FtM-99MRM. The Act also allows the United States to intervene and prosecute the action. Peters will receive 19% of the proceeds from the settlement with Hope Hospice.

The investigation was handled by the Fort Myers Division of the U.S. Attorney's Office for the Middle District of Florida and Trial Attorney Holly H. Snow from the Civil Division's Commercial Litigation Branch, with assistance from the U.S. Department of Health and Human Services – Office of Inspector General, Defense Criminal Investigative Service, and the State of Florida Medicaid Fraud Control Unit Civil Enforcement Bureau. The claims resolved by the settlement are allegations only, and there has been no determination of liability.

The government's action in this matter illustrates the emphasis on combating health care fraud, and one of the most powerful tools in this effort is the False Claims Act. Tips from all sources about potential fraud, waste, abuse, and mismanagement can be reported to the Department of Health and Human Services, at 800-HHS-TIPS (800-447-8477).

Topic(s):

Health Care Fraud

Component(s):

USAO - Florida, Middle

