



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Northern District of Georgia

FOR IMMEDIATE RELEASE

Monday, October 25, 2021

Atlanta pharmacy to pay \$4.6 million to settle False Claims Act allegations regarding compound medications

ATLANTA – Curant, Inc., which owns pharmacies in Smyrna, Georgia and St. Petersburg, Florida, along with its owners and related entities, agreed to pay \$4.6 million to resolve allegations that they violated the False Claims Act by, among other things, charging the government far higher prices than the “usual and customary” prices charged to other patients.

“Pharmacies cannot overcharge government healthcare programs while offering cheaper prices to others, in violation of their payor agreements,” said Acting U.S. Attorney Kurt Erskine. “Such actions undermine efforts to protect government healthcare plans and keep costs lower.”

“The FBI is committed to protecting the health and safety of the American taxpayer,” said Chris Hacker, Special Agent in Charge of FBI Atlanta. “Healthcare providers that take shortcuts to increase their financial bottom line must be held accountable for improper and illegal billings that increase the cost of medical care.”

“This settlement serves as a warning to those companies and individuals who seek to take advantage of the Department of Defense (DoD) health care program,” stated Special Agent in Charge Cynthia A. Bruce of the DoD, Office of Inspector General, Defense Criminal Investigative Service (DCIS), Southeast Field Office. “DCIS and our investigative partners are committed to fully investigating allegations of fraud, waste and abuse which jeopardize our military families’ precious healthcare resources.”

Curant Health Georgia LLC and Curant Health Florida LLC, which are owned by Patrick Dunham, Scott Zepp, Marc O’Connor, and Pankajkumar Patel (collectively “Curant”), dispensed compound pain creams and scar creams to TRICARE beneficiaries. TRICARE provides health insurance to members of the military and their families. In order to keep costs down, TRICARE prohibits pharmacies from charging more than their “usual and customary” price, which is defined as the retail price of the medication in a cash transaction. Despite this prohibition, the government

alleges that between 2013 and 2015, Curant charged TRICARE a much higher price for its compound creams than it offered to its cash-paying patients.

The government further alleges that, between 2013 and 2015, Curant paid kickbacks to a third-party marketer to arrange for doctors to send prescriptions to Curant, it waived patient copayments in an effort to drive up its sales, it submitted claims to TRICARE for compound creams that were not medically necessary, and it failed to return overpayments that it had received from TRICARE once it learned of them.

This civil settlement resolves a lawsuit filed in the U.S. District Court for the Northern District of Georgia by Dennis Long, a former pharmacist at Curant's Georgia pharmacy, under the *qui tam*, or whistleblower provisions, of the False Claims Act. *United States ex rel. Long v. Curant Health Georgia, LLC, et al.*, Civil Action No. 1:19-CV-3954-AT. Under the False Claims Act, private citizens may bring suit for false claims on behalf of the United States and share in any recovery obtained by the government. Mr. Long will receive \$805,000 from the settlement. Curant will also pay his attorney's fees.

The claims resolved by the settlement are allegations only, and there has been no determination of liability.

This case was investigated by the U.S. Attorney's Office for the Northern District of Georgia, the Defense Criminal Investigative Service, and the FBI.

The civil settlement was reached by Assistant U.S. Attorney Anthony DeCinque.

For further information please contact the U.S. Attorney's Public Affairs Office at USAGAN.PressEmails@usdoj.gov or (404) 581-6016. The Internet address for the U.S. Attorney's Office for the Northern District of Georgia is <http://www.justice.gov/usao-ndga>.

Topic(s):

False Claims Act

Component(s):

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