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Department of Justice

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Tuesday, August 30, 2022

Florida Lab Owner Charged in \$53 Million Health Care Fraud and Kickback Scheme Related to Genetic Cancer Screening Tests

NEWARK, N.J. – A Florida lab owner has been charged with over \$50 million in health care fraud related to fraudulent genetic cancer screening tests, Attorney for the United States Lee M. Cortes Jr. announced today.

Daniel Hurt, 48, Fort Lauderdale, Florida, is charged by information with one count of conspiracy to commit health care fraud. He had his initial appearance and arraignment by videoconference today before U.S. District Judge Kevin McNulty in Newark federal court.

According to documents filed in this case and statements made in court:

Hurt owned several clinical laboratories that conducted or arranged for a variety of medical tests. Hurt paid kickbacks and bribes to various entities who supplied referrals and orders for genetic cancer screening tests (CGX) for Medicare and other health care benefit program beneficiaries, without regard to medical necessity. The laboratories submitted claims for payment to Medicare for these CGX tests. Medicare reimbursed the laboratories without knowing that the services were not medically necessary or were procured through the payment of kickbacks. From January 2019 to October 2021, Hurt, through the laboratories, submitted or caused to be submitted approximately 350,000 claims to Medicare, including approximately 8,700 claims for beneficiaries residing in New Jersey.

Hurt paid kickbacks to entities who supplied referrals for each CGX test that was billed to Medicare and other health care benefit programs. To conceal the payments of bribes, Hurt and the suppliers entered into sham contracts to make it appear that the suppliers were engaged in, and being paid for, legitimate marketing and referral services. The scheme resulted in Medicare paying the laboratories at least \$53.3 million for CGX test claims. Hurt received at least \$26.9 million from the Medicare reimbursements.

The count of conspiracy to commit health care fraud carries a maximum potential punishment of 10 years in prison, and a maximum fine of \$250,000.

Hurt has also been charged in the Western District of Pennsylvania and the Southern District of Florida in relation to other health care offenses. Those charges are also pending.

Attorney for the United States Cortes credited special agents of the FBI, under the direction of Special Agent in Charge James E. Dennehy in Newark; the U.S. Department of Health and Human Services, Office of Inspector General, under

the direction of Special Agent in Charge Scott J. Lampert; the U.S. Department of Defense, Office of the Inspector General, Defense Criminal Investigative Service, Northeast Field Office, under the direction of Special Agent in Charge Patrick Hegarty; and the U.S. Department of Veterans Affairs Office of Inspector General, Northeast Field Office under the direction of Special Agent in Charge Christopher Algieri with the investigation leading to today's charge.

The government is represented by Assistant U.S. Attorney Sean M. Sherman of the Opioid Abuse Prevention & Enforcement Unit in Newark.

The charge and allegations contained in the information are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

Attachment(s):

[Download Hurt.Information.pdf](#)

Topic(s):

Health Care Fraud

Component(s):

[USAO - New Jersey](#)

Press Release Number:

22-320

Updated August 30, 2022