

Eli's Hospice Insider

Enforcement: Whistleblower Reward Stacks Up To \$1 Million In Latest Fraud Settlement

Docs draw decade-long jail terms for hospice fraud.

A high-profile fraud case's latest sentences show hospice fraud is no joke, including for medical directors.

Background: Back in May, a federal jury convicted two hospice medical directors of health care fraud in the high-profile Novus Health Services case. The convictions came five years after federal raids and four years after multiple Novus and Optimum Health Services hospice personnel were indicted. Novus CEO **Bradley Harris** testified that in exchange for kickbacks disguised as medical director payments, physicians **Mark Gibbs** and **Laila Hirjee** certified that they had examined patients face-to-face when they hadn't; pre-signed blank C2 prescriptions and gave them to Harris and others at Novus to let them prescribe controlled substances without any physician oversight; and furnished referrals. (See more details of the \$40 million fraud scheme in HOP Vol. 14, No. 5.)

"These doctors allowed Bradley Harris - an accountant with no medical expertise - to dispense controlled substances like candy, with little to no medical oversight," U.S. Attorney **Chad Meacham** says in a Department of Justice release. "They claimed to have had hands-on experience with hospice patients, when in fact, they'd entrusted life-or-death medical decisions to untrained businesspeople. We are satisfied to know they will spend the next decade behind bars."

Federal judge **Barbara M.G. Lynn** sentenced Gibbs to 13 years in federal prison and ordered him to pay \$28 million in restitution, the DOJ says. Lynn sentenced Hirjee to 10 years in federal prison and ordered her to pay \$16.3 million restitution. The judge also sentenced nurse **Tammie Little** to 33 months in federal prison for her role in the scam.



"The defendants violated their Hippocratic Oath as doctors and instead focused on lining their pockets at the expense of patient safety," says FBI Dallas Special Agent in Charge **Matthew DeSarno** in the release. "We encourage the public to help us identify, investigate, and prosecute this crime."

Eleven codefendants in the case, including Harris and his wife, pleaded guilty before the trial. Five of them have been sentenced to prison terms ranging from just under three years to eight-and-a-half years, the Justice Department notes. The Harrises have yet to be sentenced.

Other hospice fraud causes around the nation include:

In Ohio and Tennessee: Five Crossroads Hospice locations and their management company have agreed to pay \$5.5 million to resolve allegations that they submitted claims to Medicare for non-covered hospice services. Crossroads submitted claims for Alzheimer's and dementia patients it knew were not terminally ill, prosecutors allege. "This settlement demonstrates our continuing commitment to ensure that hospice services are provided to patients who truly need this care and that patients who are not terminally ill receive appropriate curative care," Acting Assistant Attorney General **Brian Boynton** says in the release. The whistleblowers that initiated this case, former Crossroads employees **Leanne Malone, Jackie Burns, and Angela Heck**, as well as home health physician **David Weber**, will share about \$1.05 million, the DOJ reveals. "This office is committed to pursuing providers who put profits ahead of patients," Acting U.S. Attorney for the Southern District of Ohio **Vipal J. Patel** says in the release. "We will continue to hold accountable those who abuse federal healthcare programs."

In California: Hospice owners **Oganes Doganyan** and **Kristine Arutyunyan** have been arrested on Medicare fraud and kickback charges. Doganyan and Arutyunyan paid kickbacks for beneficiary information to use for bogus billing and

submitted false claims for hospice services that were medically unnecessary, ineligible, and not provided, the DOJ alleges. They also billed for beneficiaries who did not exist at all, according to court documents.