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601 Charged in Record-Breaking Annual Health Care Fraud and Opioid “Takedown”

By Antonio M. Pozos, Jesse A. Witten and Barry Gross

On June 28, the Department of Justice (DOJ) [announced](#) another record-breaking annual nationwide health care fraud “takedown.” The action, led by the Criminal Fraud Section of the Department of Justice, includes charges against 601 individuals, including charges against 156 doctors, nurses and other licensed medical professionals. Of those, the DOJ elaborated that 162 defendants, including 76 doctors, were charged for their roles in prescribing and distributing opioids and other dangerous narcotics. According to the DOJ, these schemes resulted in over \$2 billion in fraudulent billings, and involved over 13 million illegal doses of opioids.

The 601 individuals charged in this year’s sweep represent a 45 percent increase from the 412 individuals who were charged in [last year’s sweep](#). Similarly, the alleged \$2 billion in loss reflects a more than 50 percent increase from the \$1.3 billion that the DOJ claimed last year.

As in years past, the charges involve alleged schemes to defraud the Medicare, Medicaid and TRICARE programs, through home health care, pharmacy fraud, substance abuse testing and treatment, physical and occupational therapy, medical transportation, durable medical equipment and other areas of the health care industry. Notably, however, the DOJ emphasized

what it described as a “particular focus on medical professionals involved in the unlawful distribution of opioids and other prescription narcotics.”

The DOJ further claimed that, in the past year, the Department of Health and Human Services (HHS) has excluded 2,700 individuals from participating in federal health care programs. In its own [announcement](#), HHS claimed that, since the last takedown, it has issued exclusion notices to 587 individuals, including 67 doctors, 402 nurses, and 40 people involved in pharmacy services “whose conduct has contributed to opioid diversion and abuse.” These actions represent a significant investment of time, energy and resources by HHS in regulatory enforcement proceedings against medical professionals, in addition to the criminal enforcement efforts highlighted by the DOJ.

This announcement appears to reflect both an ongoing commitment by the DOJ to prosecute health care fraud and opioid abuse cases, and that the emphasis by HHS on administratively excluding providers has become a part of the enforcement landscape over the past year. We expect to see these efforts continue.

If you have any questions about this alert, do not hesitate to contact the authors or your usual Drinker Biddle contact.

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