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JUSTICE NEWS

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**U.S. Files Complaint Against Virginia Medicaid Providers**

WASHINGTON – The United States and the Commonwealth of Virginia have filed a False Claims Act complaint in the Western District of Virginia against Medicaid providers Universal Health Services Inc., Keystone Marion LLC and Keystone Education and Youth Services LLC, the Justice Department announced today. These entities did business as the Keystone Marion Youth Center, a residential facility in Marion, Va., which receives Medicaid funds to provide psychiatric counseling and treatment for boys ages 11-17. The United States' and the Commonwealth of Virginia's complaint alleges that the defendants billed Medicaid for inpatient psychiatric care that was not provided, in violation of federal and state Medicaid requirements, and falsified records to cover up their serious violations.

According to the complaint, the defendants' actions violated the False Claims Act. Under the act, a health care provider that submits false or fraudulent claims to a federal health care program is liable for three times the government's damages, plus a civil penalty for each false claim. The United States and the Commonwealth of Virginia earlier intervened in this whistleblower suit filed by several former therapists who worked at the Marion residential facility.

"The Justice Department is committed to ensuring that scarce Medicaid resources are devoted to their intended use – the appropriate care and treatment of some of our nation's neediest and most vulnerable patients," said Tony West, Assistant Attorney General for the Civil Division of the Department of Justice. "We must protect Medicaid from fraudulent practices that deprive beneficiaries of the quality health care they deserve."

Assistant Attorney General West acknowledged the collaborative efforts made by the Justice Department's Civil Division, the U.S. Attorney's Office for the Western District of Virginia, the Virginia Attorney General's Office, the Department of Health and Human Services' Office of Inspector General and the Commonwealth of Virginia's Medicaid Fraud Control Unit.

"We intend to prove that these defendants billed Medicaid for providing troubled children with much needed psychiatric medical care when, in fact, they provided no such service," said Timothy J. Heaphy, United States Attorney for the Western District of Virginia. "We will not sit idly by and allow healthcare providers to take advantage of troubled children in order to feed their own desire for wealth. The Medicaid system was designed to help the most vulnerable among us, not to line the pockets of fraudsters."

"The Office of Inspector General has an obligation not only to protect Medicaid from fraudulent billing but also to protect mentally ill children from substandard care," said Nick DiGiulio, Special Agent in Charge for the Philadelphia Region of the Office of Inspector General of the Department of Health of Human Services said,

The United States' and the Commonwealth of Virginia's complaint is part of the government's emphasis on combating health care fraud. One of the most powerful tools in that effort is the False Claims Act, which the Justice Department has used to recover approximately \$2.3 billion since January 2009 in cases involving fraud against federal health care programs. The Justice Department's total recoveries in False Claims Act cases since January 2009 have topped \$3 billion.

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Civil Division