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The Health Law Offices of Anthony C. Vitale Scores Major Win Against Life Care Centers of America *\$145M landmark settlement largest in DOJ history involving skilled nursing facility*

Oct. 26, 2016 (MIAMI, FLA.) It was a case that was eight years in the making, but on October 24, Anthony C. Vitale's hard work and dedication paid off when Life Care Centers of America Inc., and its owner Forrest L. Preston, agreed to pay \$145 million to resolve a lawsuit alleging violations of the False Claims Act. The settlement is the largest involving a skilled nursing facility chain in the history of the [U.S. Department of Justice](#).

Vitale, president of the Miami-based [healthcare law firm](#) bearing his name, filed the initial *qui tam* case in 2008 on behalf of client Tammie Taylor, a former occupational therapist at Life Care Center at Inverrary, in Lauderhill, Fla. The case was filed in the U.S. District Court for the Southern District of Florida. In October 2008, a second separate case was filed by registered nurse Glenda Martin, who worked at a Life Care Center in Morristown Tenn. Vitale did not represent Martin.

"Ms. Taylor has worked as an occupational therapist for more than two decades. Soon after taking a job at Life Care, she identified the company's wrongdoing, notified her superiors and was fired," Vitale said. "What she did took courage. Her decision to file this *qui tam* complaint resulted in justice being served and the government recovering millions of tax payer dollars."

The False Claims Act allows private parties to sue on behalf of the government for false claims and to receive a percentage of any recovery. The government may intervene and file its own complaint in such a lawsuit, as it did in this case. The two relators will split \$29 million, their portion of the settlement.

In her lawsuit, Taylor alleged that between Jan. 1, 2006 and Feb. 28, 2013, Life Care submitted false claims for rehabilitation therapy by engaging in a systematic effort to increase its Medicare and TRICARE billings.

Medicare reimburses skilled nursing facilities at a daily rate that reflects the skilled therapy and nursing needs of their qualifying patients. The greater the skilled therapy and nursing needs of the patient, the higher the level of Medicare reimbursement. The highest level of Medicare reimbursement for skilled nursing facilities is for "Ultra High" patients who require a minimum

of 720 minutes of skilled therapy from two therapy disciplines (e.g., physical, occupational, speech), one of which has to be provided five days a week.

“Life Care made a major miscalculation with its nationwide Medicare reimbursement policy. The complaint alleged Life Care billed the highest level of therapy, without medical need and disregarded evaluating therapists and other professional opinions, which led to the creation of false therapy records to support the medical claims,” Vitale said.

The complaint alleged that Life Care instituted corporate-wide policies and practices designed to place as many beneficiaries in the Ultra High reimbursement level regardless of the needs of the patients. This resulted in patients receiving unreasonable and unnecessary therapy. Life Care also sought to keep patients longer necessary in order to continue billing for rehabilitation therapy, even after the treating therapists felt that therapy should be discontinued.

“The U.S. Department of Justice and the United States Attorneys’ Offices put together a dedicated team of prosecutors who were resolute in their prosecution of this case against Life Care,” Vitale said.

Since January 2009, the Justice Department has recovered more than \$31.6 billion through False Claims Act cases, with more than \$19.2 billion of that amount recovered in cases involving fraud against federal healthcare programs.

ABOUT THE HEALTH LAW OFFICES OF ANTHONY C. VITALE

[The Health Law Offices of Anthony C. Vitale](#) was established in 1982 and is recognized as a leader in healthcare law and consultation. The firm is headquartered in Miami, Florida with offices in Hollywood and Tampa. The firm concentrates on Medicare defense litigation, criminal, civil, regulatory, Qui Tam/Whistleblower, administrative and licensure representation of healthcare providers, including physicians, other licensees, pharmacies, clinics, home health agencies, laboratories, durable medical equipment suppliers, CORF, CMHC/PHP, billing agents, wholesalers and other healthcare providers and suppliers.

Mr. Vitale has represented clients under investigation by the Department of Justice, FBI, Office of the Inspector General (DHHS), DEA, Office of the Attorney General Statewide Prosecutor and Medicaid Fraud Control Unit, Florida Department of Insurance Division of Insurance Fraud and other investigatory bodies.

The firms representation also includes defense services to clients facing allegations of fraud and abuse, compliance counseling and the defense of civil, administrative, regulatory and criminal healthcare fraud, including internal/defense investigations; False Claims Act litigation; settlement negotiations; withholding of Medicaid/Medicare payments; Overpayments; exclusion from participation in Medicare/Medicaid programs; licensure and certification; DEA registration, anti-kickback violations; medical necessity issues; Qui Tam investigations

(whistleblower), prosecutions and defense; health care contracts, and physician self-referral (Stark).