Last week, in light of the Department of Justice’s newly-formed COVID-19 Fraud Enforcement Task Force, we cautioned that COVID-related prosecutions were likely imminent. And on the heels of this DOJ task force, we are already seeing swift action. On Wednesday, DOJ announced criminal charges against 14 defendants in seven federal districts for their alleged participation in various health care fraud schemes that exploited the COVID-19 pandemic and resulted in over $143 million in false billings.

The cases involve a telemedicine company executive, physician, marketers, and medical business owners for “COVID-19 Related Fraud Schemes.” Interestingly, three defendants were already under indictment and are now facing superseding charges arising out of the pandemic. DOJ alleges that defendants offered COVID-19 tests to Medicare beneficiaries at senior living facilities and drive-through testing sites and then allegedly misused the information to submit claims to Medicare for unrelated and unnecessary services. And in another alleged scheme, defendants are
alleged to have exploited relaxed telemedicine CMS policies aimed at increasing access to care during quarantine. The cases announced today include first in the nation charges for allegedly exploiting these expanded policies by submitting false telemedicine that apparently did not occur.

And at the Center for Program Integrity, Centers for Medicare & Medicaid Services (CPI/CMS), over 50 medical providers are now facing adverse administrative actions for their involvement in health care fraud schemes relating to COVID-19 or abuse of CMS programs that were designed to encourage access to medical care during the pandemic.

We warned that health providers that submit claims to federal and state governments should be on high alert. These recent prosecutions, particularly those that relate to telemedicine, are the low hanging fruit. Our team of decorated former federal prosecutors and regionally ranked Chambers USA (2021) attorneys stand ready to assist any individuals or entities facing scrutiny by state or federal prosecutors.

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