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## Justice Department Recovers More Than \$3.7 Billion from FCA Cases in Fiscal Year 2017

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On December 21, the US Department of Justice (DOJ) obtained more than \$3.7 billion in settlements and judgments from civil cases involving fraud and false claims against the government in the fiscal year ending Sept. 30, 2017. Recoveries since 1986, when Congress substantially amended the civil False Claims Act (FCA), now total more than \$56 billion.

Of the \$3.7 billion in settlements and judgments, \$2.4 billion involved the health care industry, including drug companies, hospitals, pharmacies, laboratories and physicians. This is the eighth consecutive year that the department's civil health care fraud settlements and judgments have exceeded \$2 billion. In addition to health care, the False Claims Act serves as the government's primary avenue to civilly pursue government funds and property under other government programs and contracts, such as defense and national security, food safety and inspection, federally insured loans and mortgages, highway funds, small business contracts, agricultural subsidies, disaster assistance and import tariffs.

These statistics show how relator-driven the government's FCA practice has become. DOJ notes that, of the \$3.7 billion in settlements and judgments in fiscal year 2017, \$3.4 billion related to lawsuits filed under the *qui tam* provisions of the False Claims Act. During the same period, the government paid out \$392 million to relators.

Also, the statistics show the large volume of newly filed cases each year. 669 *qui tam* suits filed this past year—an average of more than 12 new cases every week. This is the 6th consecutive year in which more than 600 cases were filed.

Finally, the announcement is noteworthy as apparent confirmation of the continued relevance of the so-called "Yates Memo" by having a subsection entitled "Individual Accountability." The department stated that, in some cases, it obtained settlements in which individual owners and executives of private corporations agreed to be held jointly and severally liable for settlement payments with their corporations, such as three of the founders of [eClinicalWorks](#) and the owner of Life Care Centers of America. In other cases, DOJ pursued separate settlements with individuals, obtaining more than \$60 million in these cases, including with three other [eClinicalWorks](#) employees and with individual physicians related to improper billing allegations in their practices.

The link to DOJ's press release is available [here](#).

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