

Earlier this week, the US Department of Justice (DOJ) announced that Community Health Systems, Inc. will pay \$97 million to resolve multiple whistleblower cases brought against the company under the False Claims Act. The global settlement will resolve seven qui tam (“whistleblower”) lawsuits brought in federal courts throughout the country.

The whistleblower lawsuits alleged that Community Health Systems engaged in a scheme to increase its revenues by improperly increasing in-patient admissions to its hospitals from its emergency rooms. The scheme resulted in hospital admissions of patients to the defendant’s hospitals even though the patients never should have been hospitalized and for whom the government’s Medicare and Medicaid programs never should have been billed.

The False Claims Act is an increasingly powerful tool for combating Medicare and Medicaid fraud. Individuals with knowledge of fraud committed upon the government should consult with attorneys experienced in handling whistleblower claims under the False Claims Act.

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