

Tenet Healthcare Corp., an owner of various hospitals and medical centers, recently settled a whistleblower case for \$5 million. In this False Claims Act case, Tenet was accused of paying kickbacks to doctors in return for patient referrals to its hospitals. Specifically, Tenet was accused of paying kickbacks to doctors in return for patient referrals by allowing the doctors to lease offices at below-market rates. In addition to charging less than market rate for physicians' offices, Tenet offered money for tenant office improvements and also understated the offices' square footage. This resulted in tens of thousands of dollars in financial gain for some physician-tenants over the life of the leases. In return, the lawsuit alleged that Tenet received Medicare and Medicaid payments from patient referrals. Tenet's arrangements with the physicians created a prohibited financial relationship under the Stark Law, which bars hospitals from filing Medicare claims based on such referrals.

The False Claims Act case against Tenet was settled for \$5 million, with \$4 million going to the federal government and \$1 million going to the South Florida landlord that was the whistleblower.

Read an article about the settlement in the [Miami Herald](#).