Apr 30, 2020

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Florida Attorney General's Office News Release

Medical Companies to Pay Fla. Medicaid More Than $500,000

TALLAHASSEE, Fla.—Attorney General Ashley Moody today announced that Florida, along with Colorado, Georgia, North Carolina, Virginia and the federal government, have reached an agreement with Logan Laboratories LLC and Tampa Pain Relief Centers, Inc. to resolve allegations that companies billed government health care programs for unnecessary medical laboratory tests. As part of the agreement, Logan Labs, Tampa Pain, and two former executives will pay $535,449 for submitting or causing the submission of false claims to the Florida Medicaid program.

Logan Labs and Tampa Pain, both wholly owned subsidiaries of Surgery Partners, Inc., are based in Tampa. Logan Labs is a toxicology laboratory that provides urine testing services. Tampa Pain is a pain management medical practice. The two former executives involved in the case are Michael T. Doyle, former CEO of Surgery Partners and Logan Labs and Christopher Utz Toepke, former Group President for Anciallary Services at Surgery Partners, with oversight of Logan Labs, and a former Vice President at Tampa Pain.

The agreement resolves allegations that, from Jan. 1, 2012 through Dec. 31, 2017, the defendants developed and implemented a policy and practice of automatically ordering both presumptive and definitive urine drug testing for all patients at every visit, without any physician making an individualized determination that the testing was medically necessary for those specific patients. Presumptive UDTs are tests that screen for the presence of drugs, and definitive UDTs identify the amounts of those drugs in a patient’s system. According to the allegations, the medically unnecessary presumptive UDTs were performed at Tampa Pain, the medically unnecessary definitive UDTs were performed at Logan Labs. Both Logan Labs and Tampa Pain submitted the resulting false claims to federal health care programs for payment with taxpayer dollars.

As a condition of the settlement, Logan Labs entered into an integrity agreement and Tampa Pain entered into a corporate integrity agreement with the United States Department of Health and Human Services, along with the Office of the Inspector General.

The allegations were brought in qui tam actions filed in the U.S. District Courts for the Middle District of Florida and the Eastern District of Pennsylvania under the federal False Claims Act, the Florida False Claims Act, and various state false claims act statutes.