Mar 13, 2019

Contact Kylie Mason

Phone 850-245-0150

OFFICE OF THE ATTORNEY GENERAL STATE OF FLORIDA

Florida Attorney General's Office News Release

Fla. Secures Millions Following Fraud Investigation

TALLAHASSEE, Fla.—Attorney General Ashley Moody's Office helped secure a multimillion-dollar recovery following an investigation into a multistate health care fraud scheme. Covidien LP, a former global health care products company, allegedly provided free or discounted development and marketing services to Florida health care providers to induce them into purchasing Covidien products. These alleged actions violate the Anti-Kickback Statute and both federal and state false claims acts.

Attorney General Ashley Moody said, "Our office is committed to fighting fraud, including any attempt to manipulate Florida's health care market. This multimillion-dollar recovery is just one example of how our Medicaid Fraud Control Unit attorneys and investigators work across boundaries and jurisdictions to protect the integrity of Florida's health care system."

According to the multistate investigation, Covidien used customized marketing plans to entice health care providers to purchase ClosureFASTtm catheters, used in procedures that treat venous reflux disease. The disease is often marked by the presence of varicose veins. The practice and market development support services Covidien provided included customized marketing plans for specific vein practices. The plans provided substantial assistance to specific vein practices in connection with planning, promoting and conducting screening events to cultivate new patients for those practices.

The United States Department of Justice, California and Florida all contributed to this investigation, alleging Covidien violated the Anti-Kickback Statute. The law prohibits the payment of remuneration to induce the referral or use of items or services paid for by federal health care programs.

The agreement resolves the allegations contained in two lawsuits, all pending in federal court in California. The lawsuits were filed under whistleblower provisions of the Federal False Claims Act and state false claims acts, permitting individuals to sue on behalf of the U.S. and the named plaintiff states.

Under the agreement, Covidien will pay approximately $20 million, plus interest in Medicaid restitution and other recoveries. Florida will receive more than a million dollars as part of the agreement.

To view the agreement, click here.