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OFFICE OF THE ATTORNEY GENERAL STATE OF FLORIDA

Florida Attorney General's Office News Release

AG Moody MFCU Secures More Than $600K



TALLAHASSEE, Fla.—Attorney General Ashley Moody's Medicaid Fraud Control Unit secured a payment of more than $600,000 to Florida Medicaid through a multistate action against the Advanced Bionics Corporation, a manufacturer and distributor of cochlear implants. ABC allegedly violated the federal and various state False Claims Acts by submitting false or fraudulent claims for reimbursement to federal healthcare programs, including Medicaid. Attorney General Moody's MFCU, 44 other states and the federal government negotiated the payment of more than $12.6 million in damages nationwide.

Attorney General Ashley Moody said, "Through this multistate action, we are securing millions of dollars for taxpayer-funded Medicaid programs nationwide and deterring the company from submitting false claims. I am proud of my Medicaid fraud attorneys and analysts for the hard work they put into this case, and for their collaboration with other states and the federal government to resolve this matter and recover taxpayer dollars."

The action resolves allegations that ABC knowingly submitted, or caused to be submitted, false or fraudulent claims for reimbursement for cochlear device systems with Neptune and Naida sound processor components during a nine-year period. Specifically, ABC allegedly misled the Food and Drug Administration to receive approval of the Neptune and Naida sound processors by lying about how items were tested. The company also allegedly misrepresented the processors' compliance with radiofrequency emission standards. FDA approval is a necessary requirement for reimbursement by federal healthcare programs, such as Medicaid.

These radiofrequency standards are in place because the FDA recognizes some devices, like cochlear implant systems, interfere with other devices that use radiofrequency, including

telephones, alarm and security systems, televisions and radios. The FDA is trying to limit the extent to which interference occurs.

The multistate agreement results from a whistleblower lawsuit originally filed in the United States District Court for the Eastern District of Pennsylvania. Attorney General Moody's MFCU participated in the negotiations, along with a team from the National Association of Medicaid Fraud Control Units. Including Florida, the negotiating team is made up of representatives from the Offices of the Attorney General for the states of California, North Carolina, Pennsylvania, Texas and Virginia.

To view a copy of the agreement, click here.

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The Florida Attorney General's Medicaid Fraud Control Unit investigates allegations of patient abuse, neglect and exploitation in facilities receiving payments under the Medicaid program. Additionally, the MFCU investigates and prosecutes providers that intentionally defraud the state's Medicaid program through fraudulent billing practices. Medicaid fraud essentially steals from Florida's taxpayers.

The Florida MFCU is funded through a grant totaling $30,219,404 for Federal Fiscal Year 2023, from the U.S. Department of Health and Human Services-Office of Inspector General. The Federal Share of these funds is 75% totaling $22,664,556. The State Matching Share of these funds is 25% totaling $7,554,848 and is funded by Florida.