

# Universal Health Services Pays \$117 Million to Settle 18 Whistleblower Cases Involving Medically Unnecessary Inpatient Behavioral Health Services, Announces Moss & Gilmore LLP

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ATLANTA, July 13, 2020 /PRNewswire/ -- Atlanta and New York-based Moss & Gilmore LLP announced today that they are among one of eighteen separate false claims whistleblower lawsuits against United Health Services, Inc and affiliates ("UHS") resolved by the United States Department of Justice ("DOJ") and various States.



(PRNewsfoto/Moss & Gilmore LLP)

Headquartered in King of Prussia, PA, NYSE publicly traded UHS (NYSE: [UHS](#)) has more than 90,000 employees and through its subsidiaries operates 26 acute care hospitals, 331 behavioral health facilities, 42 outpatient facilities and ambulatory care access points, an insurance offering, a physician network and various related services located in 37 U.S. states, Washington, D.C., Puerto Rico and the United Kingdom.

According to the Department of Justice website, UHS, while not acknowledging wrongdoing, will pay to DOJ \$117 million to resolve allegations that it violated the FCA and the various State

false claims statutes by knowingly submitting false claims for payment to the Medicare, Medicaid, TRICARE, Department of Veterans Affairs, and Federal Employee Health Benefit programs for inpatient behavioral health services that were not reasonable or medically necessary and/or failed to provide adequate and appropriate services for adults and children admitted to UHS facilities across the country.

The government alleged, among other things, that between January 2006 and December 2018, UHS facilities admitted as patients federal healthcare beneficiaries who were not eligible for inpatient or residential treatment because their conditions did not require that level of care, while also failing to properly discharge appropriately admitted beneficiaries when they no longer required inpatient care. The government further alleged that UHS facilities billed for services not rendered, billed for improper and excessive lengths of stay, failed to provide adequate staffing, training, and/or supervision of staff, and improperly used physical and chemical restraints and seclusion. In addition, UHS facilities allegedly failed to develop and/or update individual assessments and treatment plans for patients, failed to provide adequate discharge planning, and failed to provide required individual and group therapy services in accordance with federal and state regulations.

**DOJ's press release can be found at <https://www.justice.gov/usao-edpa/pr/universal-health-services-inc-pay-117-million-settle-false-claims-act-allegations>**

**A copy of the Settlement Agreement can be found in UHS's July 10, 2020 SEC 8-K filing at <https://ir.uhsinc.com/static-files/7cc17c12-ca5e-4fc4-b3ed-9e7f4dbe94eb>**

**UHS's press release can be found at <https://www.prnewswire.com/news-releases/universal-health-services-inc-announces-final-settlement-resolving-the-governments-investigation-of-our-behavioral-health-care-facilities-301091735.html>**

Six of the whistleblowers, who were awarded a portion of the total relator's share of \$15,862,457.03 to be divided among the 18 separate cases, by DOJ, were represented by Raymond L. Moss at Moss & Gilmore LLP, who initially brought this FCA action in 2014 on behalf of the six whistleblower, the U.S. Government and the State of Georgia against UHS and its affiliates, including St. Simons By-the-Sea, an acute care inpatient psychiatric hospital for children and adults owned by UHS in St. Simons Island, Georgia. The action also included claims for retaliation against one of the whistleblowers, which were also resolved as part of the settlement.

"Recent actions and interventions by DOJ in FCA cases are a loud wake-up call to hospitals who treat vulnerable and critically ill patients," said Mr. Moss. "Behavioral health patients deserve appropriate and compassionate care, supervision and oversight."

The case, which was originally brought in the United States District Court for the Middle District of Georgia, is captioned, *United States ex rel. Brinson, et al. v. Universal Health Services, Inc., et al.*, 2:14-cv-07275-AB (E.D. Pa.).

Assistant United States Attorney Charlene Keller Fullmer, Deputy Chief for the Civil Division, Assistant United States Attorney Stacey L.B. Smith, and Auditor Dawn Wiggins handled the matters filed in the Eastern District of Pennsylvania, working jointly with the Civil Frauds Division of the Department of Justice.

The False Claims Act fosters a private-public partnership to fight fraud against the government. The law encourages whistleblowers to file civil lawsuits against companies that are defrauding the government by offering job protection against retaliation and a reward of 15 to 25 percent of the government's civil recovery if the government joins or intervenes in the case. Under the False Claims Act, the United States may recover three times the amount of losses, plus civil penalties.

***About Moss & Gilmore LLP:** With offices in Atlanta and New York, Moss & Gilmore LLP represents whistleblowers in the U.S. and worldwide in federal and state false claim whistleblower and related retaliation cases involving healthcare fraud and military procurement fraud. Moss & Gilmore LLP represents whistleblowers in cases under the False Claims Act and claims under the U.S. Securities and Exchange Commission, Commodity Futures Trading Commission involving securities and commodities fraud and IRS whistleblower reward programs. For more information, visit [www.mossgilmorelaw.com](http://www.mossgilmorelaw.com).*

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