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THE UNITED STATES ATTORNEY'S OFFICE  
MIDDLE DISTRICT *of* FLORIDA

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**Department of Justice**

U.S. Attorney's Office

Middle District of Florida

FOR IMMEDIATE RELEASE

Wednesday, August 31, 2016

## **United States Settles False Claims Act Allegations Against Coastal Spine And Pain For \$7.4 Million**

Jacksonville, FL – United States Attorney A. Lee Bentley, III announces today that Physicians Group Services, P.A., doing business as Coastal Spine and Pain (“Coastal”), has agreed to pay \$7.4 million to the government to resolve allegations that Coastal violated the False Claims Act by performing medically unnecessary drug screening procedures.

The settlement relates to Coastal’s use of “Quantitative Drug Tests,” or tests that identify and count particles of illicit drugs in patients’ urine. The use of quantitative drug tests – tests that are very specific and also very expensive – is appropriate only if there is reason to doubt the more general and cheaper qualitative drug test screens. The government contends that Coastal appropriately performed qualitative drug tests for its patients. However, the United States contends that, regardless of the result of the less expense qualitative test, Coastal performed and billed for quantitative drug tests for all patients. The government contends this was medically unnecessary, as there was no reason to question or further confirm previous qualitative urine drug testing screens.

“The United States Attorney’s Office is committed to taking the steps necessary to protect Medicare, TRICARE, and other federal health care programs from fraud,” said U.S. Attorney Bentley. “When health care practitioners conduct medical tests, they must only bill for them when it is appropriate and medically necessary. We will vigorously pursue providers that perform tests indiscriminately, regardless of need.”

This case was developed through the proactive review of claims data. Coastal was a statistical outlier in terms of billing for quantitative drug test screens. In fact, in each and every instance that Coastal billed for a qualitative drug test screen, it also billed for a quantitative drug test screen. This statistical outlier prompted questioning and investigation by the Department of Justice.

“New and expanded uses of data analytics to identify suspicious billing patterns, such as in this case, are providing law enforcement agencies with powerful investigative tools to combat fraud and abuse in federal health care programs,” said HHS OIG SAC Shimon Richmond. “Medicare should only be paying for medical tests to improve the health of beneficiaries, not the profit margins of unscrupulous physicians. Today’s settlement should serve as notice to others that fraud will be vigorously pursued.”

This civil settlement illustrates the government’s emphasis on combating health care fraud and marks another achievement for the Health Care Fraud Prevention and Enforcement Action Team (HEAT) initiative, which was announced in May 2009 by the Attorney General and the Secretary of Health and Human Services. The partnership between the two departments has focused efforts to reduce and prevent Medicare and Medicaid financial fraud through enhanced cooperation. One of the most powerful tools in this effort is the False Claims Act. Since January 2009, the Justice Department has recovered more than \$30 billion through False Claims Act cases, with more than \$18.3 billion of that amount recovered in cases involving fraud against federal health care programs.

“We appreciate the support from the Department of Justice in protecting the TRICARE benefit from fraud and helping to ensure the benefit continues to exist for our service members, families, and retirees,” said Vice Admiral R. Bono, Director, Defense Health Agency.

This matter was investigated with assistance from the Department of Health and Human Services Office of Inspector General (HHS/OIG) and the Defense Criminal Investigative Service (DCIS). It was prosecuted by Assistant United States Attorney Jason Mehta.

The claims resolved by this settlement are allegations only, and there has been no determination of liability.

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**Topic:**

Healthcare Fraud

Updated August 31, 2016