



The United States Attorney's Office
District of Colorado

June 28, 2010

MEMORIAL HOSPITAL OF COLORADO SPRINGS SETTLES SPEECH THERAPY CLAIMS

DENVER – Memorial Hospital in Colorado Springs today paid \$747,199 to the federal government to settle claims that the hospital improperly billed Medicare and TRICARE for speech therapy sessions. The settlement was entered into on Thursday, June 24, 2010, following a two year investigation and settlement negotiations.

According to the settlement agreement, Memorial is a health care system that operates two licensed acute care hospitals and provides a variety of ambulatory health care services. Memorial is located and owned by the City of Colorado Springs.

On October 27, 2008, the United States Attorney's Office for the District of Colorado notified Memorial that it had inappropriately submitted claims to the federal TRICARE and Medicare insurance programs by claiming it provided multiple sessions of speech language therapy per patient per day. The United States claimed that from January 31, 2001 through December 26, 2007, Memorial submitted claims for multiple sessions of speech therapy for individual patients for a single day when the speech therapy is only payable for one claim per patient per day. The United States further contends that the covered conduct caused the TRICARE and Medicare programs to overpay Memorial for these speech therapy services. It is important to note that the allegations in question have nothing to do with the quality of care at the hospital, and is instead a billing issue.

Memorial asserts that the claims included in the covered conduct were submitted without any intent to defraud TRICARE or Medicare, and the agreement is neither an admission of liability by Memorial nor a concession by the United States that its claims are not well-founded.

As a result of the settlement agreement, the hospital agreed to pay \$747,199 to the United States. Payment was received today, June 28, 2010.

“If a healthcare agency over bills for services, the U.S. Attorney's Office will do everything possible to get that money back on behalf of the taxpayers,” said U.S. Attorney David Gaouette.

This matter was investigated by the Defense Criminal Investigative Service (DCIS) and Health and Human Services Office of the Inspector General.

This matter was handled by Assistant U.S. Attorney Edwin Winstead.

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