

**Qui Tam Whistleblower
Medicare / Medicaid Fraud
Legal NEWS**

McInnis Law
Timothy J. McInnis, Esq.
521 Fifth Avenue, 17th Floor
New York, NY 10175-0038
212-292-4573 – 917-903-9424
www.WhistleblowerLegal.com
TMcInnis@McInnis-Law.com

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New York Home Health Agency Pays \$850,000,
Plus Interest, to Federal, New York State Taxpayers; Unqualified and
Fraudulently Certified Aides for Infirm Had Been Alleged; State Medicaid Fraud
Control Unit Conducted Industry-Wide Investigation.

(New York City) — A fourth New York-based home health agency alleged to have employed unqualified or fraudulently certificated home health aides in New York City has settled false-billing allegations with the United States and New York State, as a result of information provided by a qui tam whistleblower represented by Whistleblowers' Attorney Timothy J. McInnis.

Friendly Home Care, Inc., of 1811 Kings Highway, Brooklyn ("Friendly"), will return approximately \$850,000 to U.S. taxpayers, which includes \$510,000 to New York State, plus interest, to resolve False Claims Act allegations of Medicare and Medicaid fraud in providing home health aide services to elderly and frail individuals from 2006 through 2008, McInnis said.

As a result of stepping forward to, "do the right thing," McInnis Law client Deborah Yannicelli will have received more than \$2 million in rewards for reporting allegations that home health aide training schools in New York City were furnishing certificates to individuals who were not trained properly.

The New York State False Claims Act settlement involved home health aides whose services were billed to Medicaid, the joint-federal program for the poor and elderly, and underwritten equally by federal and state taxpayers.

Friendly is licensed by The New York State's Home Care Services Agency and provides home health aides to Certified Home Health Care Agencies ("CCHA") that provide services to New York Medicaid recipients. When Friendly billed CCHAs they, in turn, submitted claims to the Medicaid program, violating the state Act.

The federal settlement is for the same allegations. In neither case did Friendly admit liability or concede the facts as laid out by the state or federal government.

McInnis, a former federal prosecutor whose New York City-based law practice serves whistleblowers across the country, originally filed the Yannicelli Complaint as co-counsel in November 2007 under seal as federal and state False Claims Acts require to permit an

investigation to go forward.

Under the federal False Claims Act, Qui Tam actions allow private citizens with knowledge of fraud to help the Government recover ill-gotten gains and additional civil penalties. The FCA allows the Government to collect up to three times the amount it was defrauded, in addition to civil penalties from \$5,500 to \$11,000 per false claim.

In successful federal Qui Tam whistleblower cases in which the Government intervenes, whistleblowers are typically entitled to receive awards representing 15-to-25 percent of Qui Tam recoveries. However, in cases where allegations are not resolved and taken to trial, the relator's share increases to 25-to-30 percent. In this case Yannicelli received approximately 20 percent of the more than \$25 million collected, McInnis explained.

"When public-spirited employees of entities that are fraudulently billing federal and state governments for goods and services are unable to get their employers to correct false billing after complaining internally, the federal False Claims Act and qui tam provisions, and similar state and city statutes, help return fraudulently billed taxpayer dollars," McInnis said.

This case was assigned to United States District Court Judge Frederic Block in the Southern District of New York, who approved the settlements on Dec. 20, 2012.

Case Caption: U.S. District Court, Southern District of New York: United States and State of New York ex rel. Jane Doe v. Extended Nursing Personnel CHHA, LLC, et al., Civil Action No. CV-07-4621.

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