



OIG-supported investigation leads to \$25.5 million settlement in durable medical equipment case

April 17, 2024

WASHINGTON — A durable medical equipment provider agreed on February 15, 2024, to a \$25.5 million settlement with the United States to resolve claims that it violated the False Claims Act by fraudulently continuing to bill health care programs, to include Amtrak's, for the rental of costly non-invasive ventilators when patients no longer needed or used the devices.

According to a press release from the U.S. Attorney's Office, Southern District of New York, Lincare Inc, the provider, agreed to pay a total sum of \$25.5 million, of which \$24,228,517.96 will be paid to the United States and the remainder will be paid to various states. The settlement also resolved claims that Lincare violated the Anti-Kickback Statute by waiving coinsurance payments to induce certain Medicare and TRICARE beneficiaries to rent its ventilators. Lincare also admitted that it received reimbursement from health care programs for some ventilator rental claims that did not comply with all of those programs' billing rules and guidance, and that it continued to seek monthly payments when it was aware that patients were not using the devices.

Lincare billed Amtrak's health care plan for more than \$210,000 of which \$54,595.15 was paid.

"The favorable outcome in this case is a testament to the professionalism and teamwork displayed by our agents, our fellow investigative agencies, and the U.S. Attorney's Office," said Mike Waters, Special Agent in Charge of the Amtrak Office of Inspector General Eastern Area Field Office. "We are very proud of this well-coordinated joint effort."

In addition to Amtrak OIG, the case was investigated by the Health and Human Services OIG, Department of Defense OIG, Defense Criminal Investigative Service, and the Office of Personnel Management OIG. More information is available in the U.S. Attorney's Office press release: <https://direc.to/k4sF>.

Reports of fraud, waste, or abuse, including suspected pandemic relief fraud; criminal or unethical acts affecting Amtrak's property or operations; or mismanagement in Amtrak programs or operations can be made 24 hours a day via the Amtrak OIG Hotline at 1-800-468-5469 or online at <https://direc.to/hPAu>.

-###-