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**JEFFREY A. NEWMAN LAW OFFICES ANNOUNCES \$3.9 MILLION
SETTLEMENT BY WINGATE HEALTHCARE AND ITS 16 NURSING
FACILITIES IN MASSACHUSETTS AND NEW YORK**

BOSTON – January 19, 2016

JeffreyNewmanLaw today announced that Wingate Healthcare, Inc. (Wingate), which owns and manages 16 Skilled Nursing Facilities in Massachusetts and New York, has agreed to settle a False Claims Act (FCA) “qui tam” lawsuit alleging Medicare billing fraud in causing SNF customers to bill for unreasonable and unnecessary rehabilitation therapy. The settlement, which is related to but separate from the \$125 million settlement announced by JeffreyNewmanLaw last week against the RehabCare Group, Inc. (RehabCare), and Kindred Healthcare Inc. (Kindred), its parent company.

In this case against Wingate, it was alleged that the company submitted false claims to Medicare based upon the amounts of therapy that its contractor, RehabCare, provided to patients at the Wingate SNFs. It is alleged that Wingate failed to take sufficient steps to prevent RehabCare from engaging in a pattern and practice of providing unnecessarily high levels of therapy to its patients. “The importance of this case is that skilled nursing facilities must independently remain responsible for the patient’s best interests and assure that any employees of outside contractors dealing with their patients comply with the law and provide services based on patient needs. According to Medicare, there were over 1.9 million patients in SNFs in the United States in 2012. That represents a significant grouping of our population, and they need protection,” said Mr. Newman

JeffreyNewmanLaw represents Janet Halpin and Shawn Fahey, who sued Wingate and RehabCare/Kindred in the U.S. District Court in Boston under the whistleblower provisions of the False Claims Act. Halpin, a former Rehab Manager for Kindred/RehabCare, worked at the Wingate facility in Haverhill, Massachusetts.

The whistleblower provisions of the federal law permit a private citizen known as a “relator” to bring a lawsuit on behalf of the Government and to receive a portion of the proceeds of any settlement or judgment. “This settlement reflects the responsibilities of skilled nursing facilities to assure that therapy companies providing services to their patients are not engaged in other activities to inflate their Medicare

reimbursements without regard to the patient needs,” said Mr. Newman, who filed the December 2011 lawsuit. “The Complaint alleged that, beyond failing to provide adequate oversight of RehabCare, Wingate encouraged certain practices to achieve higher Medicare Part A reimbursement,” said Newman.

The federal investigation was led by Assistant United States Attorney Gregg Shapiro.

The agreed to whistleblower award to the relators in this case is 19 percent of the amount paid by Wingate, which is \$741,000 plus interest and counsel fees.

JeffreyNewmanLaw is a public interest law firm handling complex litigation matters relating to whistleblower cases of various kinds, including Medicare Fraud, Military Contract Fraud, Pharmaceutical Fraud, Medical Device Fraud and Tax Evasion cases involving corporations.

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