

## **Constantine Cannon LLP Announces \$2.1 Million Whistleblower Settlement with Skyline Urology**

*Settlement resolves whistleblower client's allegations of systematic coding scheme to improperly increase reimbursement.*

**WASHINGTON, D.C. February 28, 2019** -- Constantine Cannon LLP is pleased to announce that its whistleblower client's claims resulted in a \$2.1 million settlement against Skyline Urology, a major medical practice in California. The whistleblower exposed an alleged systematic coding scheme to defraud Medicare and private insurers. Skyline Urology has agreed to pay \$1.85 million to the federal government and \$250,000 to California to resolve allegations that it routinely submitted fraudulent reimbursement claims through its flagrant overuse of the billing code Modifier 25.

The *qui tam*, or whistleblower, lawsuit alleged that Skyline Urology, at the time the largest urology practice in California, habitually coded standard Evaluation and Management (E&M) services as "separately identifiable" and claimed additional reimbursement beyond the standard billable rate for surgical procedures. While most E&M services are bundled together with preoperative and postoperative care into a single payment for comprehensive care, services rendered beyond the standard expectation of care are coded using Modifier 25 and may be separately billed.

The whistleblower, however, uncovered information allegedly demonstrating that a majority of Skyline Urology's Modifier 25 claims were erroneous and improperly billed for additional payment. This type of scheme is commonly known as "unbundling fraud" and can cost Medicare and private insurers tens of millions. After his entreaties to the company to address this issue were repeatedly ignored, the whistleblower took his information to the United States and the California Department of Insurance by filing a *qui tam* complaint.

"This settlement underscores the critical role of whistleblowers in preventing healthcare fraud," said Michael Ronickher, Of Counsel at Constantine Cannon. "Without brave individuals like our client, it is all too easy for unscrupulous companies to manipulate billing codes to claim additional monies from taxpayers and insurers."

Max Voldman, an Associate at Constantine Cannon, added: "This settlement demonstrates the effectiveness of the whistleblower reward provisions in the False Claims Act and the California statutes at recovering taxpayer dollars and protecting the public fisc."

The False Claims Act "FCA" is one of the government's most effective weapons in combating fraud and waste of government funds by private companies who contract with the government. The FCA allows whistleblowers to sue companies that are defrauding the government and receive as an award a percentage of any government recovery. There is a corollary California State law that allows whistleblowers to report fraud against private insurers and receive rewards.. Healthcare fraud alone costs the U.S. billions of dollars; since fraud can be difficult to discern without access to inside information; well-placed whistleblowers are necessary to provide information the government might otherwise lack to help stop these practices.