

US charges 412 people for health fraud, opioid scams

July 13 2017

US authorities slapped 412 doctors, nurses and other medical professionals with fraud charges Thursday, many for overprescribing opioids that have stoked an expanding national addiction crisis.

Attorney General Jeff Sessions announced the charges amid what he called "the deadliest drug crisis in our history," with close to 60,000 people killed by overdoses last year.

The charges involve doctors and others accused of operating pill mills that pump heavily addictive opioids like oxycodone into the streets through illegal prescription schemes.

The charges also target people said to have bilked the government-run Medicaid and Medicare health insurance programs for services that were never delivered, including addict rehabilitation programs, and for prescribing unnecessary drugs to patients in order to overbill the government.

In all, government losses on false billings in the fraud schemes totaled \$1.3 billion, the Justice Department said.

'Criminal enterprises'

"Too many trusted medical professionals like doctors, nurses and pharmacists have chosen to violate their oaths and put greed ahead of

their patients," Sessions said.

"Amazingly, some have made their practices into multimillion-dollar criminal enterprises. They seem oblivious to the disastrous consequences of their greed."

Those charged include 56 medical doctors, six of them part of a Michigan scheme that allegedly prescribed unnecessary opioids to patients and sent \$164 million in false and fraudulent claims to Medicaid.

One Houston doctor pumped out 2.5 million doses of hydrocodone and other drugs illegally as addicts and organized gangs lined up at her pain clinic daily to purchase prescriptions.

And a Palm Beach, Florida rehabilitation facility allegedly charged the government \$58 million while never providing the billed services to addicts.

Instead, the government said, the facility simply recruited addicts to use their names for billings by providing them gift cards, visits to strip clubs and even drugs.

The barely controlled pumping of hundreds of millions of doses of opioids into US communities during the past decade is blamed for a sharp surge in addiction, with an estimated two million to three million people hooked on prescription painkillers or heroin, according to the American Society of Addiction Medicine.

Last year, overdose deaths surged at least 19 percent to more than 59,000, according to preliminary estimates.

States and counties around the country are suing both the manufacturers

and distributors of prescription opioids for fueling the addiction epidemic by ignoring suspect surges in orders that cannot be justified by local patient populations.

On Tuesday, the Justice Department fined drug manufacturer Mallinckrodt Pharmaceuticals \$35 million for supplying and not reporting suspiciously massive orders of its highly addictive oxycodone in the 2000s.

Health and Human Services Secretary Tom Price said Thursday that US doctors and hospitals vastly overprescribe painkillers—even if most do so legally—thereby stoking the surge in addiction. He said action is needed to cut back.

Yellen: addiction hitting economy

Separately, Janet Yellen, chair of the Federal Reserve, said that widespread addiction, particularly among prime working-age adults, appeared to be behind the persistently high number of dropouts from the labor market, which has left the market relatively tight.

"Unfortunately, this is likely tied to the opioid crisis," she told a Senate committee.

"We've even seen an increase in death rates due to deaths of despair, suicides, drugs," something not seen in other economies, she added.

In Thursday's crackdown, 120 of the 412 were charged with opioid-related crimes, while many of the others had links to the crisis through false billing and other fraudulent practices.

Since 2007 the government has been cracking down on hospitals, clinics and medical professionals accused of bilking government insurance

programs.

More than 3,500 people have been prosecuted in cases involving in excess of \$12.5 billion in losses to Medicaid and other government programs.

© 2017 AFP

Citation: US charges 412 people for health fraud, opioid scams (2017, July 13) retrieved 23 April 2024 from <https://medicalxpress.com/news/2017-07-people-health-fraud-opioid-scams.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.