



Department of Justice

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FOR IMMEDIATE RELEASE
THURSDAY, DECEMBER 14, 2017
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Mental Health Facility to Pay Almost \$7 Million to Resolve Fraud Allegations

Jackson, Miss - Region 8 Mental Health Services has agreed to pay the United States government in excess of \$6.93 million under the False Claims Act to resolve allegations that it was paid for services that it either did not provide or that were not provided by qualified individuals as part of its preschool Day Treatment program, announced United States Attorney Mike Hurst and Derrick Jackson, Special Agent in Charge, Department of Health and Human Services, Office of Inspector General. Today's announcement is believed to be the largest False Claims Act healthcare settlement in the history of the State of Mississippi.

The Mississippi Department of Mental Health reports that nearly 35,000 Mississippi children and adolescents suffer mental health issues that are "severe and persistent." Day Treatment is defined by Medicaid as "a behavioral intervention program, provided in the context of a therapeutic milieu, which provides children/adolescents with serious emotional disturbances the intensity treatment necessary to enable them to live in the community." Day Treatment services covered by Medicaid provide a vital service to the citizens of Mississippi, enabling the State's youth to live productive lives and grow to become healthy, productive adults.

Region 8, a regional community health center covering Copiah, Lincoln, Madison, Rankin and Simpson Counties, operated a Day Treatment program for preschool age children. During its investigation, the United States Department of Justice and Department of Health and Human Services, Office of Inspector General, discovered that many of the claims submitted for payment from 2004 to 2010 were for services that were either not provided or were not provided by qualified individuals.

"Our children are among the most valuable and vulnerable in our society, and it is imperative that we do all that we can to protect the programs that offer them the services that they need," says U.S. Attorney Hurst. The Office of the United States Attorney says that it continues to increase its efforts to investigate allegations of fraud and protect the federal programs serving the citizens of this State and country. "The work we do in combatting waste, fraud and abuse in government programs is among some of the most important work this office does, and we will continue to vigorously investigate all allegations of fraud," says U.S. Attorney Hurst.

Derrick Jackson, Special Agent in Charge for the U.S. Department of Health and Human Services, Office of the Inspector General, adds, “It is imperative that these children receive the behavioral intervention services they need. We will continue to monitor Region 8 Mental Health Services to ensure the organization is providing intervention services by qualified staff and properly billing Medicaid.”

The allegations settled today arose from a lawsuit filed by a whistleblower, who was a former employee of the company, under the *qui tam* provisions of the False Claims Act. Under the False Claims Act, private citizens can bring suit on behalf of the government for false claims and share in any recovery. Such private citizens are referred to as relators. The relator in this case will receive more than \$1 million from the recovery announced today. The case is styled *United States v. Madison-Simpson-Copiah Mental Health Commission Region 8, et al.*, 3:09cv441-HTW-LRA (S.D. Miss.).

The investigation and settlement were the result of a coordinated effort by the United States Attorney’s Office for the Southern District of Mississippi and the U.S. Department of Health and Human Services, Office of the Inspector General. There were also significant contributions to the investigation from the Federal Bureau of Investigation and Mississippi Attorney General’s Office, Medicaid Fraud Control Unit. The United States government was represented by Assistant United States Attorney Angela Givens Williams, with contribution from Auditor Kim Mitchell. The Mississippi Division of Medicaid will receive a portion of the settlement in proportion to its contribution to the Medicaid fund.

Moving forward, Region 8 will be subject to oversight under its Corporate Integrity Agreement with the U.S. Department of Health and Human Services, Office of the Inspector General. This agreement is designed to increase accountability and transparency and prevent future fraud and abuse.

The claims settled by this agreement are allegations only, and there has been no determination of liability.

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