

Report on Medicare Compliance Volume 30, Number 7. February 22, 2021 After FCA Settlement, One Physician Agrees to Exclusion, Another Is Restricted By CIA

By Nina Youngstrom

Two Oklahoma physicians have faced fallout of different kinds in the wake of a July false claims settlement over allegations their orthopedic group got sweetheart deals from a hospital in exchange for their referrals. One of the physicians has agreed to a 10-year exclusion from federal health care programs, and the other physician is walled off from some of the orthopedic group's operations by its corporate integrity agreement (CIA) with the HHS Office of Inspector General (OIG).

The developments stem from the Department of Justice's False Claims Act (FCA) settlement with the Oklahoma Center for Orthopaedic & Multi-Specialty Surgery (OCOM), a specialty hospital in Oklahoma City; USP OKC Inc. and USP OKC Manager Inc. (collectively USP), its part owner and management company; Southwest Orthopaedic Specialists PLLC (SOS), an Oklahoma City-based physician group; and two SOS physicians—Anthony Cruse, D.O., and R.J. Langerman, Jr., D.O.

The defendants collectively paid \$72.3 million to resolve allegations under the federal and Oklahoma Medicaid FCA of "improper relationships" between OCOM and SOS from 2006 through 2018, DOJ said July 8.^[1]

The FCA lawsuit was filed by a whistleblower, Wayne Allison, who was the SOS practice administrator for 15 years. He alleged the "defendants' unlawful conduct and fraudulent schemes arise from their entangled history of using their patient referrals and various entities as a self-interested, profit-oriented, multi-million-dollar money-making machine," according to the June 2018 second amended complaint.^[2]

OCOM is managed by USP, and Tenet Healthcare Corp. owns 95% of USP, the complaint said, although Tenet isn't a party to the settlement. Of the settlement amount, USP will pay \$60.86 million to the United States, \$5 million to Oklahoma, and \$206,000 to Texas. SOS, Cruse and Langerman will pay \$5.7 million to the feds and \$495,619 to Oklahoma. None of the defendants admitted liability in the settlement.

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