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By Nina Youngstrom

◆ Gamma Healthcare Inc., a laboratory in Poplar Bluff, Missouri, and three of its owners have agreed to pay \$13.6 million to settle false claims allegations in connection with lab tests that weren't ordered or medically necessary, the U.S. Department of Justice (DOJ) said March 27.^[1] Gamma provided clinical lab testing and digital radiology services until it shut down in November 2020, according to the settlement.^[2] The three owners are CEO Jerry Murphy and his two sons, Jerrod Murphy, who was chief operating officer, and Joel Murphy, who was chief information officer. Gamma, Jerry and Jerrod Murphy also agreed to a 15-year exclusion from federal health care programs. The settlement resolves allegations that between Jan. 1, 2020, and Oct. 31, 2020, Gamma and the Murphys submitted or caused to be submitted Medicare claims for chain reaction (PCR) urinalysis lab tests that treating physicians didn't order. When a physician ordered a urinalysis (UA) with culture and sensitivity (C&S) or just a C&S, Gamma automatically performed and billed for a urinary tract infection (UTI) panel of tests by PCR (the UTI PCR Tests), DOJ alleged. There's a big reimbursement difference between them: Medicare paid about \$11 for a UA with C&S but \$573 more for a panel of UTI PCR Tests. "Gamma's requisition forms were structured in a way that did not allow physicians to opt out of the UTI PCR Tests," DOJ alleged.

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