

## Report on Medicare Compliance Volume 29, Number 39. November 02, 2020

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By Nina Youngstrom

◆ **Medtronic USA Inc., a medical device maker, has agreed to pay \$8.1 million to settle allegations it violated the False Claims Act by paying kickbacks** to induce South Dakota neurosurgeon Wilson Asfora, M.D., to use its SynchroMed II intrathecal infusion pumps, the Department of Justice said Oct. 29.<sup>[1]</sup> According to the settlement,<sup>[2]</sup> Medtronic knew that Asfora and his wife owned a restaurant in Sioux Falls called Carnaval Brazilian Grill. Asfora allegedly told Medtronic that business was slow and asked the device maker to pay for events there. “Contrary to Medtronic’s established written compliance policies, Medtronic agreed to Asfora’s request,” the settlement alleged. To “curry favor” with the neurosurgeon, Medtronic held 130 events at the restaurant, spending \$87,000. Medtronic salespeople allegedly falsely said in expense reports that the events were for education or business information. After an internal review, Medtronic terminated or disciplined some salespeople involved. Medtronic also paid \$1.1 million to settle allegations that it underreported payments to Asfora to CMS’s Open Payments program.

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