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Bird Marella Defeats $40 Million False Claims Act Lawsuit

Partner Benjamin N. Gluck and associate Avi Rejwan won a complete victory for a healthcare provider facing a whistleblower lawsuit under the federal and California False Claims Acts.

The relators alleged that Bird Marella's client provided medically unnecessary and substandard care and sought approximately $40 million in damages, which could have been trebled to more than $120 million under the False Claims Act.

Bird Marella moved to dismiss the claims, arguing that the relators' theory of fraud failed as a matter of logic and as a matter of law. Rather than oppose the motion, relators dismissed all claims against Bird Marella's client.

The dismissal resulted in the elimination of more than $120 million in potential liability and a complete defense victory.