

Bird Marella Successfully Defends Global Nonprofit Healthcare Provider in High-Profile False Claims Act Lawsuit

Bird Marella attorneys [Paul Chan](#) and [Marc Masters](#) successfully defended a global nonprofit provider of AIDS/HIV healthcare, prevention services, and testing, in a high-profile False Claims Act lawsuit seeking eight-figure damages. The non-profit was sued by three former employee “whistleblowers” in federal court in Miami, Florida. The three plaintiffs/relators alleged that the non-profit had violated certain provisions of the federal anti-kickback laws governing payments for patient referrals. Bird Marella immediately formulated a two-pronged strategy to respond to the relators’ complaint. First, the firm filed a separate complaint, on behalf of the nonprofit, based upon the relators’ theft of protected healthcare information under the Health Insurance Portability and Accountability Act (HIPAA). Second, the firm filed a motion to dismiss the relators’ False Claims Act complaint, based upon their failure to allege with sufficient particularity in the complaint that the non-profit had actually submitted false claims for payment to the government based upon the alleged misconduct (which is a prerequisite under the False Claims Act). At a recent hearing on the parties’ cross-motions to dismiss, the Court denied the relators’ motion to dismiss the non-profit’s HIPAA complaint, and granted the firm’s motion to dismiss virtually all claims in the relators’ complaint, leaving only a narrow category of alleged false claims limited to only two patients, with very modest monetary exposure.