



NATIONAL ASSOCIATION OF MEDICAID FRAUD CONTROL UNITS

SAVASENIORCARE LLC AGREES TO PAY \$11.2 MILLION TO RESOLVE FALSE CLAIMS ACT ALLEGATIONS

The National Association of Medicaid Fraud Control Units (NAMFCU) announced on July 1, 2022, that 23 states have settled allegations of medically unnecessary rehabilitation therapy services and grossly substandard skilled nursing services against Georgia-based SavaSeniorCare LLC (Sava), an owner and operator of skilled nursing facilities. Pursuant to the settlement, Sava will pay the United States and 23 states a total of \$11.2 million plus interest and additional amounts if certain financial contingencies occur. The settlement was based on the company's ability to pay.

The settlement resolves allegations that from October 2008 to September 2012, Sava engaged in a scheme to maximize billing that improperly caused some therapists to provide rehabilitation therapy to certain beneficiaries receiving both Medicare Part A and Medicaid. The therapy was either not reasonable and necessary, not skilled, or not covered by the Medicare Part A and Medicaid coinsurance benefits. In addition, this settlement also resolves allegations that from January 2008 through December 2018, some of the nursing services provided by Sava were grossly and materially substandard and/or worthless, in part because Sava failed to provide care to certain residents that meets federal standards of care and federal statutory and regulatory requirements, including failing to have sufficient staffing in certain facilities. Sava also failed in certain skilled nursing facilities to follow appropriate pressure ulcer protocols and appropriate falls protocols, and failed to appropriately administer medications to some of the residents to avoid medication errors.

This settlement results from four whistleblower lawsuits filed in the United States District Court for the Middle District of Tennessee and the Eastern District of Pennsylvania. A NAMFCU Team participated in the settlement negotiations on behalf of the states. The NAMFCU Team included representatives from the Offices of the Attorneys General for the states of Colorado, Nebraska, Ohio, Tennessee, and Texas.