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FOR IMMEDIATE RELEASE

Friday, August 16, 2013

Planned Parenthood Pays \$4.3 Million To Settle Allegations Of Unnecessary Medical Care

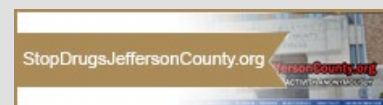
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LUFKIN, Texas – Houston-based Planned Parenthood Gulf Coast has paid \$4.3 million to resolve civil allegations under the False Claims Act in the Eastern District of Texas, announced U.S. Attorney John M. Bales.

The government alleges that between 2003 and 2009, Planned Parenthood Gulf Coast billed and was paid by government programs, Texas Medicaid, Title XX, and the Women's Health Program, for certain items and services related to birth control counseling, STD testing and contraceptives when such items and services were either not medically necessary, not medically indicated or not actually provided. Title XX is funded by the federal government while Texas Medicaid and the Women's Health Program are funded jointly by the federal government and the State of Texas.

Of the \$4.3 million settlement, the federal government will receive \$3,594,604 and the State of Texas will receive \$705,396. The settlement resolves a False Claims Act lawsuit filed in the Eastern District of Texas by Karen Reynolds, a former employee of Planned Parenthood Gulf Coast. The whistleblower or qui tam provisions of the False Claims Act permit the relator to obtain a portion of the proceeds obtained by the government. As part of today's resolution, Reynolds will receive \$1,247,000.

"We are very pleased to settle this matter for an amount of money that addresses what was, in the Government's view, an abuse of programs that are extremely important to the well-being of many American women," said U.S. Attorney Bales. "We will remain ever vigilant to protect the interests of American taxpayers and the integrity of the Medicare and Medicaid health programs. I am particularly grateful to the whistleblower for bringing the matter to our attention."



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The claims settled by this agreement are allegations only; there has been no determination of liability.

This case was investigated by the Texas Attorney General's Civil Medicaid Fraud Division and prosecuted by Assistant U.S. Attorney Kevin McClendon.

Component(s):

USAO - Texas, Eastern

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Justice Department launched a comprehensive review of the criminal justice system in order to identify reforms that would ensure federal laws are enforced more fairly and—in an era of reduced budgets—more efficiently.

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