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AG SLATERY SUES FRANKLIN HEALTH CARE CLINIC FOR 18 MILLION IN
TENNCARE FRAUD CASE

Nashville- The U.S. District Court for the Middle District of Tennessee has made public a suit filed by Attorney General Herbert H. Slatery III against ProHealth Rural Health Services, Inc., and its President and Chief Executive Officer, Ray White. By filing the suit, the State intervened in a case initially filed by a whistle blower.

As a designated Federally Qualified Community Health Center (FQHC) Look-Alike, ProHealth provides healthcare to all patients, regardless of their ability to pay. That status entitled ProHealth to receive Prospective Payment Service (PPS) payments, a guaranteed minimum amount of money per Medicaid patient visit.

As detailed in the complaint, the State alleges White knowingly submitted invoices to the State of Tennessee which falsely inflated the number of Medicaid patient visits to ProHealth from 2012-2017. That caused TennCare to pay ProHealth more than \$6,000,000 to which it was not entitled.

“ProHealth abused its status as a FQHC to make millions of dollars for services it did not provide to patients who never even walked in the door,” said Herbert H. Slatery III. “That’s why the state is seeking the maximum penalty allowed by law. We want to send a very clear message- TennCare fraud will not be tolerated.”

The State is seeking \$18,722,234 in damages under the Tennessee Medicaid False Claims Act, three times the fraudulent amount received by ProHealth, and \$440,000 in fines.

To read the complaint, click here:

<https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2019/pr19-11-complaint.pdf>

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