

False Claims Act enforcement a concern for businesses across sectors amid change in administration, coronavirus relief

A federal directive to prioritize the investigation of coronavirus-related fraud, the unprecedented amount of federal stimulus payments, and the transition to a new administration has created a climate in which False Claims Act enforcement likely will create significant risks for businesses this year, according to a new report by global law firm Hogan Lovells.

The False Claims Act Guide: 2020 and the Road Ahead, looks at FCA enforcement trends in industries including health care, financial services, and higher education, as well as key developments in the law that will drive FCA enforcement this year.

The FCA Guide looks at potential enforcement risks under the CARES Act and other federal programs put into place in the wake of COVID-19.

The FCA Guide looks at enforcement activity in a number of industries, including:

Health care – The health care sector continued to see nine-figure FCA settlements stemming from Anti-Kickback Statute violations and billing for medically unnecessary items and services.

Financial institutions – Financial institutions have distributed hundreds of billions of dollars in loans under the CARES Act, creating new FCA risks for lenders participating in

the Paycheck Protection Program and Main Street Lending Program.

Higher education – Recent FCA settlements and congressional attention have raised doubt as to whether certain exemptions to the ban on incentive compensation for student recruitment remain viable.

The FCA Guide also examines a number of important developments in the law that businesses should consider in reviewing their compliance programs. A corresponding podcast series, which begins today, will focus on each of the sections covered by the FCA Guide.

Access to the FCA Guide and podcast series.