

Humana Agrees to a \$12.5M Settlement to Resolve Allegations of Anti-Kickback Violations

“The first of its kind FCA case involves Roche and Medicare Advantage insurer Humana,” report Mary Inman, Esq. and Max Voldman, Esq. in *RACmonitor*.

“The recent settlement of a whistleblower case involving the government’s Medicare Advantage program might be a sign of things to come for litigation filed under the False Claims Act (FCA), including those initiated by whistleblowers. On Monday, it was announced that the pharmaceutical company Roche and Medicare Advantage insurer Humana have agreed to pay \$12.5 million to the U.S. government to resolve allegations that the companies violated the anti-kickback statute. This is the first FCA settlement resulting from a pharmaceutical company’s alleged payment of kickbacks to a Medicare Advantage Organization.”

“Medicare Advantage, also known as Part C of the Medicare program, is a managed care model wherein the government pays Medicare Advantage Organizations (private insurance companies such as Humana) premiums to insure Medicare beneficiaries. The premium amounts are determined by the demographic makeup and the health status of the insured beneficiaries, with sicker, older members drawing a higher payment from the government than younger, healthier ones. This model contrasts with “traditional” Medicare (Parts A and B of the program), wherein the government pays for each individual healthcare service performed, in what is known as a fee-for-service model. In the Medicare Advantage program, the amounts of government payments are not directly linked to which healthcare services are

performed.”

Read the article.