Department of Justice

Robert M. Duncan, Jr.
United States Attorney
Eastern District of Kentucky

Ashland Physician and Substance Abuse Treatment Center Agree To Pay $1.4 Million to Resolve Civil Claims

ASHLAND, Ky. – An Ashland addiction treatment specialist, Dr. Rose O. Uradu, and her substance abuse treatment center, Ultimate Care Medical Services, LLC d/b/a Ultimate Treatment Center, have agreed to pay $1.4 million to resolve civil allegations that they violated the Controlled Substances Act, and defrauded the Medicare and Kentucky Medicaid programs.

This settlement resolves a civil lawsuit alleging that Ultimate Treatment Center, at the direction of Dr. Uradu, sought and received payments from Medicare and Kentucky Medicaid for services that were not actually provided to patients. According to the Complaint, between January 2013 and September 2014, defendants billed these government programs for "evaluation and management" services, purportedly provided to patients who visited the clinic to receive daily methadone doses. To be reimbursed by Medicare and Kentucky Medicaid, evaluation and management services should include performance of an examination of the patient, a patient history, and medical decision-making. The United States alleged that Ultimate Treatment Center did not actually perform these services when patients received their methadone doses, but falsely documented the performance of these services, in the patients' medical records, in order to create the false appearance that the reimbursement was justified.

The United States further alleged that, during the period July 2013 to December 2014, defendants billed Medicare and Kentucky Medicaid for complex urine drug testing that the clinic's equipment was incapable of performing. The United States contended that Defendants' submission of claims to Medicare and Kentucky Medicaid for services not provided as billed violated the False Claims Act, a federal law the prohibits submitting false or fraudulent claims for payment to the government.

In addition to false claims, the United States alleged that Dr. Uradu issued buprenorphine prescriptions to more patients than permitted by law for a three-month period in 2014. Buprenorphine is marketed under the brand names Suboxone and Subutex, and is used medically in the treatment of opioid addiction. Because buprenorphine has the potential for diversion and abuse by recreational users, it is a controlled substance regulated by law. Dr. Uradu was only permitted to treat 100 patients with buprenorphine drug products, but repeatedly exceeded her patient limit. According to the settlement agreement, the United States alleged that Dr. Uradu violated the Controlled Substances Act each time she wrote a prescription over her limit.

The Government's work in this investigation illustrates its commitment to combatting health care fraud and violations of controlled substances laws. Tips from all sources about potential fraud, waste, abuse, and mismanagement can be reported to the U.S. Department of Health and Human Services, at 800-HHS-TIPS (800-447-8477). Tips about possible violations of controlled substances laws can be reported at www.dea.gov/submit-tip.

The case against Dr. Uradu and Ultimate Treatment Center was investigated by the U.S. Drug Enforcement Administration, Federal Bureau of Investigation, and the Kentucky Attorney General's Medicaid Fraud and Abuse Control Unit. The U.S. Department of Health and Human Services, Office of Inspector General assisted with the litigation. Assistant United States Attorneys Christine Corndorf and Meghan Stubblebine handled the matter for the United States.

The case is captioned *United States v. Rose O. Uradu, M.D., et al.*, Case No. 0:18-cv-00066-HRW. The claims resolved by the settlement with Dr. Uradu and Ultimate Treatment Center are allegations only, and there has been no determination of liability.

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