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ATTORNEY GENERAL MASTO ANNOUNCES CONVICTION OF BEHAVIORAL HEALTH COMPANY FOR MEDICAID FRAUD

North Las Vegas Corporation Billed Medicaid for Services Not Provided

Las Vegas, NV – Nevada Attorney General Catherine Cortez Masto announced that Unity Family Services, Inc. (Unity), in accord with a negotiated settlement, was convicted today for the felony offense of submission of false Medicaid claims for fraud involving submission of billing to Medicaid for various behavioral health services that were never provided to Medicaid recipients.

“The unconscionable billing practices of this company highlight the damage caused to Medicaid by provider fraud,” said Masto. “Corporations, like individuals, must be held to answer when their profits are derived by the theft of taxpayer dollars.”

Unity further agreed, and was ordered, to repay \$800,000 that it had obtained by way of these fraudulent submissions.

In addition to ordering Unity to pay restitution and penalties of \$800,000, District Court Judge Elissa Cadish also ordered Unity to pay an additional \$100,000 in investigation and prosecution costs.

In August 2009, the Attorney General’s Medicaid Fraud control Unit (MFCU) received information that Unity had improperly bargained with a Medicaid recipient to use the recipient’s allotted treatment time to instead provide treatment to the recipient’s family member. While the MFCU investigated this complaint, the MFCU uncovered Unity’s billing scheme that billed Medicaid for services without verifying that services were indeed provided and without generating documentation that would show whether services were provided.

Unity was a behavioral health provider that contracted with Medicaid to provide mental health services, psychological therapy and medication management to Medicaid recipients. The fraud occurred from January 2010 through July 2012.

Medicaid provides payment, and allocates particular amounts of time, for assistance to individuals to gain psychiatric stability, social adjustment and independent living skills. The MFCU’s investigation revealed that Unity simply billed Medicaid based on the allotted

treatment times for individuals, although there would be no reason to believe that treatment was actually provided. Individual therapists and recipients under whose identities Unity billed Medicaid all denied that services were provided or received. Medicaid would unknowingly pay Unity based on the fraudulent information.

Persons and corporations convicted of Medicaid fraud may also be administratively excluded from future Medicaid participation.

The case was investigated and prosecuted by the MFCU, which investigates and prosecutes financial fraud by those providing healthcare services or goods to Medicaid patients. The MFCU also investigates and prosecutes instances of elder abuse or neglect. Anyone wishing to report suspicions regarding any of these concerns may contact the MFCU at 702-486-3420 or 775-684-1100.

The case was prosecuted by Matthew Jensen, Senior Deputy Attorney General.

Read the criminal information [here](#).

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