

## TX Hospice Provider Indicted in \$60M Medicare Fraud Scam



It's hard to imagine patients and families more vulnerable than

those under hospice care. And therefore it's hard to imagine anyone more intensely harmed in the instance of fraud.

According to the U.S. attorney's office for the Northern District of Texas, a Frisco couple has [perpetuated a Medicare scam](#) that has bilked the government out of over \$35 million and resulted in the death of patients. More than a dozen other defendants were named on the indictment along with the couple late last month, including five physicians and five nurses. Charges include healthcare fraud and conspiracy to commit healthcare fraud.

### More than three years of allegedly fraudulent claims

Bradley J. Harris is the owner and operator of for-profit Novus Health Services (one of the largest hospice providers in North Texas) and Optim Health Services, Inc. Amy Harris, co-founder of Novus (with Samuel D. Anderson, another defendant) and vice president of patient services, is his wife.

According to the indictment, Novus submitted fraudulent claims totaling more than \$60 million to Medicare and Medicaid from July of 2012 to September of 2015. The government paid out over \$35 million on those claims. →

One of the specific accusations leveled at Novus and practitioners is that some patients were certified as hospice-eligible when they were not. Allegedly, Harris put patients on continuous care (reimbursed by Medicare at a much higher daily rate than routine care), regardless of verifiable need. In 2013, the difference in those categories of payment looked like this: \$153 per day for routine hospice care versus rates ranging from \$303 to \$895 per day for continuous care.

### CPA making decisions about patient care?

Authorities say that Harris is a certified public accountant without any medical licenses, and yet he was the one predominantly directing patient care and working with nurses on establishing necessary protocol (rather than doctors).

The indictment alleges that Novus offered assisted living facilities and doctors payment in exchange for patient

referrals. “My goal was to send as much business to Brad and Amy in return for directorships, etc.,” said Charles R. Leach (also indicted), a physician from Arlington, Texas.

It is also alleged that nurses administered high doses of morphine or other drugs, whether or not patients actually needed them, in order to align with the continuous care billing. And prosecutors say that there were cases of these unwarranted dosages leading to bodily harm or death.

“That these defendants used human life at its most vulnerable stage as the grist for this scheme displays a shocking level of depravity that this community simply cannot tolerate,” U.S. Attorney John Parker said in a press release.

## **FBI and OIG join TX Medicaid Fraud Control Unit to investigate**

Some of the charges faced by the defendants include submitting false claims for hospice services and continuous care hospice services, providing kickbacks for referrals to doctors and healthcare facilities and thereby recruiting patients not eligible for hospice care, and falsifying or destroying documents in the act of concealing these behaviors from the government.

The U.S. Department of Health and Human Services (HHS) Office of Inspector General (OIG), the FBI, and the Texas attorney general’s Medicaid Fraud Control Unit are all investigating the case. Additionally, federal officials are in the process of seizing assets gained as a result of the fraudulent scheme. More than \$100,000 of property has been confiscated from Harris since the investigation began more than a year ago.

## **Hospice facility owner allegedly instructs nurse to over-medicate patient**

In a particularly heinous and disturbing detail, it is alleged that at one point in the spring of 2013 Harris texted licensed vocational nurse Taryn E. Stuart to assume care for a particular patient. “I told this chick if she would just give her 1 ml of Ativan and turn her she would die,” the indictment alleges Harris wrote. Harris followed that with another text, writing, “[expletive] woman is still alive ... I need some boots on the ground.”

Allegedly, Stuart remained in contact with Harris while she administered drugs to the patient. The indictment claims that at that point Harris sent Stuart a text about the importance of medicating so that continuous care would be clearly justified: “We have very strict guidelines that we must be providing skilled nursing interventions at least ever [sic] hour to stay in there.”

Stuart informed Harris of the patient’s death via text, and he allegedly answered her with, “Nice work.”

In March of 2016, when the federal investigation into Novus was made public, Novus posted this statement online: “We have not and would not — ever — willfully harm any patient.”

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