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**PRECISION MEDICAL PRODUCTS INC. AND ITS PRESIDENTS PAY THE  
UNITED STATES \$1.9 MILLION TO RESOLVE  
FALSE CLAIMS ACT ALLEGATIONS**

SACRAMENTO—Precision Medical Products Inc., a private California corporation that provides durable medical and orthotic equipment, and its presidents, Jeremy Perkins and Marc Reynolds, have paid \$1.9 million to resolve allegations that they violated the False Claims Act by submitting to the Medicare and TRICARE programs false claims for reimbursement, U.S. Attorney McGregor W. Scott announced today.

“The U.S. Attorney’s Office is committed to rooting out fraud and abuse through federal civil enforcement actions such as this,” said U.S. Attorney McGregor W. Scott. “We will continue to work closely with federal and state agencies to protect the Treasury and ensure that taxpayer money is not lost through illegal conduct.”

“This settlement is yet another example of our commitment to hold accountable providers who place profits over patients,” said Steven J. Ryan, Special Agent in Charge for the Office of Inspector General of the U.S. Department of Health and Human Services. “Paying claims stemming from improper referrals drains resources from the Medicare program that should be used to pay for medically reasonable and necessary health care for Medicare beneficiaries.”

The settlement resolves allegations that between October 1, 2011, and December 1, 2017: Precision paid independent contractors a commission based on the volume and value of their referrals to Precision in violation of the Anti-Kickback Statute; waived required patient co-payments to induce Medicare beneficiaries to use Precision in violation of the Anti-Kickback Statute; and, submitted claims to Medicare and TRICARE pursuant to prescriptions and certificates of medical necessity that contained stamped, photocopied, and digitally forged physician signatures.

The allegations resolved by this settlement were first raised in a lawsuit filed under the *qui tam*, or whistleblower, provisions of the False Claims Act. These provisions allow private citizens to bring civil actions on behalf of the United States for false claims and to share in a portion of the recovery. The whistleblowers in this case will collectively receive \$323,000 of the recovery proceeds.

This settlement was the result of a coordinated effort among the U.S. Attorney's Office for the Eastern District of California, the Department of Health and Human Services Office of Inspector General, the Department of Defense Office of Inspector General, and the Federal Bureau of Investigation. Assistant U.S. Attorney John R. Edwards represented the United States in this matter.

The claims settled by this agreement are allegations only, and there has been no determination of liability

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