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OFFICE OF
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— Stronger, Safer Florida —

Attorney General Ashley Moody News Release

AG Moody's Medicaid Fraud Control Unit Secures Half a Million Dollars for Florida Medicaid Program



TALLAHASSEE, Fla.—Attorney General Ashley Moody's Medicaid Fraud Control Unit secured a payment of more than half a million dollars to Florida Medicaid from laboratory services providers. Attorney General Moody's MFCU, along with the federal government, the state of North Carolina and the Commonwealth of Virginia, secured the recovery from Vista Clinical Diagnostics, LLC, Access Dermpath, Inc., and Advanced Clinical Laboratories, Inc.—companies alleged to have violated the Federal False Claims Act and the False Claims Acts of the respective states by submitting false or fraudulent claims for laboratory testing to Medicaid and Medicare.

Attorney General Ashley Moody said, "Our Medicaid Fraud Control Unit has recovered more than half a million dollars for Florida Medicaid from several medical companies that manipulated claims and attempted to game the system by adding diagnosis codes to claims submitted to Medicare and Medicaid which were not provided by the beneficiaries' physicians. We will continue working to stop those defrauding these taxpayer-funded programs."

The agreement resolves allegations that the defendants manipulated diagnosis codes manually, and/or electronically by generating and inserting diagnosis codes, into reimbursement

submissions for laboratory services. The beneficiary's referring provider or physician did not provide these diagnosis codes.

This action is a result of a whistleblower lawsuit originally filed in the United States District Court for the Middle District of Florida. Vista Clinical Diagnostics filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code on Oct. 2, 2023. That case is captioned *In re: Vista Clinical Diagnostics, LLC*, Case No. 6:23-bk-04109. The United States Bankruptcy Court approved the settlement agreement and confirmed Vista Clinical Diagnostic's bankruptcy plan on July 9.

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The Florida Attorney General's Medicaid Fraud Control Unit investigates and prosecutes providers that intentionally defraud the state's Medicaid program through fraudulent billing practices. Medicaid fraud essentially steals from Florida's taxpayers. Additionally, the MFCU investigates allegations of patient abuse, neglect, and exploitation in facilities receiving payments under the Medicaid program.

The Florida MFCU is funded through a grant totaling \$29,707,695 for Federal Fiscal Year 2024, from the U.S. Department of Health and Human Services-Office of Inspector General. The Federal Share of these funds is 75% totaling \$22,280,772. The State Matching Share of these funds is 25% totaling \$7,426,923 and is funded by Florida.