

*Periodically, we will send you a **concise** update on current events in the healthcare compliance arena **as it relates specifically to pharmaceutical and medical device manufacturers** that may have an impact upon your business and operating procedures. These news items and analyses are intended for informational purposes only.*



In response to a December 17, 2010 letter from Senator Grassley inquiring about the efforts of the DOJ and HHS to combat health care fraud, the following statistics were released about qui tam actions under the federal False Claims Act that are currently pending under seal:

- As of January 4, 2011, of the 1,341 qui tam cases under investigation awaiting an intervention decision from the government, of which **66% of the cases allege health care fraud.**
- **98% of those sealed health care fraud cases involve Medicare or Medicaid.**
- Since 2006, the government has demonstrated **an intervention rate of 22%** (compared to 78% which were declined).

Thus, as it appears at least one in five qui tam actions will see government intervention, we can anticipate another 195 cases which are currently under seal. The HHS wrote Senator Grassley that there are specifically 180 qui tam cases under investigation that allege fraud in connection with the pricing and marketing of prescription medicines. And “many of these cases make allegations against multiple pharmaceutical manufacturers”.

As always, if you have any questions, comments, or concerns we can be reached at sreardo23@independent-commercial-compliance.com, at (908) 370-4085, or by visiting our website at <http://independent-commercial-compliance.com/>.