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**NEWMAN LAW OFFICES ANNOUNCES SETTLEMENT WITH ENCORE
REHABILITATION SERVICES, WHICH WILL PAY \$4.033 MILLION TO
RESOLVE FALSE CLAIMS ACT WHISTLEBLOWER CASE**

*Encore allegedly caused skilled nursing facilities to submit fraudulent claims to
Medicare for rehabilitation therapy services*

BOSTON, MA – April 16, 2020

A skilled nursing rehabilitation and therapy company, Encore Rehabilitation Services, LLC (Encore), which services hundreds of skilled nursing facilities in over states, will pay \$4,033,346 to settle a False Claims Act lawsuit alleging healthcare fraud. The whistleblowers who filed the case, Reza Saffarian and Audrey Theile, are represented by Jeffrey A. Newman of the Newman Law Offices and co-counsel Marc Vezina of Michigan.

The settlement covered allegations that Encore violated the False Claims Act by knowingly causing three Michigan skilled nursing facilities to submit false claims to Medicare for rehabilitation therapy services that were not reasonable, necessary or skilled, the Department of Justice announced today. Encore, based in Farmington Hills, Michigan, provides rehabilitation services to patients at over 600 health care facilities. According to the settlement agreement, Encore allegedly had policies and practices at three Michigan skilled nursing facilities that resulted in the provision of unreasonable, unnecessary, or unskilled rehabilitation therapy or the recording of therapy minutes as individual therapy when concurrent or group therapy was actually provided. The settlement relates to Encore's alleged conduct at the Autumn Woods Healthcare Facility in Warren, Michigan, between Sept. 1, 2012, and July 31, 2018, the Bay Shores Senior Care and Rehab Center in Bay City, Michigan, for the period from April 1, 2013, to April 6, 2017, and MediLodge of Yale in Yale, Michigan, for the period from October 1, 2010, to April 6, 2017. The case name is *United States ex rel. Saffarian and Theile v. Encore Rehabilitation Services, LLC*, No. 1:16-cv-605-JTN-ESC (W.D. Mich.).

Contemporaneous with the civil settlement, Encore entered into a five-year Corporate Integrity Agreement (CIA) with the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG) requiring, among other things, the

implementation of a risk assessment and internal review process designed to identify and address evolving compliance risks.

The False Claims Act permits private parties to file suit on behalf of the United States and to share in any recovery. The amount to be recovered by the private parties in this matter has not been determined. Attorney Newman represents whistleblowers nationwide in cases of Medicare and Medicaid fraud, including Pharmaceutical Fraud, and Military Contract Fraud, as well as Securities and Exchange Whistleblowers and IRS Whistleblowers. His telephone number is 617-823-3217, and his email address is jeff@jeffnewmanlaw.com.