

ORIGINAL

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

CLERK OF COURT OFFICE
NOV 16 2004
LUTHER J. CLARK
Deputy Clerk

UNITED STATES OF AMERICA,
ex rel, TAMI M. RAMSEY,

Plaintiffs/Relator

v.

ST. JOSEPH'S HOSPITAL OF
ATLANTA,

Defendant

CIVIL ACTION

FILE NO. **1:04-CV-3353**

FILED UNDER SEAL

JEC

JURY TRIAL DEMANDED

Plaintiff-Relator's Complaint

Plaintiff, United States of America ex rel. Tami M. Ramsey, through her attorney and complaining of the defendant for her complaint alleges:

Jurisdiction and Venue

1. This court has jurisdiction over this matter pursuant to 31 U.S.C. § 3730(b) in that the claims for relief in this action are brought in the name of the United States Government. The claim of plaintiff exceeds the sum of or value of \$75,000, exclusive of interests and costs.

2. Venue is proper pursuant to 28 U.S.C. § 1391(a) in that defendant resides in this judicial district.

3. As required under the False Claims Act, 31 U.S.C. § 3730(a)(2), the Relator has provided the Attorney General of the United States and the United States Attorney for the Northern District of Georgia with a statement of all material evidence and information related to the complaint. The complaint supports reasonable cause to allege that St. Joseph's Hospital of Atlanta (hereinafter "St. Joseph's") knowingly or recklessly submitted false claims to the federal government by systematically billing Medicare, Medicaid, and other federal payors for medical care for in-patients, where such patients did not qualify for in-patient admission under the applicable federal regulations. These claims for payment by St. Joseph's, by any means, for services, products or costs resulting from improper in-patient admissions constitute false claims in violation of the False Claims Act.

4. Relator is the original source of the information described in this complaint.

Parties

5. Relator Ramsey is currently employed by St. Joseph's as a case manager. A part of Relator's job is to conduct utilization reviews on patient files to see if Medicare or Medicaid should be billed for the level of care being provided by St. Joseph's.

6. St. Joseph's is a hospital located in Atlanta, Georgia. St. Joseph's services a large number of Medicare and Medicaid patients.

Facts

7. Relator Ramsey has been employed for approximately 7 weeks at St. Joseph's.

8. Relator Ramsey has observed firsthand, through her review of files as part of her job, the systematic admission to in-patient status of patients whose hospital stay and medical treatment costs are clearly not eligible for reimbursement by Medicare/Medicaid regulations. Often these patients are not acutely ill. At times these patients are admitted for the convenience of hospital personnel, as opposed to basing the admission on Medicare/Medicaid criteria. Following are three examples of actual cases of false claims for payment submitted by St. Joseph's wherein a bill was generated and payment received from Medicare.

9. Patient A was admitted for a five-day in-patient hospital stay in 2004. The case manager who reviewed the chart made a notation that Patient A did not meet the criteria for admission in the file. Nonetheless, St. Joseph's then submitted a bill for in-patient services and this bill was then paid by Medicare in the amount of \$4,4140.40.

10. Patient B was admitted for a 6-day in-patient stay in 2003. The case manager reviewed the file and concluded that in-patient criteria for admission was not met. Nonetheless, St. Joseph's went ahead and submitted a bill which Medicare paid in the amount of \$5, 113.40.

11. Patient C was admitted for a three-day in-patient hospital stay in 2004. The case reviewer concluded that the in-patient admission was not appropriate under the applicable guidelines. Yet Medicare/Medicaid was billed and payment was made in the amount of \$5,136.21.¹

12. Relator has documentation of several other instances of bills improperly submitted and paid by Medicare/Medicaid, where patients did not meet criteria for reimbursement for inpatient admission to the United States. These improper bills and those referenced in this qui tam complaint are representative of thousands of such improper in-patient bills submitted for payment by St. Joseph's since 2001.

13. Relator Ramsey has been told by management personnel that St. Joseph's is aware that patients are routinely admitted as in-patients without meeting Medicare criteria. However, Relator was told that she should not "rock the boat." Relator has also been told by management that if this illegal practice is found out by the government, St. Joseph's would probably not lose its Medicare/Medicaid certification, but it would have to pay back all the money billed for improper in-patient admissions and pay fines as well.

14. Relator has observed that patients are improperly admitted as in-patient to St. Joseph's for the purpose of the patient "meeting" the requirements for skilled

¹Pseudonyms are used for Patients A, B, and C to protect their privacy.

nursing care. Relator confronted a manager with this information who stated this would constitute fraud.

15. Relator has observed that patients that should be admitted for observation only and then discharged, are routinely admitted as in-patients. This applies to as many as between thirty and fifty patients per day. Relator estimates the difference in cost to Medicare between a one-day admission and a one-day observation to be at least three thousand dollars. Medicare has very clear regulations intended to prohibit hospitals from admitting non-acute patients as in-patients simply to monitor chronic illness.

16. Relator has attempted to get St. Joseph's to address and correct the in-patient admission problem but her suggestions and efforts have been rebuffed by management.

Count One

17. Relator repeats and re-alleges each and every allegation of the foregoing paragraphs of this Complaint, and incorporates them by reference herein as if set forth at length.

18. Defendant St. Joseph's presented, or caused to be filed with Medicare, Medicaid and other federal healthcare programs, bills for in-patient hospital stays, with knowledge that such bills were false in that the patients did not meet the applicable federal regulation for reimbursement as in-patients, or with reckless

disregard of the facts and circumstances that would have demonstrated the falsity of the claims.

19. By reason of the violation of 31 U.S.C. § 3729(a)(1-4) defendant St. Joseph's has knowingly or recklessly damaged the United States Government in an amount to be determined.

Count Two

20. Relator repeats and re-alleges each and every allegation of the foregoing paragraphs of this Complaint, and incorporates them by reference herein as if set forth at length.

21. Defendant St. Joseph's presented, or caused to be filed with Medicare, Medicaid and other federal healthcare programs, claims for outlier payments to cover the cost of extended hospital in-patients stays with knowledge that such claims were false in that the patients did not meet the applicable federal regulation for reimbursement as in-patients, or with reckless disregard of the facts and circumstances that would have demonstrated the falsity of the claims.

22. By reason of the violation of 31 U.S.C. § 3729(a)(1-4) defendant St. Joseph's has knowingly or recklessly damaged the United States Government in an amount to be determined.

Count Three

23. Relator repeats and re-alleges each and every allegation of the foregoing paragraphs of this Complaint, and incorporates them by reference herein as if set forth at length.

24. Defendant St. Joseph's presented, or caused to be filed with Medicare, Medicaid and other federal healthcare programs, bills for skilled nursing care with knowledge of their falsity, or with gross negligence or reckless disregard to the facts and legal requirements, and that said claims were inaccurate, inappropriate or false, and thus caused payments for said claims to be made by the United States Government.

25. By reason of the violation of 31 U.S.C. § 3729(a)(1-4) defendant St. Joseph's has knowingly or recklessly damaged the United States Government in an amount to be determined.

WHEREFORE, plaintiff United States of America, ex rel. Tami M. Ramsey, prays that:

a) Judgment be entered in favor of plaintiff and against defendant which awards plaintiff damages in an amount three times the amount of all sums paid by the United states of America as a result of the defendant's violations of 31 U.S.C. § 3729;

b) That judgment be entered in plaintiff's favor and against defendant in an amount equal to the number of false claims that will be proven at trial, as provided for in 31 USC § 3729(a) and imposition of a civil penalty between \$5,500 and \$11,000 per claim; and

c) That plaintiff-relator be awarded the maximum percentage of the government's recovery as provided by statute; and

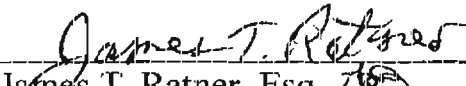

d) That plaintiff-relator be awarded all costs of this action including attorney's fees and court costs;



e) That the plaintiff-relator recovers such further and additional relief that this Court may deem just or proper.

Plaintiff United States ex rel. Tami M. Ramsey demands a jury trial against defendant.

Dated: November th 16, 2004.

Respectfully submitted,


James T. Ratner, Esq. 
P.O. Box 177
Mount Tremper, NY 12457
Tel. (845)-679-0232


Marlan B. Wilbanks, Esq. 
Harmon, Smith, Bridges & Wilbanks, LLP
1795 Peachtree Street, Suite 350
Atlanta, GA 30309-2339
Tel. (404) 881-1200

Attorneys for Plaintiff-Relator