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WHATS NOT PART OF THE TRADITIONAL LEGAL DEFENSE?

PRESENTENCE INTERVIEW PREPARATION - NOW IS YOUR TIME TO: "JUST DO IT."

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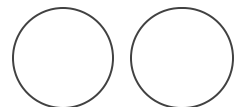
Provider, Healthcare Executive, or Life Sciences: You Are a DOJ Target.

2026 Healthcare: Providers, Executives, Research or Life Sciences, You May Have Civil (FCA) or Criminal Exposure. Is Your Team Prepared?



Dr. M. Blatstein

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January 31, 2026

If you work in healthcare—as a physician, executive, compliance officer, or owner—2026 is expanding on 2025. The Department of Justice has made healthcare fraud its top enforcement priority, and the line between civil False Claims Act (FCA) exposure and criminal liability is thinner than ever.

TOPICS.

I) What Do You Do When You Learn The FBI Has Been Asking Questions?

- Provider, Healthcare Executive, or Life Sciences: You Are the DOJ'S #1 Target

II) Physician, or Medical Director Compensation: An Enforcement Trigger.

III) Medicare Advantage: The Largest Target in the Room.

IV) Wound Care: Where Civil and Criminal Converge.

V) Telehealth, Pharma, and Opioids Remain Under Heavy Fire.

VI) Artificial Intelligence: The Next FCA Multiplier.

VII) Whistleblowers Are Driving the Surge.

VIII) Prevention Can Save You Financially, and May Keep You Out of Prison.

IX) You're Expecting To Be Indicted; What To Do First?

I) What Do You Do When You Learn The FBI Has Been Asking Questions?

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WHAT'S NOT PART OF THE TRADITIONAL LEGAL DEFENSE?

PRESENTENCE INTERVIEW PREPARATION - NOW IS YOUR TIME TO: "JUST DO IT"

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THE DOJ HAS LEFT MOST JUDGES THINKING THAT THEY CAN PROVIDE COMPLETE MEDICAL CARE. DON'T BE MISLED AS BASIC: DELAYED CARE, IS SOMETIMES NO CARE.

Provider, Healthcare Executive, or Life Sciences: You Are a DOJ Target.

2026: This is not a theoretical. OIG Is Watching.



U.S. Department of Health and Human Services Office of Inspector General

OIG-HHS

What's New

January 28, 2026

- ✦ Total Medicare Part B Spending on Lab Tests Rose in 2024, Driven by Increased Spending on Genetic Tests
- ✦ Audit of Medicare Administrative Contractor Information Security Program Evaluations for Fiscal Year 2024

January 27, 2026

- ✦ Special Advisory Bulletin: Application of the Federal Anti-Kickback Statute to Direct-to-Consumer Prescription Drug Sales by Manufacturers to Patients With Federal Health Care Program Coverage
- ✦ Medicare and State Health Care Programs: Fraud and Abuse; Request for Information Regarding the Federal Anti-Kickback Statute and Beneficiary Inducements CMP

[Read More What's New](#)

Enforcement Actions

January 27, 2026; U.S. Attorney's Office, Western District of New York

- ✦ Syracuse Area Man Pleads Guilty to Operating Kickback Scheme Involving Medicare and Medicaid

January 26, 2026; U.S. Attorney's Office, Southern District of Florida

- ✦ Two Home Health Providers Agree to Pay \$702,541 to Resolve Self-Referral Allegations

January 26, 2026; U.S. Department of Justice

- ✦ Florida Laboratory Owner Pleads Guilty to \$52M Medicare Fraud Scheme Involving Genetic Tests

January 23, 2026; U.S. Attorney's Office, Eastern District of Louisiana

- ✦ Georgia Chiropractor Convicted Of Healthcare Fraud

What's Trending

- 1 Most Wanted Fugitives
- 2 Maine Made at Least \$45.6 Million in Improper Fee-for-Service Medicaid Payments for Rehabilitative and Community Support Services Provided to Children Diagnosed With Autism
- 3 Fraud Charges Filed Against 12 Defendants in Phase II of Operation Nightingale
- 4 Press Release: HHS-OIG Audit Finds Maine Made At Least \$45.6 Million in Improper Medicaid Payments for Autism Services
- 5 Fall 2025 Semiannual Report to Congress

CIVIL (MONETARY) vs. CRIMINAL (PRISON): January, 2026

- [Syracuse Area Man Pleads Guilty to Operating Kickback Scheme Involving Medicare and Medicaid](#)
- [Florida Laboratory Owner Pleads Guilty to \\$52M Medicare Fraud Scheme Involving Genetic Tests](#)
- [TennCare Fraud Investigation Leads to Arrests of Three Former Memphis Caregivers](#)
- [Former Saginaw Physician to Stand Trial on 23 Counts of Medicaid Fraud](#)
- ...

II) Physician, or Medical Director Compensation: An Enforcement Trigger.

DOJ Scrutinizing Medical Director Arrangements

- The DOJ continues to focus on physician arrangements that function as **improper referral inducements**, particularly “medical director” and independent contractor agreements.

Case 5:20-cv-01041-TAD-JPM Document 45 Filed 01/16/26 Page 1 of 106 PageID #: 515

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
SHREVEPORT DIVISION

UNITED STATES OF AMERICA,)	CIVIL ACTION NO: 20-cv-01041
and the STATES OF LOUISIANA)	FILED UNDER SEAL
and TEXAS, <i>ex rel.</i> MICHAELA)	
DEVOS)	
)	
VERSUS)	JUDGE DOUGHTY
)	
PRIORITY HOSPITAL GROUP,)	MAGISTRATE JUDGE PEREZ-
LLC; RIVERSIDE HOSPITAL OF)	MONTES
LOUISIANA, INC.; RIVERSIDE)	
HOSPITAL, LLC; POST ACUTE)	
ENTERPRISES, LLC D/B/A MID)	
JEFFERSON EXTENDED CARE)	
HOSPITAL; NEW LIFECARE)	
SPECIALTY HOSPITAL OF)	JURY TRIAL DEMANDED
NORTH LOUISIANA, LLC D/B/A)	
RUSTON REGIONAL)	
SPECIALTY HOSPITAL; and)	
BENJAMIN NEWSOM)	
)	

Riverside Hospital is a clear warning. DOJ alleges the hospital paid a physician more than \$450,000 under medical director agreements to induce referrals—generating **millions in Medicare payments**. Internal communications allegedly tied compensation to referral activity.

Takeaway: If physician compensation tracks referrals—explicitly or implicitly—you are exposed under the **Anti-Kickback Statute, Stark Law, and the FCA**, with potential treble damages, per-claim penalties, exclusion, and criminal risk.

III) Medicare Advantage: The Largest Target in the Room

Managed Care **Fact Sheet**—especially **Medicare Advantage (MA)**—is now DOJ’s most aggressive FCA battleground.

In the [United States ex rel. Osinek v. Kaiser Permanente](#), Kaiser agreed to pay \$556 million to resolve allegations that it inflated MA risk scores by pressuring physicians to add diagnoses identified through data mining and by offering financial incentives.

Additional MA enforcement includes:

- Independent Health – [agreed to pay up to \\$98 million.](#)
- Seoul Medical Group – [agreed to pay over \\$60 million.](#)
- DOJ intervention against Aetna, Elevance, Humana, and national brokers

Bottom line: Risk adjustment, coding practices, and utilization controls are no longer compliance issues—they are **litigation and criminal exposure issues.**

IV) Wound Care: Where Civil and Criminal Converge

Office of Public Affairs
U.S. Department of Justice

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Wound Graft Company Owners Sentenced for \$1.2B Health Care Fraud and Agree to Pay \$309M to Resolve Civil Liability Under the False Claims Act

Friday, December 12, 2025

For Immediate Release

Wound care has emerged as a **high-risk area of enforcement**, particularly involving skin substitutes and medically unnecessary services.

Recent cases include:

- [Vohra Wound Physicians Management LLC](#) – \$45 million
- [Oroville Hospital](#) – \$10.25 million

ARTICLE · 14 NOVEMBER 2025

CMS Finalizes Sweeping Reforms To Skin Substitute Payments Amid Rising Costs And Enforcement Activity

Starting Jan. 1, 2026, Medicare will overhaul how it pays for most skin substitute products, moving from ASP-based reimbursement to a standardized flat rate of \$127.28/cm².



United States

Food, Drugs, Healthcare, Life Sciences

Common red flags:

- Telemedicine-driven prescribing
- Volume-based compensation
- Minimal patient exams
- Poor documentation
- Improper allograft use

These cases increasingly involve **parallel civil FCA claims and criminal investigations**.

V) Telehealth, Pharma, and Opioids Remain Under Heavy Fire

The [Fourth Temporary Telemedicine Rule](#) extends controlled-substance prescribing flexibilities through **December 31, 2026**—but DOJ enforcement is accelerating, not easing. Details Page 6 in the article link.



DEPARTMENT OF JUSTICE
Drug Enforcement Administration
21 CFR Part 1307

[Docket No. DEA-407]

RIN 1117-AB40, 1117-AB78, and 1117-ZA07

DEPARTMENT OF HEALTH AND HUMAN SERVICES

42 CFR Part 12

**Fourth Temporary Extension of COVID-19 Telemedicine
 Flexibilities for Prescription of Controlled Medications**

AGENCY: Drug Enforcement Administration, Department of Justice; Substance Abuse and Mental Health Services Administration, Department of Health and Human Services. **ACTION:** Temporary rule.

SUMMARY: The Drug Enforcement Administration (DEA) jointly with the Department of Health and Human Services (HHS) is issuing a fourth extension of telemedicine flexibilities for the prescribing of controlled medications through December 31, 2026.

DATES: This rule is effective January 1, 2026 through December 31, 2026.

This document is scheduled to be published in the
 Federal Register on 12/31/2025 and available online at
<https://federalregister.gov/d/2025-24123>, and on <https://govinfo.gov>

4410-09-]

Recent actions include:

- **Teva Pharmaceuticals** – \$425 million
- **Omnicare / CVS** – \$948.8 million judgment

Documentation, prescribing rationale, and financial relationships are being scrutinized aggressively.

VI) Artificial Intelligence: The Next 24/7/365, FCA Multiplier

Agentic AI's Next Iteration: From Super-AIs to Teams of Specialized Agents — and What It Means for Law & Business

by: Chelsea Hadaway, Epstein Becker & Green, P.C. - *Commercial Litigation Update* - EBG

© Posted On Friday, January 23, 2026



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Artificial intelligence is moving beyond standalone large language model wrappers toward collections of specialized AI agents that reason, act, and collaborate to achieve complex outcomes.

AI is no longer a hypothetical risk. DOJ has already resolved a **criminal healthcare fraud investigation involving AI-driven Medicare Advantage enrollments and kickbacks.**

AI-assisted coding, enrollment, and autonomous agents can create FCA exposure if errors occur at scale. **Blind reliance on AI without human oversight may constitute “reckless disregard.”**

Courts and regulators are now applying traditional fraud doctrines to autonomous systems—often **after the damage is done.**

The recent [Amazon v. Perplexity](#) case highlights a crucial issue: whether autonomous agents can interact with online platforms as if they were human users. This raises concerns about how courts will apply existing contract and fraud laws to systems operating independently of their creators. Companies lacking clear agent boundaries may need to define them under legal pressure.

VII) Whistleblowers Are Driving the Surge

FCA enforcement is fueled by insiders. **Qui tam filings are at record levels**, and healthcare fraud remains the DOJ's largest source of recoveries.

Your documentation, emails, contracts, and internal messages are not private—they are potential exhibits.


The Reality for Healthcare Professionals

- DOJ is using **data analytics, AI, and interagency coordination**
- Civil and criminal investigations now run in **parallel**
- Physicians, executives, and organizations are **personally exposed**
- Compliance failures are increasingly framed as **fraud**

If you are in healthcare, the DOJ is not targeting “the industry.” They are targeting *you*.

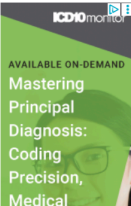

VIII) Prevention Can Save You Financially, And May Keep You Out of Prison.

HEALTHCARE RISK MANAGEMENT

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Achieving Compliant Medicare Billing By Focusing On What Government Monitors Focus On

By Cheryl Ericson, RN, MS, CCDS, CDIP | October 27, 2025



AVAILABLE ON-DEMAND
Mastering
Principal
Diagnosis:
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Medical

Proactive review of compensation structures, coding practices, telehealth workflows, and AI governance is no longer optional—it is risk management.



Medical coding mistakes that could cost you

MAY 20, 2025

Kevin B. O'Reilly

Senior News Editor



Government and private insurers' audits have revealed unfortunate cases of fraudulent or abusive medical billing practices. You deserve to be paid for the medical care you provide, but it is essential that you avoid improper billing practices to steer clear of trouble and maintain a flourishing practice.

When it comes to medical coding errors, they fall into the broad categories of "fraud" and "abuse."

The former involves intentional misrepresentation. The latter means "the falsification was an innocent mistake, but nonetheless representative," according to the AMA's *Principles of CPT® Coding*, ninth edition. An example of abuse could involve coding "for a more complex service than was performed due to a misunderstanding of the coding system," the text notes.



HEALTHCARE RISK MANAGEMENT™

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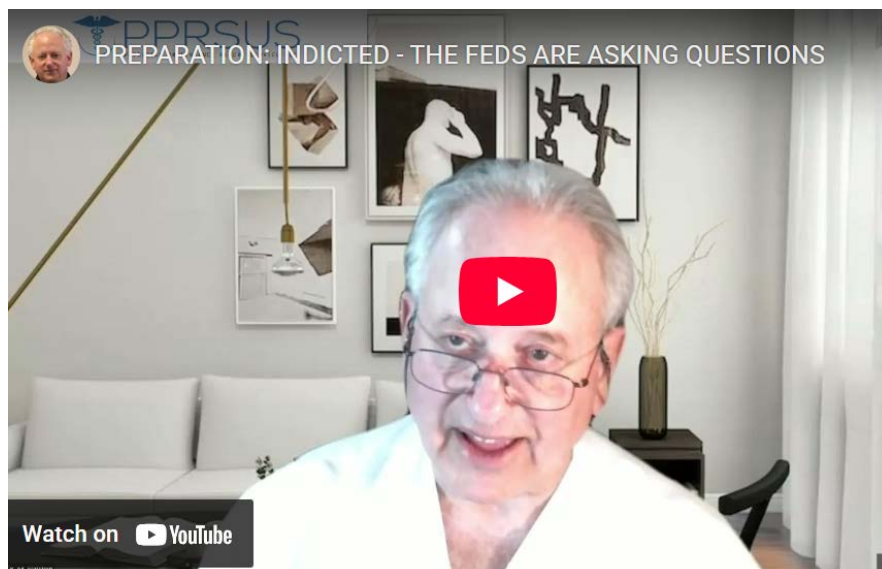


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IX) You're Expecting To Be Indicted; What To Do First?



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Dr. Blatstein
FACING A CRIMINAL INDICTMENT?
FIRST: YOU NEED LEGAL REPRESENTATION.

No one wakes up one morning and decides to lie, cheat, or steal.

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Dr. Marc Blatstein
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