

NEWS RELEASE

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Trial Judge Tosses Medicaid Fraud Cases Because Government Officials Are Allowing the Fraud to Continue

On September 24, 2010 Alaska Federal District Court Judge Timothy Burgess dismissed two Medicaid Fraud cases brought by the Law Project for Psychiatric Rights (PsychRights®) because government officials already know about the industry-wide fraud and are allowing it to continue.

[T]he Government already "has pursued False Claims Act cases and achieved extremely large recoveries against drug companies for causing the presentment of claims to Medicaid for prescriptions of psychotropic drugs that are not for medically accepted indications, including Geodon and Seroquel for use in children and youth." Thus, . . . the Government already knows about the conduct . . .¹

These large settlements, amounting to billions of dollars in fines are just a cost of doing business for the drug companies, doctors still prescribe these drugs that are not reimbursable under Medicaid, and Medicaid continues to pay these fraudulent claims. In spite of this, the judge ruled PsychRights and Daniel Griffin do not have whistleblower status because the government knows about the continuing fraud.

Jim Gottstein, PsychRights' president and the attorney handling the case, said, "We believe the judge misinterpreted the law and we expect to appeal. One of the reasons Congress passed the False Claims Act allowing private parties to sue on behalf of the government to recover for fraud was to address the problem of federal officials refusing to stop fraud against the government."

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The Law Project for Psychiatric Rights is a public interest law firm devoted to the defense of people facing the horrors of forced psychiatric drugging and electroshock. PsychRights is further dedicated to exposing the truth about psychiatric interventions and the courts being misled into ordering people subjected to these brain and body damaging drugs and electroshock against their will. Due to massive growth in psychiatric drugging of children and youth and the current targeting of them for even more psychiatric drugging, PsychRights has made attacking this problem a priority. It is an unfolding national tragedy of immense proportions. Extensive information about the tragic damage caused psychiatric drugs and electroshock is available on the PsychRights web site: <http://psychrights.org/>.

¹ Page 21 in Docket No. 163, [United States ex rel Law Project for Psychiatric Rights v. Matsutani et.al](#), No. 3:09-cv-80, and Docket No. 26 in [U.S. ex rel Griffin v. Martino, Family Centered Services and Safeway](#), No. 3:09-cv-246.