

Herman Law Group: The Federal Government and State of Rhode Island Join Whistleblower Case Against Substance Abuse Treatment Center Chain

The United States and State of Rhode Island joined a whistleblower lawsuit filed by Attorney Louise Herman of Herman Law Group against The Journey to Hope, Health, and Healing, Inc. and its then CEO, Kenneth L. Richardson, Jr., alleging serious violations of the False Claims Act that involved billing the Rhode Island Medicaid program for millions of dollars for substance disorder treatment services that were not provided and falsifying records to create the false appearance that the services had been rendered.

The “qui tam” or whistleblower complaint was originally filed under seal in 2020 by Herman Law Group on behalf of two former Journey employees. The case became public on April 24, 2023, when a federal court judge lifted the seal. The DOJ filed a notice of intervention and a *Complaint in Intervention* on April 14, 2023.

The Complaint alleges that despite holding itself out as a certified and accredited opioid treatment provider, the Journey routinely failed to provide treatment plans and adequate counseling to patients receiving methadone, while the Journey collected over \$15 million from Medicaid. The Complaint alleges that in preparation for upcoming reviews by officials and other auditors, Journey management falsified records to create the false appearance that the services had been provided when they had not been.

The “relators,” or whistleblowers in the False Claims Act case, Sara Quaresma and Michael Delmonico and their attorney expressed appreciation to the federal and state government. In particular, they thank US Attorney Zachary Cunha of the District of Rhode Island, Assistant US Attorney Bethany N. Wong, Rhode Island Attorney General Peter Nerohna, and Assistant AG Genevieve Allaire-Johnson for their hard work, quick response and thorough and detailed investigation. “The government’s intervention here underscores its goal of protecting vulnerable patients, rooting out fraud and recouping tax dollars,” said Herman.

The “qui tam” provisions of the False Claims Act empower whistleblowers to sue businesses who are defrauding the government. These cases are filed under seal by law. The government then decides whether to join the case following an investigation. Whistleblowers can be rewarded anywhere between 15% and 20% of recovery under the False Claims Act when the government intervenes, and between 25% to 30% of recovery when they pursue remedy without government intervention.

The case is captioned *U.S. ex rel. Quaresma and DelMonico v. The Journey To Hope, Health and Healing, Inc. et al.*, Case No. 20-cv-00451.

Herman Law Group has represented whistleblowers in matters involving healthcare fraud, defense contracting fraud, prevailing wage fraud, tax fraud and securities fraud.

For more information, feel free to contact Herman Law Group at (401) 277-4110 or at LHermanLaw.com.