



PRESS RELEASE

Wells House, Inc. To Pay \$375,000 to Settle Medicaid Fraud *Kept Prohibited Employee on Payroll While Receiving Medicaid Payments*

BALTIMORE, MD (May 2, 2017) - Maryland Attorney General Brian E. Frosh announced today that Wells House, Inc., a Hagerstown-based drug and alcohol treatment provider, will pay \$375,000 to the State of Maryland to resolve allegations that the company committed Medicaid fraud by employing a prohibited person and deceiving state regulators.

The federal List of Excluded Individuals and Entities (“LEIE”) lists people that Medicaid, Medicare and federal health program providers cannot employ due to past misconduct. Wells House employed a LEIE-listed person, Robert C. Benchoff, for more than five years while receiving Medicaid payments. Wells House’s contract with Medicaid explicitly prohibited employment of LEIE-listed persons. In 2010, the state Department of Health and Mental Hygiene informed Wells House that it could not employ Mr. Benchoff. Wells House replied with a letter stating that it fired Mr. Benchoff when in fact he was still on its payroll and remained so for several more years.

Attorney General Frosh thanked the Medicaid Fraud Control Unit, specifically Assistant Attorney General Raja Mishra, Investigator Melinda FitzGerald and Auditor Oludolapo Osikomaiya. Attorney General Frosh also thanked the Department of Health and Mental Hygiene Office of the Inspector General for its assistance.