



PRESS RELEASE

AG Gansler Joins \$5 Million Multistate Settlement with BioScrip, Inc.

Pharmacy benefit management firm resolves health care fraud allegations

Baltimore, MD (December 19, 2012) - Attorney General Douglas F. Gansler announced today that Maryland, joined by 39 other states, the District of Columbia and the federal government, has entered into a settlement agreement to resolve allegations that BioScrip, Inc. overbilled government health care programs. BioScrip billed Medicaid and other government health care programs for prescription medications as if the government programs were the primary insurance carrier even when the patients had other insurance coverage. The Maryland Medicaid program will receive \$11,207.08 from the settlement.

"The deterrent effect here is as important as recovering taxpayer dollars," said Attorney General Gansler. "If a company seeks undue profits from Maryland taxpayers, we're coming after you."

The investigation resulted from a qui tam action originally filed in the United States District Court for the District of Minnesota under the federal False Claims Act and various state false claims statutes. That payment will provide restitution and other penalties to both the State and Federal governments for the false Medicaid claims.

In making the announcement, Attorney General Gansler thanked Medicaid Fraud Control Unit Chief Auditor Ruth Jarrell for her work on this case. A National Association of Medicaid Fraud Control Units (NAMFCU) team participated in the investigation.