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PRESS RELEASE

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Attorney General's Medicaid Fraud and Vulnerable Victims Unit Secures a \$932,000 Settlement with Baltimore Medical Supply Company

BALTIMORE, MD (October 23, 2023) – Maryland Attorney General Anthony G. Brown today announced a \$932,000 settlement with Star Medical Supply, Inc. to settle allegations that the company violated the Maryland False Health Claims Act by charging the State's Medicaid program for medical supplies that were neither requested nor used by Maryland Medicaid recipients.

This investigation was initiated when a Medicaid recipient reported that her Medicaid number had been billed for adult incontinence supplies that she did not use or request, and that she was not familiar with Star Medical Supply. The authorizing physician also confirmed that he was out of the country on the date the paperwork supporting these claims was purportedly signed. Further investigation revealed that this was not an isolated incident and that several of Star Medical Supply's clients and transactions could not be verified.

“False Medicaid claims divert state resources away from patients with legitimate needs, increase overall costs for vital health care programs, and can put recipients in danger of medical identity theft,” said Attorney General Brown. “I want to thank the Marylander who came forward to report Star Medical Supply's illegal conduct. This settlement should serve as a reminder that my office will pursue justice against any entity that unlawfully puts profits over people.”

This case was investigated by the Medicaid Fraud and Vulnerable Victims Unit of the Attorney General's Office. Attorney General Brown thanked Medicaid Fraud and Vulnerable Victims Unit Director Zak Shirley, Investigators John Gipe and Paul Kidd and Fraud Analyst Jayanthi Kumar for their work on the case.

The Maryland Office of the Attorney General, Medicaid Fraud and Vulnerable Victims Unit receives 75 percent of its funding from the U.S. Department of Health and Human Services under a grant award totaling \$4,908,456 for Federal fiscal year (FY) 2023. The remaining 25 percent, totaling \$1,636,148 for FY 2023, is funded by the state of Maryland.

<https://www.marylandattorneygeneral.gov/press/2023/102323a.pdf>

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