

CLIENT ALERT

Profit Seeking Is Not Fraudulent

Oct.12.2012

In *United States ex rel. Williams v. Renal Care Group, Inc.*, the Sixth Circuit found the defendants did not knowingly submit false claims to Medicare when they followed industry practices and sought guidance -- both from outside legal counsel and the government -- on how to follow ambiguous federal regulations, even though the contractors sought to maximize government payments. The court dismissed the idea that contractors "ought to be punished solely for seeking to maximize profits" and rejected the government's argument that the companies had "recklessly" misinterpreted the regulations to do so.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.