United States Attorney's Office District of Oregon

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U.S. Attorney's Office Participates in National Health Care Fraud Takedown

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PORTLAND, Ore.—Today, the U.S. Attorney's Office for the District of Oregon announced a \$2 million civil settlement to resolve alleged violations of the False Claims Act. The settlement is a joint agreement between the United States, Riverpark Operations, LLC (Riverpark), Avamere Group, LLC (Avamere), and the Oregon Department of Justice Medicaid Fraud Control Unit (Oregon DOJ MFCU) on behalf of the state of Oregon. The Oregon Health Authority (OHA) administers Oregon's Medicaid program using a combination of state and federal funding. This civil settlement is part of the Department of Justice's 2025 National Health Care Fraud Takedown.

Resulting in \$2 Million Civil Settlement

Riverpark and its parent company Avamere have agreed to pay the United States \$2 million and perform corrective actions to resolve allegations that Riverpark fraudulently billed Medicare and Oregon Medicaid for grossly substandard nursing home services. Riverpark operates a 119-bed skilled nursing home facility in Eugene, Oregon, under the name Avamere Riverpark of Eugene. During November and December 2017, and between September 2018 and July 2019, Riverpark is alleged to have provided grossly substandard services to Medicare and Medicaid beneficiaries who resided at the facility when staffing levels did not meet minimum staffing requirements. Among other things, the United States and the Oregon DOJ MFCU allege that, during these timeframes, Riverpark's failure to adequately staff the facility resulted in residents experiencing increased instances and severity of preventable urinary tract infections, pressure sores, and falls.

In connection with the settlement, Riverpark and Avamere have entered into a Quality-of-Care Corporate Integrity Agreement with the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG), which will remain in effect for five years to address quality of care and resident safety within the skilled nursing facility.

This civil settlement is part of the <u>Justice Department's national healthcare fraud takedown</u> that resulted in criminal charges against 324 defendants for their alleged participation in health care fraud and illegal drug diversion schemes that involved the submission of over \$14.6 billion in alleged false billings and over 15 million pills of illegally diverted controlled substances. The defendants allegedly defrauded programs entrusted for the care of the elderly and disabled to line their own pockets, and the Government, in connection with the Takedown, seized over \$245 million in cash, luxury vehicles, and other assets. Descriptions of each case involved in the

strategically coordinated, nationwide law enforcement action are available on the Department's website here.

The District of Oregon worked with HHS-OIG and the Oregon DOJ MFCU to investigate and resolve this matter.

The claims resolved by the civil settlement are allegations only; there has been no determination of liability.

If you suspect Medicare or Medicaid fraud, please report it by phone at 1-800-HHS-TIPS (1-800-447-8477), or via email at HHSTips@oig.hhs.gov.

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