



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: HCA settlement
Da: Thursday, May 8, 2003

The Justice Department has finalized its role in the government's pending False Claims Act litigation against HCA and an agreement between the Department of Health and Human Services and HCA to resolve administrative issues regarding HCA hospitals' cost reporting to Medicare. Sen. Chuck Grassley, chairman of the Committee on Finance, repeatedly has asked to see the details of how this case was resolved but hasn't received those details. Grassley made the following comment on Justice Department approval of the settlement, which is subject to approval by a federal judge.

"The Justice Department believes this is a justifiable settlement. Ultimately America's taxpayers will have the final say. The verdict is still out on whether this is fair and reasonable. The court has yet to review its reasonableness. My committee investigators will continue investigating whether this settlement adequately compensates Medicare for its losses. The Justice Department and the Health and Human Services Department have yet to respond to the whistleblower allegations I brought to their attention. The allegations hold that this settlement is significantly inadequate. Time will tell if they're right or wrong. I have yet to see the math behind this settlement, so I can't judge for myself. I'll keep on top of this issue until this behind-closed-doors deal sees the light of day and taxpayers learn whether fraud pays."