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**JEFFREY NEWMAN LAW ANNOUNCES \$4 MILLION SETTLEMENT IN
WHISTLEBLOWER FRAUD CASE AGAINST SOUTH BAY MENTAL
HEALTH CENTER, INC.**

A Massachusetts False Claims Act lawsuit revealed that unqualified and unsupervised South Bay employees provided “mental health treatment” to thousands of Massachusetts residents

BOSTON, MA – February 8, 2018

Mental health services provider South Bay Mental Health, Inc., has agreed to pay \$4 million to the Commonwealth of Massachusetts to settle the Commonwealth’s allegations that South Bay used unqualified and unsupervised mental health workers and unqualified supervisors to treat its patients in Massachusetts, and that it fraudulently billed MassHealth and its payor contracted companies for these services. The whistleblower who originally brought the action, Christine Martino-Fleming, is represented by Jeffrey A. Newman of Jeffrey Newman Law in Boston and Marblehead and his co-counsel Waters & Kraus of Dallas, Texas.

In her Complaint, Ms. Martino Fleming, a former Job Coach and later Coordinator of Staff Development and Training for South Bay, revealed detailed information alleging that South Bay was well aware of its wrongdoing, and that in fact it commissioned its own internal investigation through “Tiger Teams,” which issued reports specifically concluding that South Bay’s supervisors and mental health workers were not qualified in accordance with laws and regulations. In addition, in many cases, the directors of the South Bay clinics, which were located in various parts of the state, themselves were not properly qualified and credentialed, according to the Complaint. When Ms. Martino Fleming realized the extent of the wrongdoing, she sent several emails to her superiors notifying them of the problems, but nothing was done. The Complaint alleged that the defendants Scanlon, Sheehan and South Bay had specific knowledge of the ongoing fraud. During the period 2009-2015, according to the Complaint, “South Bay allowed its unlicensed, inexperienced and unqualified counselors to treat patients with mental health issues without the supervision of qualified Supervisors, many of whom were unlicensed.” According to South Bay’s web site, the company treats over 35,000 individuals each year.

Ms. Martino-Fleming will receive \$700,000 as her share of the settlement pursuant to the Massachusetts False Claims Act. This law, like the federal False Claims Act,

allows individuals with information about fraud on the government to bring actions on behalf of the state or the United States of America. The laws allow the whistleblowers to recover up to 30% of what the governments recover.

In addition, as part of the settlement, South Bay must undergo an Internal Compliance Program for a period of five (5) years to ensure that it is in full compliance with all licensure and supervision requirements for mental health center staff.

The remainder of the case, which includes defendants H.I.G. Capital LLC, HIG Growth Partners, LLC, Community Intervention Services, Inc., Community Intervention Services Holdings, Inc., Peter J. Scanlon, and Kevin P. Sheehan, and was filed by Ms. Martino-Fleming's counsel on behalf of the United States of America and the Commonwealth of Massachusetts, remains open and litigation will ensue.

Jeffrey Newman Law is a law firm dedicated to representing whistleblowers nationwide in False Claims Act (or "qui tam") litigation involving fraud against the Federal and state governments. Founded by Jeffrey A. Newman, Esq., the firm has a consistent track record of winning landmark, multi-million dollar settlements in cases involving Medicare and Medicaid fraud, as well as in SEC and IRS whistleblower actions. In 2016 and 2017, the firm settled cases for over \$200 million. For more information, please visit www.jeffreynewmanlaw.com or contact Jeffrey Newman Law at 1-800-682-7157.