

THE UNITED STATES ATTORNEY'S OFFICE  
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**Department of Justice**

U.S. Attorney's Office

District of New Jersey

FOR IMMEDIATE RELEASE

Tuesday, September 27, 2022

## **Massachusetts Company Enters Settlement Agreement to Resolve Claims of Medicaid Over-Billing**

NEWARK, N.J. – A Boston, Massachusetts, company entered into a settlement agreement with the United States to resolve allegations that it caused improper claims for payment to be made to the U.S. Department of Health & Human Services, Centers for Medicare and Medicaid Services (CMS), U.S. Attorney Philip R. Sellinger announced today.

The investigation of Public Consulting Group LLC (PCG) was initiated through the filing of a complaint under the whistleblower provision of the False Claims Act. That complaint, which was unsealed on Sept. 26, 2022, alleged that PCG was hired by the state of New Jersey in 2005 to administer New Jersey's "Special Education Medicaid Initiative," or SEMI program. Under the SEMI program, the state of New Jersey and local school districts could obtain federal funding for providing eligible medical services to Medicaid-eligible students. The complaint alleged that PCG caused local school districts to submit claims to CMS for evaluation services that PCG knew or should have known were not covered by Medicaid.

The settlement agreement resolves common law claims by the United States against PCG for payment by mistake, arising from evaluation service claims submitted by or for New Jersey school districts under the SEMI program from April 23, 2006, through the date of settlement. PCG will pay \$2.5 million to the United States. Once PCG makes the payment, the case will be dismissed. The relator, or whistleblower, who originally filed suit on behalf of the United States, will receive 21 percent of the settlement amount recovered by the United States.

U.S. Attorney Sellinger credited special agents of the U.S. Department of Health and Human Services, Office of Inspector General, (HHS-OIG) Office of Investigations-New Jersey Field Office, under the Direction of Special Agent in Charge Scott J. Lampert, and auditors working with HHS-OIG Office of Audit Services, under the direction of Regional Inspector General for Audit Services Brenda M. Tierney, with the investigation leading to the settlement.

The civil settlement agreement, by its terms, is neither an admission of liability by PCG nor a concession by the United States that its claims are not well founded.

The government is represented by Deputy Chief David E. Dauheimer and Assistant U.S. Attorney David V. Simunovich of the Health Care Fraud Unit in Newark.

The qui tam case is captioned *United States ex rel. Shane Shackford v. Public Consulting Group, Inc., et al.*, Civil Action No. 12-2437.

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**Attachment(s):**

[Download PCG.Settlement.pdf](#)

**Topic(s):**

False Claims Act

**Component(s):**

[USAO - New Jersey](#)

**Press Release Number:**

22-353

Updated September 27, 2022