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Qui Tam Action

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If you're like me, at first read the phrase "Qui Tam Action," might bring to mind a complicated maneuver using chopsticks. Not quite! A Qui Tam (pronounced "kwee tom") action (commonly referred to as a whistleblower action) is a lawsuit filed by a private citizen, like you or me, under the False Claims Act against a person or entity who knowingly submits or causes the submission of a false or fraudulent claim to the United States. Most often, these cases involve allegations of health care fraud in its various forms.

The person who files the lawsuit, referred to as the relator, is often an employee of an organization that processes claims through federal programs or agencies. The relator notices irregularities or unethical practices and files the Qui Tam action on behalf of the United States government. The complaint and all other court filings must be kept under seal for at least 60 days while the Department of Justice conducts an investigation.

At the conclusion of the investigation, the government has the option to intervene in the lawsuit and participate in prosecuting the claims against the defendant, or it may decline to intervene and the relator may continue on with the case.

In some cases, the government will undergo negotiations with the defendant and reach a settlement to resolve the case without further litigation.

The relator benefits by sharing in a percentage of the recovery from the defendant ranging from 15-25% depending on the facts and circumstances of a particular case. Honesty, other than being the best policy, can sometimes be financially rewarding.

If you have any questions about a possible Qui Tam Action, feel free to contact me.