DOJ-HHS FCA Working Group Revived

On July 2, 2025, the Department of Justice (DOJ) and Department of Health & Human Services (HHS) announced during the American Health Law Association (AHLA) Annual Meeting that the agencies have reestablished a Working Group to "strengthen" their ongoing collaboration, specifically as relates to the False Claims Act (FCA). This Health Capital Topics article discusses the Working Group's priorities and the implications for providers.

The FCA was enacted in 1863 in response to defense contractor fraud committed during the Civil War.² The FCA prohibits any person from knowingly submitting, or causing to submit, false claims to the federal government.³ Violators are liable for treble damages, along with a penalty linked to inflation.⁴ Not only does the FCA give the U.S. government the ability to pursue fraud, it also enables private citizens to file suit on behalf of the federal government through what is known as a "qui tam" or "whistleblower" suit.⁵ FCA enforcement is a powerful governmental tool; in fiscal year 2024 alone, the DOJ obtained nearly \$3 billion in settlements and judgments involving fraud and false claims.⁶

The DOJ and HHS have a "long history of partnering" to use the FCA "to combat healthcare fraud." The FCA Working Group was originally established in 2020, but there was little-to-no reporting about its activities over the past few years. The group is being "reinvigorated" in order to "formalize and enhance" the cross-agency collaboration.

The Working Group's goal is to facilitate clearer lines of communication between the two agencies. The group will focus its enforcement on both traditional and less traditional areas of healthcare fraud, including:

- Medicare Advantage;
- Kickbacks;
- Intellectual property (IP);
- Defective medical devices;
- Patient access to care barriers, such as violations of network adequacy requirements;
- Manipulation of electronic health (EHR) systems to drive inappropriate utilization; and

 Pharmacy benefit manager and manufacturer agreements on biosimilars, allegations of fraud in connection with specialty pharmacy agreements with large physician practices, and agreements between medical device manufacturers and physician practices.¹⁰

Other priorities include enhancing the efficiency of investigations and qui tam dismissals.¹¹

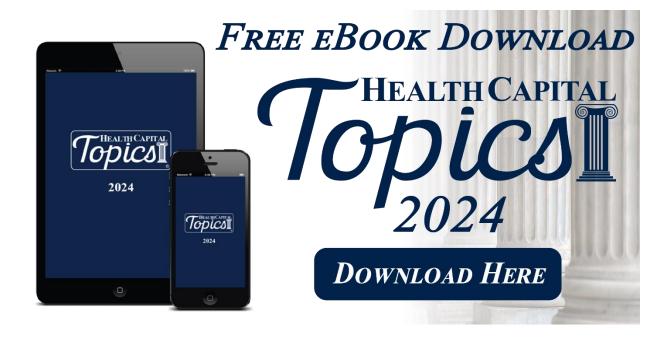
The group will be led by HHS General Counsel, Chief Counsel to HHS Office of Inspector General (OIG), and the Deputy Assistant Attorney General of the Commercial Litigation Branch; membership will include "leadership from the HHS Office of General Counsel, the Centers for Medicare & Medicaid Services Center for Program Integrity, the Office of Counsel to...HHS-OIG...and DOJ's Civil Division, with designees representing U.S. Attorneys' Offices."

Notably, the revival of the FCA Working Group comes less than one week after the 2025 National Healthcare Fraud Takedown, in which the DOJ executed the largest healthcare fraud takedown in history, criminally charging 324 defendants (including 96 medical professionals) with over \$14.6 billion in alleged fraud schemes. 13

The announcement of the DOJ-HHS FCA Working Group is in line with the Trump Administration's emphasis on pursuing healthcare fraud and waste. Healthcare legal experts assert that this Working Group "signals a renewed and intensified focus on [FCA] investigations, particularly in sectors where federal healthcare dollars and compliance risk intersect." Experts anticipate that the group will lead to "new priorities and perspectives on various issues that arise in FCA cases, especially those involving HHS programs." ¹⁶

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- 5 Ibid.
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- July 11, 2025, https://www.americanhealthlaw.org/content-library/health-law-weekly/article/ade43694-12f1-4257-b7c0-33dbc011dc20/HHS-DOJ-Announce-Reinvigoration-of-FCA-Working-Gro?Token=b1a0c32b-8af4-4a0f-a09c-6379c9216c38 (Accessed 7/22/25); "DOJ-HHS False Claims Act Working Group" U.S. Department of Health and Human Services, Press Release, July 2, 2025, https://www.hhs.gov/press-room/hhs-doj-false-claims-act-working-group.html (Accessed 7/22/25).
- U.S. Department of Health and Human Services, Press Release, July 2, 2025.
- 12 Ibid.
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