

United States Attorney Eastern District of Washington

FOR IMMEDIATE RELEASE September 24, 2025 EDWA.gov | @USAO_EDWA Contact: PAO
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Tri-Cities Urgent Care Clinic Agrees to Pay \$2.8 Million to Resolve Claims of Overbilling for Diagnostic Tests

Spokane, Washington – United States Attorney Pete Serrano announced that Health First Urgent Care, an urgent care clinic with locations in Richland and Pasco, Washington, has agreed to pay \$2,807,729 to resolve claims that it fraudulently overbilled Medicare and Medicaid for diagnostic tests.

According to the settlement agreement, a False Claims Act (FCA) claim arose from allegations that Health First Urgent Care fraudulently billed for polymerase chain reaction (PCR) respiratory and urinary tract infection panel testing. These panel tests were a predetermined group of medical tests used to test for multiple pathogens from a single sample obtained from a patient.

The United States and State of Washington alleged that instead of billing for a single panel test, Health First Urgent Care improperly "unbundled" the panel test and billed for each individual test comprising the panel. This resulted in overbilling to Medicare and Medicaid programs. In addition, the State of Washington alleged that Health First Urgent Care improperly billed for panel tests that were more expensive and not medically necessary for individual patients, such as patients presenting with symptoms of Covid-19.

"Ensuring that healthcare providers comply with the requirements of Medicare and Medicaid not only maintains the integrity of these programs, but it also safeguards patients and results in better healthcare outcomes," said Mr. Serrano. "I would like to express our appreciation for our collaboration with the Washington Medicaid Fraud Control Division and the exception investigative work performed by HHS-OIG. We will continue to ensure that fraud, waste, and abuse does not permeate federal healthcare programs."

The settlement was the result of an investigation jointly conducted by the United States Attorney's Office, the Washington State Attorney General's Office and the Health and Human Services Office of Inspector General.

"Medicare and Medicaid exist to make sure families' critical medical needs are met. It is vital that we protect the integrity of these programs," Washington State Attorney General Nick Brown said. "This settlement will help ensure these funds are put to use as intended for Washingtonians."

"It is critical for providers to bill Medicare, Medicaid, and other taxpayer-funded health care programs lawfully and accurately. The submission of false laboratory testing claims diverts key resources away from those who rely on them, including the elderly and low-income families," said Jeffrey C. McIntosh, Acting Special Agent in Charge with the U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG). "HHS-OIG remains committed to working with our law enforcement partners to safeguard federal health care programs for the benefit of the American people."

The United States Attorney's Office's investigation and prosecution was handled by Assistant United States Attorney Jacob E. Brooks, and the Washington State Attorney General's Office's investigation and prosecution was handled by Assistant Attorney General Rachel Sterett.