

Eli's Hospice Insider

Hospice News: 'Hospice That You Don't Have To Die To Use' Marketing Lands 3 Execs In Prison

You don't have to be an owner or CEO to get a prison sentence for Medicare fraud, judging by the latest development in the high-profile Merida Group case in South Texas.

Recap: At a November 2019 trial, "witnesses testified that from 2009 to 2018, the vast majority of hospice and home health patients at the Merida Group did not qualify for services. Rather, physicians were bribed with illegal kickbacks, under the pretense of medical directorships, to falsely certify unqualified patients for services," the Department of Justice says in a release. "Employees were instructed to falsify medical records, making non-terminal patients appear to be terminally ill and declining" in the \$150 million fraud scheme.

Merida personnel "recruited patients at hospitals and other medical practices by touting that the Merida Group offered 'hospice that you don't have to die to use,' pursuant to the Merida Group's corporate marketing strategy," the DOJ says.



Two defendants in the case, owner **Rodney Mesquias** and CEO **Henry McInnis**, went to trial, were convicted of fraud and other charges, and received stiff prison sentences of 20 and 15 years, respectively.

In contrast, operations manager **Jose Garza** pleaded guilty, admitting to "participating in the scheme, facilitating kickback payments to physicians, and directing employees to falsify medical records," the DOJ says. Now Garza has gotten off with a much lighter 27-month prison sentence and order to pay a whopping \$4.7 million in restitution.

The fourth co-conspirator in the case, physician and former Rio Bravo mayor **Francisco Pena**, died in November 2020.