

NEWS RELEASE

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AseraCare Hospice Responds to U.S. Attorney / Department of Justice Filing

PLANO, Texas, January 3, 2012 — AseraCare Hospice issued the following statement in response to a complaint filed today by the U.S. Department of Justice, alleging that AseraCare violated the law by admitting patients the government claims were not terminally ill.

“We are disappointed by the Department of Justice’s decision to intervene in the qui tam litigation. This action is especially troubling because we believe it could constrain certain patients — most notably those who suffer from unpredictable disease — from utilizing the hospice benefit. The allegations contained in the complaint are without merit, and AseraCare operates in full compliance with the law,” said AseraCare General Counsel David Beck.

“Consistent with hospice providers nationwide, AseraCare Hospice has evolved in recent years to treat more terminally ill patients with unpredictable disease progressions,” said AseraCare Hospice President and Chief Medical Officer David Friend, M.D. “It is simply not possible to precisely predict how patients will respond to challenging illnesses such as end-stage heart, lung and kidney disease, AIDS, and Alzheimer’s.

“Each one of our hospice patients is in our care because two independent physicians have certified his or her eligibility and because the individual has made a decision to focus on care and comfort when a cure is not possible,” said Friend. “At AseraCare, it is our primary goal to ensure that our hospice patients and their families receive the highest levels of care and comfort and are able to spend their remaining days with dignity.”

Beck added that the Centers for Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services, which administers hospice, have repeatedly stated that there is no limit to how long a patient may remain under hospice care as long as the patient's doctor certifies that a patient is terminally ill and has a six-month prognosis.

Nearly a decade ago, the federal government provided clear guidance that there is no limit on how long an individual may receive hospice care as long as he or she meets these eligibility criteria. In 2000, then CMS Administrator Nancy Ann DeParle wrote, "in no way are hospice beneficiaries restricted to six months of coverage." In addition, CMS has expressly recognized that a medical prognostication of life expectancy is not always exact.

About AseraCare Hospice

AseraCare Hospice is part of Golden Living, one of the nation's premiere providers of health care services for the aging. AseraCare Hospice offers a full range of hospice and palliative care services for terminally ill patients, including medical care, nursing care, social worker counseling, volunteer services, spiritual support, physical, occupational and speech therapy, personal care assistance, nutrition counseling, and bereavement counseling.

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