

**United States Attorney Melinda Haag
Northern District of California**

FOR IMMEDIATE RELEASE
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**THE UNITED STATES SUES NURSING HOME OWNERS AND
OPERATORS AND THEIR MANAGER UNDER THE FALSE CLAIMS
ACT**

SAN FRANCISCO – The United States filed a civil False Claims Act complaint on Friday against the owners, operators, and manager of two nursing homes in Watsonville, Calif., United States Attorney Melinda Haag announced.

Defendants CF Watsonville East, LLC, and CF Watsonville West, LLC, are for-profit entities that own and operate the nursing homes named in the complaint. Defendant ARBA Group owns CF Watsonville East and West, and exercised close oversight and control over the finances and operations of the nursing homes, and defendant Country Villa Health Service Corporation, dba Country Villa Health Services, was also responsible for the management of the nursing homes under consulting agreements with the owners.

The United States alleges that Defendants submitted false claims for materially substandard or worthless services provided to Medicare and Medicaid beneficiaries residing in the two nursing homes, Country Villa Watsonville East Nursing Center (renamed Watsonville Nursing Center in April 2014), and Country Villa Watsonville West Nursing and Rehabilitation Center (renamed Watsonville Post-Acute Center in April 2014). Specifically, the complaint alleges that between 2007 and 2012, defendants persistently and severely overmedicated elderly and vulnerable residents of the nursing homes.

The False Claims Act, 31 U.S.C. §§ 3729-3733, provides for treble damages and civil penalties against those who submit false claims to federal programs such as Medicare and Medicaid.

Gioconda Molinari is the Assistant U.S. Attorney who is litigating the case with the assistance of Lucille Yee and Tina Louie. The lawsuit is the result of an investigation by the U.S. Attorney's Office and the U.S. Department of Health and Human Services, Office of the Inspector General.

If you know someone who is the victim of elder abuse, neglect, or exploitation in a nursing home, you can report it to the California Long-term-Care Ombudsman, 1-800-231-4024, <http://www.aging.ca.gov/Programs/LTCOP/>, your local California Department of Public Health, Licensing and Certification Division, District office,

<http://www.cdph.ca.gov/HealthInfo/Pages/NursingHomePatient.aspx>, your local adult protective services office, and/or the police.

Further Information:

Case #: 3:14-cv-03946

A copy of this press release may be found on the website of the U.S. Attorney's Office at <http://www.justice.gov/usao/can/index.html>.

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

Press inquiries to the U.S. Attorney's Office should be directed to Lili AraúzHaase at (415) 436-6811 or by e-mail at Lillian.ArauzHaase@usdoj.gov.