

WHISTLEBLOWER WIN: \$417 MILLION SECURED IN FALSE CLAIMS ACT CASE

Setting a Strong Precedent- The landmark decision against Capstone Medical Resources, LLC, and Dr. Sharon Waltz serves as a powerful deterrent to future fraud.

Montgomery, AL (May 15, 2025) – Our whistleblower team, led by Leon Hampton, has secured a \$417 million judgment in a qui tam case presided over by Judge Madeline Haikala in the Northern District of Alabama.

Nancy D’Anna and Valerie Paige Zeiger, acting as qui tam relators, filed a motion seeking damages from Capstone Medical Resources, LLC, and Dr. Sharon Waltz. They alleged that the defendants violated the FCA by submitting 29,511 false claims to the government, resulting in a loss of \$2,116,538.42. When tripled, this loss amounted to \$6,349,615.26.

Dr. Waltz operated Capstone Medical Resources in various locations around Alabama, with its primary office in Birmingham. Among other services, Waltz provided individual and group counseling sessions for at-risk youth. The charge against her states that many of the services billed to the Alabama Medicaid Agency were never performed.

The False Claims Act (FCA), a federal law designed to combat fraud against governmental programs, imposes severe penalties on violators, including civil penalties ranging from \$13,946 to \$27,894 per false claim, plus three times the amount of damages incurred by the government. In this case, the total statutory penalty for the false claims was calculated at \$411,560,406, bringing the total damages to \$417,910,021.26.

The court awarded the relators, who played a pivotal role in uncovering the fraud, 25% of the total award, amounting to \$104,477,503.30.

“This judgment sends a clear message that those who misuse taxpayer dollars will be held accountable. Medicare funds exist to support the most vulnerable members of our society – not to enrich corporations through fraud. Exploiting these resources is not only unlawful, but also a betrayal of public trust, said Beasley Allen’s Leon Hampton, lead counsel for the “whistleblowers.”

CONTACT US TODAY:

Since 1979, Beasley Allen has dedicated itself to the mission of “helping those who need it most.” We have secured verdicts and settlements amounting to billions of dollars, championing justice in complex plaintiff litigation across the nation. Our team of skilled attorneys, supported by a robust staff, has fought for thousands of clients to obtain the justice they deserve. To learn more about our firm’s impact and services, please visit our website at www.BeasleyAllen.com.

Media Contact: Media@BeasleyAllen.com | 334-495-1511 (Call or Text)