

Office of School Board Attorney  
Walter J. Harvey, Board Attorney

**SUBJECT: AUTHORIZATION TO FILE LAWSUIT AGAINST MAXIM HEALTHCARE SERVICES, INC. TO SEEK RECOVERY OF DISTRICT FUNDS ISSUED AS PAYMENT FOR INVOICES SUBMITTED BY THIS VENDOR TO THE DISTRICT AS A RESULT OF BILLING ERRORS AND IRREGULARITIES**

The School Board Attorney requests the School Board's authorization to file a lawsuit against Maxim Healthcare Services, Inc. ("Maxim"), for recovery of funds paid to this vendor as a result of certain billing errors and irregularities, including possible overbilling. These billing issues took place during the period of time that Maxim was providing required respiratory therapy, registered nursing and Licensed Practical Nursing services to designated students in our school district.

The billing irregularities were uncovered during an investigation by the Office of Management and Compliance Audits for an approximate three and one-half year period that ended in July of 2011. The investigation was prompted by a request from the Superintendent based on detailed evidence suggesting that Maxim may have overbilled the District and that billing errors or irregularities may have occurred in the provision of services to the District billed at \$10,858,914 for the period in question.

The billing irregularities stem the manner in which services were billed and whether certain services were actually delivered or whether the type of services rendered were even necessary in light of the students' medical condition. As a result of the investigation, the Chief Auditor determined that based on the terms of the contract with the vendor and relevant industry standards, it appeared that Maxim had overcharged the District as much as \$1,184,632. Maxim has denied any wrongdoing with regard to the apparent identified billing irregularities.

The proposed litigation would be handled by The School Board Attorney's Office with the assistance, as may be needed, from outside counsel specializing in this area.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida authorize the School Board Attorney to file a lawsuit against Maxim Healthcare Services, Inc., to seek recovery of funds issued as payment for invoices submitted by the vendor to the District as a result of billing errors and irregularities, and any other remedies as may be permitted by law.