



DIAMOND MCCARTHY LLP

Attorneys & Counselors

The New York Times Building | 620 Eighth Avenue, 39th Floor | New York, NY 10018 | Phone: 212.430.5400 | Fax: 212.430.5499

FOR IMMEDIATE RELEASE

CONTACT:

Robert W. Sadowski, Esq. (212) 430-5407
rsadowski@diamondmccarthy.com

Raphael Katz, Esq. (212) 430-5417
rkatz@diamondmccarthy.com

Jill Totenberg
The Totenberg Group (212) 704-0352
jtutenberg@tutenberggroup.com

UNITED STATES ATTORNEY INTERVENES AND SETTLES ACTION BROUGHT BY WHISTLEBLOWER REPRESENTED BY DIAMOND MCCARTHY, LLP

(July 26, 2012, New York, New York) Millions of dollars have been recovered for disadvantaged children. The Head Start Employees' Welfare Fund has agreed to pay \$4.8 million to the United States to settle claims that it diverted money that was to be used for children in the Head Start program by overbilling for insurance reimbursement for Head Start employees.

The settlement brings to a close a whistleblower action filed by Robert W. Sadowski and Raphael Katz of Diamond McCarthy LLP, under the federal False Claims Act. Sadowski and Katz brought the case on behalf of their client, a whistleblower, who alleged that the Fund was misusing federal money it received under a grant from the Head Start program, and that children in the Head Start program in New York City were being deprived of services they were supposed to receive.

The Head Start program is a national program that promotes school readiness by providing educational, health, nutritional, and social services to enrolled children and their families.

"This case shows that courageous whistleblowers can make a big difference in combating fraud and abuse involving taxpayer money. We are particularly pleased to have worked with the United States Attorney's office on a case where federal money was wrongfully diverted from a program aimed at helping disadvantaged children and their families," said Mr. Sadowski.

About Diamond McCarthy and its Whistleblower Practice Group

Diamond McCarthy is a boutique law firm specializing in complex litigation, including the prosecution of financial fraud with a robust *Qui Tam* (whistleblowing) practice group. The whistleblower practice group is comprised of experienced litigators, including former federal prosecutors, who are prepared to aggressively litigate *qui tam* cases in both federal and state courts in multiple jurisdictions, from their inception through trial.

Diamond McCarthy LLP

Houston | Two Houston Center | 909 Fannin, 15th Floor | Houston, TX 77010 | Phone: 713.333.5100 | Fax: 713.333.5199

Dallas | Renaissance Tower | 1201 Elm Street, 34th Floor | Dallas, TX 75270 | Phone: 214.389.5300 | Fax: 214.389.5399

Austin | P.O. Box 500149 | Austin, TX 78750 | Phone: 512.617.5200 | Fax: 512.617.5299

www.diamondmccarthy.com