

Roderick Thomas Comments on *Qui Tam* Ruling Involving Relator Objections

Bloomberg BNA's Federal Contracts Report

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Roderick Thomas, chair of Wiley Rein's White Collar Defense Practice, was quoted in a *Federal Contracts Report* story on a ruling by the U.S. Court of Appeals for the District of Columbia that the government may not settle a *quitam* case when the relator objects, unless the court approves the settlement.

BNA reported the appeals court decision reversed a district court's ruling and stated that for a district court to dismiss certain *qui tam* claims, it must "hold a hearing to determine if a settlement was fair, adequate and reasonable." In addition, the "opinion directly addressed the district court's doubts about the constitutionality of a False Claims Act provision requiring judicial approval of settlement agreements if relators object."

Mr. Thomas told BNA the decision is disappointing for those trying to resolve FCA matters a timely manner and without litigation.

"The decision allows self-interested relators to put up an additional hurdle to a settlement agreement that both the United States and defendant deem fair, perhaps leveraging a threat of litigation to pursue a larger payout," Mr. Thomas said. "This result is at odds with the *qui tam* provisions' intent that relators pursue FCA cases 'in the shoes' of the United States."

Related Professionals

Roderick L. Thomas
Partner
202.719.7035
rthomas@wiley.law

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