

Kaplan Fox Files Securities Class Action on Behalf of Purchasers of Gentiva Health Services, Inc. Common Stock During the Period July 31, 2008 Through July 20, 2010(2)

The Associated Press

Kaplan Fox & Kilsheimer LLP (www.kaplanfox.com) has filed a class action suit against Gentiva Health Services, Inc. ("Gentiva" or the "Company") (NASDAQ: GTIV) that alleges violations of the Securities Exchange Act of 1934 on behalf of purchasers of Gentiva common stock during the period July 31, 2008 through July 20, 2010, inclusive (the "Class").

The case is pending in the United States District Court for the Eastern District of New York (Civil Action No. 10-5064). A copy of the complaint may be obtained from Kaplan Fox or the Court.

The Complaint alleges that, throughout the Class Period, Defendants reported growth in revenue and earnings that were, in large part, based on material increases in Medicare revenues and admissions in the Company's Home Health segment, but that defendants failed to disclose that the Company improperly increased the number of in-home therapy visits to patients for the purpose of triggering higher reimbursement rates under the Medicare PPS.

The Complaint further alleges that on May 13, 2010, the Wall Street Journal reported that the United States Senate Finance Committee launched an investigation into the practices of companies that provide in-home therapy visits reimbursed by Medicare, including Gentiva and, that "the committee is investigating whether the companies deliberately boosted the number of home therapy visits to trigger higher Medicare reimbursements." On May 14, 2010, the price of Gentiva shares declined from a closing price on May 13, 2010 of \$29.75 per share to close at \$27.55 per share, a decline of \$2.20 per share or approximately 7% on heavier than usual volume.

It is further alleged that on July 13, 2010, after the close of trading, Gentiva disclosed that it was "informed by the Securities and Exchange Commission that the Commission has commenced an investigation relating to Gentiva's participation in the Medicare Home Health Prospective Payment System (HH PPS). The Company believes the investigation is similar to the Commission's ongoing investigations and the Senate Finance Committee inquiry previously disclosed by Gentiva and other home health companies. The Commission requested that the company preserve all documents from January 1, 2000 to the present relating to its participation." On July 13, 2010, the price of Gentiva shares closed at \$22.30 per share. On July 14, 2010, during intra-day trading, the price of Gentiva shares declined to \$19.91 per share, a decline of 11%, before closing at \$21.99 per share, on heavier than usual volume.

Finally, it is alleged that on July 20, 2010, after the close of trading, Gentiva disclosed its financial results for the fiscal quarter ended July 4, 2010. Among other things, the Company disclosed that "in light of recent softness in home health episodic volumes and the anticipated seasonality in third quarter volumes as experienced by the Company historically, Gentiva has reduced its full-year revenue guidance to a range of \$1.20 billion to \$1.23 billion from its prior guidance of between \$1.23 billion to \$1.26 billion." On July 21, 2010, Gentiva shares declined from a close on July 20, 2010 of \$21.60 per share, to close at \$19.96 per share, a decline of \$1.64 per share or approximately 8% on heavier than usual volume. The next trading day, the price of Gentiva shares declined an additional \$0.56 per share, for a two day decline of approximately 10%.

It is further alleged that during the Class Period, the Individual Defendants collectively sold approximately 261,828 Gentiva shares at artificially inflated prices for proceeds of approximately \$6.3 million.

If you are a member of the proposed Class, you may move the court no later than 60 days from today to serve as a lead plaintiff for the Class. You need not seek to become a lead plaintiff in order to share in any possible recovery.

Plaintiff seeks to recover damages on behalf of the Class and is represented by Kaplan Fox & Kilsheimer LLP. Our firm, with offices in New York, San Francisco, Los Angeles, Chicago and New Jersey, has many years of experience in prosecuting investor class actions and actions involving financial fraud. For more information about Kaplan Fox & Kilsheimer LLP, or to review a copy of the complaint filed in this action, you may visit our website at www.kaplanfox.com (<http://www.kaplanfox.com>) .

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