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TOP BOUTIQUES IN 2020 CALIFORNIA

CIVIL LITIGATION

Knox Ricksen LLP

WALNUT CREEK, LOS ANGELES

THOMAS E. FRAYSSE

GREGORY D. PIKE

MAISIE C. SOKOLOVE

RYAN G. JACOBSON

Knox Ricksen LLP is a civil litigation and trial firm specializing in complex fraud and whistleblower actions. Its clients include health care insurers, self-insured groups, casualty and workers' compensation carriers and those who expose wrongdoing in the health care industry.

Founded in 1949 by Wallace W. Knox and Marshall E. Ricksen, both of whom are deceased, the firm now has 15 attorneys representing plaintiffs victimized by fraudulent practices. Three are members of the American Board of Trial Advocates.

Managing partner Thomas E. Fraysse has been with the firm since 1982. He realigned its objectives in the mid-1990s from standard insurance defense work to a new kind of litigation goal.

"Our work now with massive fraud cases grew out of our handling of small cases for insurers," he said. "Then we began taking on directly those who engage in fraudulent activities. When we hire new associates these days I tell them that we're really not like other law firms. We focus on large scale complex medical fraud schemes that fall into the gap that exists between criminal prosecutions and state and federal regulations."

Fraysse said examples of his firm's cases range from a kickback arrangement in which unwitting individuals had counterfeit spinal fixation hardware implanted in their bodies to a plot involving the prescription of more than $50 million in bogus compounded drugs engineered by a single physician at a telemedicine company.

Partner Maisie C. Sokolove, who joined in 2007 looking for litigation work, said, "We've developed this great way to look at the macro viewpoint, working with insurance companies to see patterns of fraud. We've had success educating courts, and once it clicks, judges get pumped up. They're happy to see us go after fraudulent behavior."

To his knowledge, Fraysse added, no other firm has filed and tried more cases under California's Insurance Frauds Prevention Act, which allows whistleblowers to file qui tam suits based on the submission of false claims not to the government but instead to an insurance company. It authorizes sometimes massive recoveries by imposing civil penalties of $5,000 or $10,000 per fraudulent claim.

"In the 1990s we began looking at patterns of suspicious behavior by health care providers," Fraysse said. "As a wealth of industry data became available, we could start to track these patterns via the evolving technology of searchable databases and software analytics to reverse-engineer and understand how these fraudulent practices operated."

Partner Ryan G. Jacobson started in 2007, clerking until he got his bar card. "These fraud schemes can be limitless. They're designed to look as if everything's normal," he said. "But advances in billing and clinical data analytics let you take the 100,000-foot overview and watch the fraud occurring. And that allows for an excellent focus when you get to discovery." His work resulted in a $7 million judgment over a chiropractor's use of fraudulent x-ray reports to support fraudulent insurance claims.

In a case involving the ownership, operation and control of a succession of fake law offices that filed fraudulent personal injury claims, Fraysse and Sokolove obtained a $6 million Los Angeles County Superior Court jury verdict for an insurer client and successfully defended the verdict on appeal. *People ex rel. Allstate Insurance Co. v. Suh*, B280293 (2d DCA, op. filed June 17, 2019).

The defendants "concealed the fact they were masquerading as attorneys when they filed the [deceitful] insurance claims," the appellate panel held. "Allstate would not have released settlement proceeds to [the defendants] or their sham law firms had Allstate known the truth."

Fraysse and Sokolove are lead counsel along with lawyers from Nixon Peabody LLP, the California Department of Insurance and others in an ongoing qui tam action on behalf of a labor union welfare plan. The suit targets a single physician who allegedly prescribed more than $55 million in bogus compounded drugs over a 13-month period. The plaintiffs seek upwards of $200 million in damages. *People ex rel. ILWU-PMA Welfare Plan v. Rx Unlimited LLC*, BC670620 (L.A. Super. Ct., filed Aug. 1, 2017).

"Altogether, these insurance frauds put people's health at risk," Fraysse said. "It a disturbing trend that we work hard to address."

— John Roemer

Knox Ricksen LLP
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