

# [Theranos to appeal regulatory sanctions on its lab](https://assignbuster.com/theranos-to-appeal-regulatory-sanctions-on-its-lab/)

Blood-testing company Theranos Inc. said it plans to appeal the sanctions imposed by a U. S. regulator last month on one of its labs alleging its practices jeopardized patienthealthand safety.

Theranos has filed a notice of intent to appeal sanctions imposed by the Centers for Medicare and Medicaid Services (CMS) on the company's lab in Newark, Calif., the privately held company said late Thursday.

Theranos was not conducting any patient testing at the Newark lab and has taken measures including enhancing clinical policies and procedures and revamping training programs, to rectify the issues CMS identified, it said in a statement.

CMS revoked a key certificate for the lab in July and terminated the facility's approval to receive Medicare and Medicaid payments for all services.

Medicare is the government's medical insurance program for the elderly, while Medicaid is for the poor.

The sanctions, which also include an unspecified monetary penalty, came six months after the regulator sent a scathing letter to the company criticizing its practices.

The Palo Alto, California-based company ran into trouble after the Wall Street Journal published a series of articles beginning October that suggested its devices were flawed.

Theranos was founded by CEO Elizabeth Holmes in 2003 to develop a blood-testing device that would deliver quicker results using only a drop of blood.

(Reporting by Vishal Sridhar in Bengaluru; Editing by Amrutha Gayathri)