

2015



KANSAS ATTORNEY GENERAL

Derek Schmidt

**Medicaid Fraud & Abuse Division
Kansas Fiscal Year 2015
Annual Report**

July 1, 2014 – June 30, 2015

www.ag.ks.gov

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Attorney General Derek Schmidt has made protecting Kansans from fraud a priority since taking office January 10, 2011. Attorney General Schmidt has demonstrated his willingness to devote the necessary resources and time to aggressively investigate and prosecute those who commit fraud against the Medicaid program, as well as those who abuse and exploit the elderly.



The Medicaid Fraud and Abuse Division of the Kansas Attorney General's Office (the Unit) is the Medicaid Fraud Control Unit (MFCU) for the State of Kansas pursuant to Kansas Statutes Annotated 75-725. This annual report covers the reporting period of July 1, 2014, through June 30, 2015, and provides the information required by 42 C.F.R. 1007.17.

Purpose of the Medicaid Fraud Control Unit

The Kansas MFCU is the agency of state government established to deter and combat fraud, waste and abuse committed against the Kansas Medicaid program. This is accomplished by investigating and taking appropriate criminal or civil action against Medicaid providers defrauding the Kansas Medicaid program. The MFCU is also responsible for investigating and prosecuting, or referring for prosecution, crimes of abuse, neglect or exploitation committed against patients being cared for in residential care facilities.

In completing these tasks, the MFCU maintains a staff of qualified attorneys, investigators and auditors (analysts), all knowledgeable about the provision of medical assistance and the operation of health care providers. The United States Department of Health and Human Services, Office of Inspector General provides funding and works with the MFCU as necessary.

Mission Statement of the Unit

Improving health care services to Kansans by identifying and preventing fraud, waste and abuse committed by health care providers against the Kansas Medicaid program and health care recipients.

History of the Unit/Authority to Prosecute

The Unit is a division of the Kansas Attorney General's Office that was established in 1995, operating under the statutory authority granted at Kansas Statutes Annotated 75-725 and 21-5927, et seq. The Unit received its initial certification in 1995 and has been granted recertification each year since.

The Unit receives specific authority to investigate and litigate from K.S.A. 75-725, which provides:

- “(a) There is hereby created within the office of the attorney general a medicaid fraud and abuse division.
- (b) The medicaid fraud and abuse division shall be the same entity to which all cases of suspected medicaid fraud shall be referred by the department of social and rehabilitation services, or its fiscal agent, for the purpose of investigation, criminal prosecution or referral to the district or county attorney for criminal prosecution.
- (c) In carrying out these responsibilities, the attorney general shall have:
 - (1) All the powers necessary to comply with the federal laws and regulations relative to the operation of the medicaid fraud and abuse division;
 - (2) the power to investigate and criminally prosecute violations of K.S.A. 2013 Supp. 21-5926 through 21-5934, 75-725 and 75-726, and amendments thereto;
 - (3) the power to cross-designate assistant United States attorneys as assistant attorneys general;
 - (4) the power to issue, serve or cause to be issued or served subpoenas or other process in aid of investigations and prosecutions;
 - (5) the power to administer oaths and take sworn statements under penalty of perjury;
 - (6) the power to serve and execute in any county, search warrants which relate to investigations authorized by K.S.A. 2013 Supp. 21-5926 through 21-5934, 75-725 and 75-726, and amendments thereto; and
 - (7) the powers of a district or county attorney.”

Compliance with Federal Performance Standards

The Unit is required to comply with specific performance standards outlined by the federal government. This Annual Report, along with the responses to the Recertification Questionnaire, will demonstrate that the Unit is in compliance with each of the Federal Performance Standards.

Funding

The Unit is funded 75% by the federal grant and 25% by State of Kansas matching funds. The total budget approved for federal fiscal year 2015 (FFY2015) is \$1,499,136.00, which includes indirect costs.

A copy of the FFY2015 Notice of Award for the Unit is included as Appendix A.

Staffing/Qualifications

The Unit is currently staffed with a Deputy Attorney General, who serves as the Director of the Unit, two (2) Assistant Attorneys General, four (4) Analysts/Auditors, a Special Agent-In-Charge, five (5) Special Agents, and an Administrative Assistant.

Director/Deputy Attorney General

The Director of the Unit is a Deputy Attorney General, having worked for the Kansas Attorney General's Office for nearly twelve (12) years and having more than ten (10) years experience prosecuting white collar and other crimes in the Unit. The Director is cross-designated as a Special Assistant United States Attorney, having led or participated in numerous federal fraud cases.

Assistant Attorneys General

The Assistant Attorneys General have varied experiences that make them vital to the Unit. One has a background in criminal prosecution, as well as experience in the medical field from her years as an attorney with the regulatory board that handles nursing licenses in the State of Kansas. The other prosecutor came to us from a civil background. She has developed into an outstanding prosecutor and serves as a Special Assistant United States Attorney for the Unit.

Special Agents

The Unit is currently without a Special Agent in Charge (as of August 3, 2015), but is in the process of filling the vacant position.

The remaining five Special Agents are certified Law Enforcement Officers, each possessing special skills that make them very valuable to the Unit.

Analysts/Auditors

The audit team consists of four members. Each brings varying levels of experience to the Unit. One has a legal (licensed attorney) and technical background and primarily handles data analysis in multi-state matters in which the State participates. Another of the analysts served as the Surveillance and Utilization Review Subsystem (SURS) manager prior to joining the Unit, bringing vast experience to the position. The third has more of an auditing background, with additional technological experience. The final member, and most recent addition to the analyst team, came to us from the Office of Inspector of Inspector General for the Kansas Department of Health and Environment.

Administrative Assistant

Finally, the Unit has one support staff, an administrative assistant. She serves as the Unit's office manager, responsible for keeping up with the day-to-day responsibilities of the Unit. In addition, her paralegal background allows her to assist the attorneys with litigation work, and she provides assistance to the investigative staff as necessary.

An organizational chart of the Unit is included as Appendix B, as is an organizational chart of the Kansas Attorney General's Office.

Training

The Unit has committed itself to providing each and every staff member with the opportunity to experience a wide variety of training targeted at educating them on the skills and techniques needed to understand and perform the duties related to their respective positions. It remains the focus of the Unit to seek out and provide training opportunities to Unit staff that will serve them in their various capacities as employees of the Unit.

A chart detailing all training received by the staff of the Unit is included as Appendix C.

Partnerships and Other Collaborations

The Unit has long recognized the importance of working with other agencies in the pursuit of healthcare fraud, as well as in matters of abuse, neglect and exploitation. Throughout this reporting period the Unit has continued to partner with groups that focus on prevention of healthcare fraud, as well as prevention of abuse of patients and the elderly. These partnerships have allowed Unit staff to network with experts in the health care field.

Kansas Medicaid Program – Division of Health Care Finance (DHCF)

The Unit continues to maintain a good working relationship with the Single State Agency to ensure that suspected cases of provider fraud are referred, that provider records and data necessary to investigations are able to be obtained, that assistance in recovery of overpayments is given, and that payment of claims to providers in cases of credible allegations of fraud are suspended. To support this relationship the Unit has a Memorandum of Understanding with the Single State Agency outlining the responsibilities of the Single State Agency and its contractors, as well as the Unit. The Single State Agency has been extremely accommodating and remains very willing to work with and listen to Unit staff as we continue to adjust to the conversion from fee-for-service to managed care. This relationship continues to see marked improvement, with all parties expressing a continued interest in improving the overall process of protecting the integrity of the Kansas Medicaid program.

The Unit conducts monthly program integrity meetings, which are regularly attended by the program integrity staff of the Single State Agency, staff from the fiscal agent of the Single State Agency, staff from the Kansas Department for Aging and Disability Services (KDADS), which oversees the waiver programs, and program integrity staff of the three (3) Managed Care Organizations (MCOs) that have contracted with the Single State Agency.

Ongoing communication is key to the effective development of and sharing of information necessary to open and pursue investigation and potential litigation of healthcare fraud cases. In an effort to foster the communication and understanding, the Unit developed a one-day training program that was offered to the Single State Agency and program integrity staff of the MCOs in this past year. The program was designed to improve the understanding of the Unit's role in the fraud detection and prevention process, as well as to improve the procedures for and quality of the referrals to the Unit. The training program was successful in achieving the desired objectives.

Kansas Department of Health and Environment, Office of Inspector General

Currently the position of Inspector General (IG) is vacant. Prior to the vacancy the Director met regularly with the IG and the IG participated in the monthly program integrity meetings held by the Unit. During the past year the only remaining staff of the IG's office joined the Unit's staff as an analyst, leaving no one in the IG's office to perform the functions of that office. Once a new IG and support staff are in place, the Director of the Unit will reach out to the IG.

United States Attorney's Office

The Unit has benefited from a healthy working relationship with a number of federal agencies. Of particular note is the work that has been accomplished in collaboration with the United States Attorney's Office for the District of Kansas (USAO). The Unit has consistently been invited to actively participate in both criminal and civil matters involving the USAO. Furthermore, the USAO has permitted SAUSA's within the Unit to prosecute criminal proceedings in United States District Court.

The Unit has also benefitted from being part of working groups sponsored by the USAO. Many of the Unit's staff participate in the Kansas Healthcare Fraud Working Group (KHFWDG), which has been a collaborative effort of the USAO and the Unit.

Members of the Unit's staff are also active participants in the Kansas City Metro Healthcare Fraud Working Group (KCMHFWDG), which is jointly sponsored by the Federal Bureau of Investigation (FBI) and the United States Attorneys' Office for the Districts of Kansas and the Western District of Missouri. Membership in each of these working groups has provided tremendous opportunities for networking, even across the Kansas-Missouri border.

Department of Health and Human Services, Office of Inspector General, Office of Investigations (HHS-OIG-OI)

The Unit has longstanding working relationships with a number of federal law enforcement agencies. Primary among those is the tremendous partnership the Unit has with the regional office of the HHS-OIG-OI. HHS-OIG-OI, has demonstrated a willingness to assist the Unit in cases throughout the state, including the joint investigative effort, Operation No-Show. Many of the Unit's cases now involve cooperative efforts of agents from the Unit and HHS-OIG-OI. In addition, the Unit has worked with the Federal Bureau of Investigations (FBI), Social Security Administration (SSA) and the Drug Enforcement Administration (DEA), among others, as we strive to maximize resources in the ongoing efforts to identify and prevent health care fraud in Kansas.

The Unit values the relationships that have been developed with our federal counterparts and will continue to work to further develop these, as well as new relationships, exploring additional areas where collaboration will be effective.

Other Governmental Entities

In an ongoing effort to educate others on the harmful effects of fraud, waste and abuse, the Unit has sought to partner with groups and agencies that foster public awareness.

The Unit has a position on the Kansas Adult Protective Services Advisory Committee, which was established by the Department for Children and Families (DCF), in response to complaints about the State's perceived failure to respond to reports of abuse against vulnerable adults. Membership on this committee has provided a tremendous opportunity to work directly with DCF and other state agencies, as well as concerned individuals throughout the State of Kansas, which receive and respond to reports of abuse, neglect and exploitation both in and outside of adult care facilities.

The Unit also has two staff members who serve on the Attorney General's Senior Consumer Protection Advisory Council. This council has been tasked with creating awareness of dangers to the elderly and other vulnerable adults and discussing means of education and prevention. The council also encourages agencies to create and sustain working partnerships so outreach can be done quickly on new concerns.

The Unit serves a member of the Topeka Coalition against Adult Abuse (TCAA), which involves a number of local agencies, as well as the local prosecutor's office and law enforcement. From this relationship the Unit has been able to reach out to a number of other agencies in order to develop awareness.

Finally, the Unit works closely with several regulatory and licensing entities. These include, but are not limited to, the following:

- Kansas Board of Healing Arts
- Kansas Board of Nursing
- Kansas Department for Children and Families
- Kansas Department for Aging and Disability Services
- Kansas Insurance Department
- Kansas Board of Pharmacy
- Kansas Dental Board
- Office of the Kansas Long-Term Care Ombudsman

As additional opportunities to enter into relationships that will further the objectives of the Unit present themselves, efforts will be made to collaborate with those entities.

AuthentiCare

In 2012, the State of Kansas contracted with FirstData to utilize the AuthentiCare system to report and monitor services reportedly provided by personal care attendants to Medicaid beneficiaries in the various waiver programs. The Unit has recommended modifications that would allow for the system to better identify potential fraud at the outset, prior to payments being made, rather than the traditional “pay and chase” that is all too common in the world of health care fraud. Described below are steps taken in the past year to address the issues, as well as the concerns that remain to be addressed

FirstData now requires that home health providers supply personal identifiers upon “enrollment” in the AuthentiCare system. Currently, each billing agency with whom a provider associates assigns a unique identifier for use in the AuthentiCare system. The problem was that AuthentiCare cannot recognize that one provider may be logged in at the same time under multiple identifiers. The result is situations where one provider claims hours simultaneously for multiple beneficiaries. Use of one identifier across all billing agencies would prevent this scenario.

While this theoretically prevents a single provider from using multiple identifiers to perpetrate fraud, a corresponding fix to the AuthentiCare system itself is also necessary. The remaining piece to this process is to program the system to identify when a single provider is attempting to claim services that have been reportedly provided for multiple beneficiaries at the same time. In other words, John Doe reports providing services for two separate and distinct beneficiaries, but the times of service overlap by a period of a specific number of hours. Currently, the system cannot identify when this is occurring. In order to detect this activity, a manual process has to be utilized. The reported times have to be exported to a separate program and a comparison made manually to find out if this is occurring. By the time this process takes place, the services have likely been reported, processed and reimbursed. The desire would be that this would occur in the data base at the front end, thereby avoiding the paying of services that may be fraudulent. It is desired that the system at least identify these instances so that they can be reviewed prior to payment being made.

Another concern that has come to light, primarily as a result of Operation No-Show, is the fact that edits can be made to entries into AuthentiCare without providing any explanation or documentation to support the changes. For example, John Doe reports to AuthentiCare that he began providing services at 8:00 a.m. Later John Doe realizes that was incorrect and that he actually started services at 9:00 a.m. The system will allow for John Doe, or someone on his behalf, to manually adjust that time. When this change is made a log is created that is supposed to serve as a detail for the modification that is being made. It includes the modification, the identity of the individual making the modification, and the reason for the modification. The system is generally able to identify who has made the modification; however, the system does not require that the justification for the modification be included. As a result, modifications have been identified without any supporting explanation as to why the change was necessary. Moreover, there is generally no documentation to support the modification. This can become problematic during the course of a criminal investigation. In order for this type of modification to take place, the system should require entry of an explanation, as well as a certification by the person making the modification that it is true and correct. It would also be appropriate to include an attachment or a link of any documentation that supports the modification.

Criminal Background Checks

As more and more beneficiaries are making the choice to remain in their home and receive health care services, as opposed to moving into long-term care facilities, the need for criminal background checks for home health providers becomes more crucial. The idea that a health care provider may have unfettered access to a dependent adult, in their home, without any sort of direct supervision raises the concern as to the background of that provider. It is imperative that we provide as much support and safety to our vulnerable adults as we possibly can, without infringing upon their privacy. Criminal background checks are a positive step.

It is important to note that this is an issue that is being addressed by the state agency that oversees the waiver program for Kansas Medicaid. Nonetheless, it is important to make known the concerns of the Unit in support of the move towards requiring criminal background checks of personal care attendants and direct service workers. Currently, there is a proposal that is pending approval that would require full criminal background checks of all home health providers under the waiver programs. While the Unit has not had an opportunity to fully review the details of the proposed policy, it should be noted that any step towards preventing those individuals convicted of certain criminal acts from having access to vulnerable adults is viewed as a positive step.

Performance and Projections

For the period July 1, 2014 to June 30, 2015, the Unit obtained judgments and recoveries in Medicaid fraud matters exceeding \$5.2 million. During this past year Unit staff made 18 presentations to more than 950 attendees, covering topics ranging from the emerging trends in healthcare fraud to techniques for conducting abuse, neglect and exploitation investigations.

42 C.F.R § 1007.17 INFORMATION

- (a) The number of investigations initiated and the number completed or closed, categorized by type of provider

	Initiated Cases	Closed Cases
FRAUD		
1. Assisted Living Facility		
2. Developmental Disability Facility, Res.		
3. Hospice		
4. Hospital		
5. Hospital: Inpatient Psych Srvcs, Indv. under 21		
6. Nursing Facility		
7. Other Inpatient Mental Health Facility		
8. Other Long Term Care Facility		
9. Adult Day Center		
10. Ambulatory Surgical Center		
11. Developmental Disability Facility		
12. Developmental Disability Facility, Non-Res.		
13. Dialysis Center		
14. Mental Health Facility, Non-Res.	1	
15. Substance Abuse Treatment Center		
16. Other Facility, Non-Res.		
17. Allergist/Immunologist	1	
18. Cardiologist	1	
19. Emergency Medicine		
20. Family Practice	1	

21. Geriatrician		
22. Internal Medicine		
23. Neurologist		
24. Obstetrician/Gynecologist		
25. Ophthalmologist		
26. Pediatrician		
27. Physical Medicine and Rehabilitation		
28. Psychiatrist		
29. Radiologist	1	
30. Surgeon		
31. Urologist		
32. Other MD/DO	2	4
33. Audiologist		
34. Chiropractor		
35. Clinical Social Worker		
36. Dental Hygienist	1	
37. Dentist		1
38. Nurse: LPN, RN or Other Licensed		1
39. Nurse Practitioner		
40. Optometrist		
41. Pharmacist		
42. Physician Assistant		
43. Podiatrist		
44. Psychologist		
45. Therapist, Non-Mental Health (PT, ST, OT, RT)		
46. Other Practitioner		
47. EMTs or Paramedics		
48. Nurse's Aide, CNA or other		
49. Optician		
50. Personal Care Services Attendant	33	25
51. Pharmacy Technician		
52. Unlicensed Counselor, Mental Health		
53. Unlicensed Therapist, Non-Mental Health		
54. Ambulance		

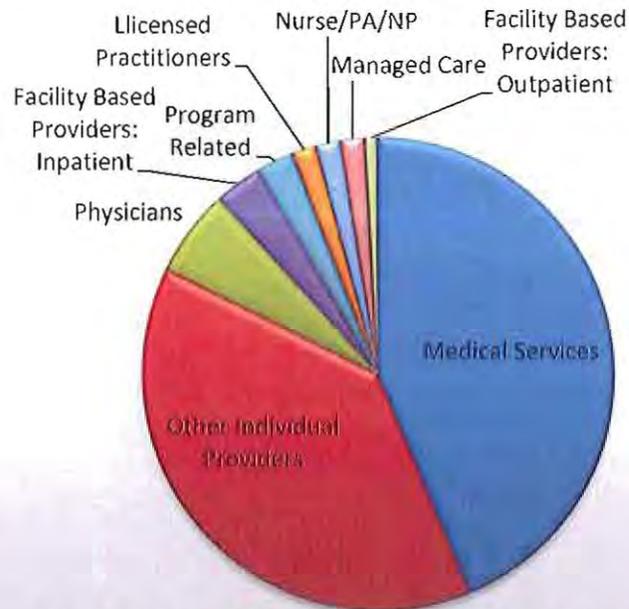
55. Billing Services		
56. Durable Medical Equipment		
57. Home Health Agency	2	8
58. Lab – Clinical		
59. Lab – Radiology and Physiology		
60. Lab – Other	1	
61. Medical Device Manufacturer		
62. Pain Management Clinic		
63. Personal Care Services Agency	2	
64. Pharmaceutical Manufacturer	14	8
65. Pharmacy – Hospital		
66. Pharmacy – Institutional/Wholesale		
67. Pharmacy – Retail	1	3
68. Transportation	1	
69. Other Medical Services		
70. Managed Care Organization	2	1
71. Medicaid Program Administration		
72. Other Medicaid Program Related Individ/Org		
ABUSE & NEGLECT		
73. Assisted Living Facility		
74. Develop Disability Facility Setting – Resident	1	
75. Hospice		
76. Non-Direct Care	1	5
77. Nurse's Aide, CNA or Other		
78. Nursing Facility	1	
79. Personal Care Aide or Other Home Care Aide		
80. Registered/Licensed Nurse/PA/NP	1	
81. Other Individual or Organization	3	2
TOTAL	71	58

Open Cases by Case Type (as of June 30, 2015)

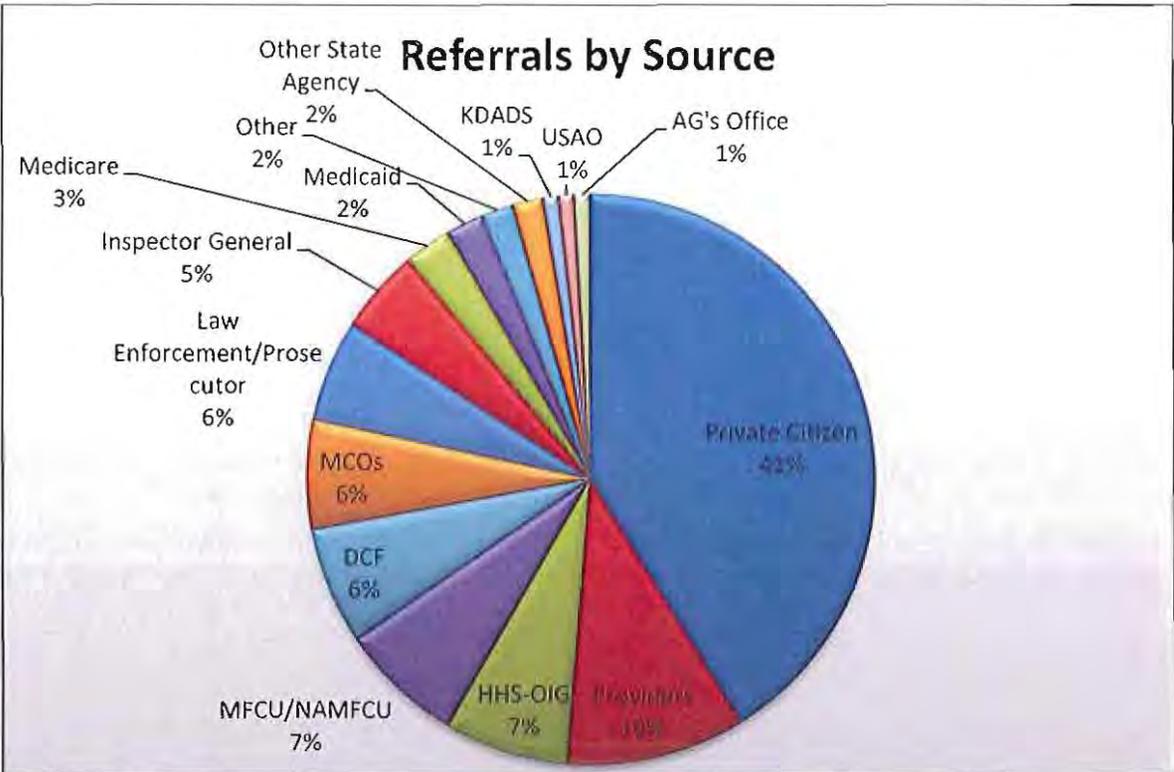


(c) Current Case Activity

Open Cases as of 06/30/2014	113
Cases Initiated During Period	71
Less: Cases Closed/Completed	(58)
Open Cases as of 06/30/2015	126



Open Fraud Cases by Provider Type



Number of cases prosecuted/litigated or referred for prosecution:

- 13 Criminal cases were filed/prosecuted by the Unit
- 1 Civil cases were filed by or on behalf of the Unit
- 1 Cases referred to other agencies for prosecution

Number of cases finally resolved and their outcomes:

- 11 Criminal cases resulted in conviction by trial or by plea of guilty or no contest
 - 3 Convictions resulted in incarceration of defendant
 - 8 Convictions resulted in probation

- 1 Criminal cases resulted in acquittal by a judge or jury
- 0 Cases were dismissed by Unit
- 5 Civil cases were settled by Settlement Agreement
- 0 Civil cases resulted in judgments after litigation
- 7 Global cases were settled

Number of cases investigated but not prosecuted due to insufficient evidence:

- 20 Cases were investigated and closed without prosecution/litigation

- (d) Number of complaints/referrals received regarding abuse and neglect of patients in health care facilities

The Unit received 1 case referral from the Kansas Department for Aging and Disability Services (KDADS), this past year.

The Attorney General has an Abuse, Neglect and Exploitation Unit (ANE) which, according to Kansas statute, is to receive all cases of substantiated abuse, neglect and exploitation, including, but not limited to, those reported to KDADS. The Unit works closely with the ANE Unit and has received reports of suspected abuse and/or exploitation from ANE.

The Unit received 1 case referral from ANE this past year.

The Unit received 11 referrals of abuse, neglect or exploitation from other agencies.

The Unit received 27 referrals of abuse, neglect or exploitation from individuals or private entities.

Number of such complaints investigated by the Unit:

The Unit did not open an investigation in the case that was referred by ANE.

The Unit opened 4 investigations based on referrals from other agencies, and 3 investigations based upon referrals from individuals or private entities.

Number of such complaints referred by the Unit to other state agencies:

The Unit referred 20 complaints alleging abuse, neglect or exploitation to other federal, state or local agencies.

(e) Recovery Actions

Number of recovery actions initiated by the Unit:

The Unit does not engage in recovery actions, instead referring those matters to the Single State Agency to be handled under their administrative hearing process.

Number of recovery actions referred to another agency:

There were 51 cases referred to other agencies, including the Single State Agency and/or MCOs for recovery actions.

Total amount of overpayments identified by the Unit:

For this reporting period the Unit identified and referred to the Single State Agency, and subsequently the MCOs, matters of apparent overpayments that do not rise to the level of criminal or civil action against the provider. Thus, the determination of the amount of overpayment in those instances was left up to the fiscal agent and the MCOs.

Number of recovery actions initiated by the Single State Agency under its agreement with the Unit:

At this time, the Unit has no way of independently tracking the number of actions initiated by the Single State Agency or the MCOs.

(f) Total amount of judgments/recoveries obtained by the Unit for the reporting period:

Global Cases:

\$772,048.48 (This number includes both the federal and state shares of global case settlements pursued in conjunction with the National Association of Medicaid Fraud Control Units, but does not include any penalties, attorneys fees or costs recovered in those settlements.)

Criminal Cases:

\$330,029.45 was ordered as restitution in criminal fraud cases completed by the Unit in which a conviction was obtained. This amount will be collected by the Single State Agency.

\$400,000.00 in restitution was ordered to be repaid to victims of abuse, neglect, or exploitation based upon convictions obtained by the Unit.

Civil Cases:

\$4,163,966.93 was recovered as a result of civil judgments obtained by the Unit. The proceeds of these settlements were paid to the Single State Agency.

Total amount of overpayments actually collected by the Single State Agency under its agreement with the Unit:

The Unit has been unable to obtain figures for the amount of overpayments actually collected by the Single State Agency, other than those recovered through the recoupment process, as set forth below. The Unit does maintain a spreadsheet of all payments processed by the Unit towards in satisfaction of outstanding criminal and civil judgments. For the reporting period, the Unit collected payments totaling \$40,739.83, to be applied towards restitution ordered.

According to information provided to the Unit by the Single State Agency, for the period of this report \$3,524,289.55 was identified as overpayments for recoupment by the fiscal agent and the three (3) managed care entities. During this same period of time the Single State Agency reported recovering \$2,162,423.37 through the recoupment processes of the fiscal agents and the three (3) managed care entities.

(g) Projections for next 12 months

- 190 Projected fraud referrals
- 40 Projected abuse referrals
- 90 Investigations projected to be opened
- 15 Criminal cases projected to be filed
- 2 Cases projected to be finalized to civil judgment
- 200 Total cases to be closed

(h) Costs incurred by the Unit

Total federal and state direct costs during this reporting period:

\$1,133,779.34

Total federal and state indirect costs during this reporting period:

\$58,945.89

Total Costs incurred by the Unit:

\$1,192,725.23

Public Awareness

In addition to receiving training for staff, as set forth above, the Unit recognizes the important role of providing training and education to others. It is an important function of the Unit to educate others about the purpose and objectives of the Unit. Through our presentations the Unit has been able to reach out to the public and those working in the industry. While this serves to educate those in attendance, it has the added benefit of resulting in an increased number of referrals to the Unit of potential cases of fraud and abuse.

A chart setting forth the presentations made by Unit staff during the reporting period is set forth in Appendix D.

United States v. Betts

Doris Betts, 55, of Kansas City, Kansas, was convicted and sentenced in U.S. District Court for health care fraud based on fraudulent bill she submitted to Medicaid while working as a personal care attendant.

A joint investigation involving the Unit and HHS-OIG-OI revealed that between January 2008 and December 2013, Betts falsely billed for providing in-home services to two or more clients at the same time in different location, while the client was hospitalized, and while Betts was instead at her own medical appointments. During this period, Betts billed for more than 750 work days that exceeded 24 hours, the highest of which topped out at 39.5 hours. Betts billed for a variety of services, including personal care services, sleep cycle support, day support and residential support. By using multiple billing agencies, Betts was able to bill for services that overlapped.

Betts was charged in April 2014 with six counts of health care fraud. She pleaded guilty in U.S. District Court and was convicted in November 2014. On February 6, 2015, Betts was sentenced in U.S. District Court to 18 months in a federal prison, three years supervised release, restitution to the Kansas Medicaid program in the amount of \$251,573.32, and a forfeiture judgment in the same amount.

Operation No-Show

Between April and October 2014, the Unit filed twelve (12) cases against personal care attendants that submitted, or caused to be submitted, claims to the Kansas Medicaid program for home health services that were not or could not have been provided. These filings stemmed from a joint investigative agreement entered into between the Unit and HHS-OIG-OI. The two agencies identified and investigated the cases, which were then presented to prosecutors in the Unit for consideration of potential criminal charges. As of publication of this report, five (5) of the cases have been completed, conviction and sentencing, and have resulted in restitution orders exceeding \$280,000. Three (3) additional cases have resulted in convictions and will be sentenced in the near future.

Appendix A: Notice of FFY2015 Award



DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INSPECTOR GENERAL
 WASHINGTON, DC 20001



Notice of Award

Grant Number: 1501KS5050
Amendment: 0
Grant Period: 10/01/2014 – 09/30/2015

Grantee:
 Kansas Attorney General
 Medicaid Fraud and Abuse Division

Director: Loren Snell

CFDA: 93.775

Program Title: State Medicaid Fraud Control Units

EIN: 48602992515

DUNS: 149819976

CAN: D990031

Appropriation: 75X0512

Object Class: 41501

Total Approved Budget: \$1,499,136
Federal Share (FFP) 75%: \$1,124,352
Non-Federal Share 25%: \$374,784

Federal funding will be administered in quarterly disbursements as follows:

Quarter	Federal Share	Match	Cumulative Fed Award	Cum. Match
10/01/14 – 12/31/14	\$281,088	\$93,696	\$281,088	\$93,696
01/01/15 – 03/31/15	\$281,088	\$93,696	\$562,176	\$187,392
04/01/15 – 06/30/15	\$281,088	\$93,696	\$843,264	\$281,088
07/01/15 – 09/30/15	\$281,088	\$93,696	\$1,124,352	\$374,784

Additional Action(s):

Remarks: Please see the terms and conditions attached to this award.

OIG Contact Information and Authorizing Signatures

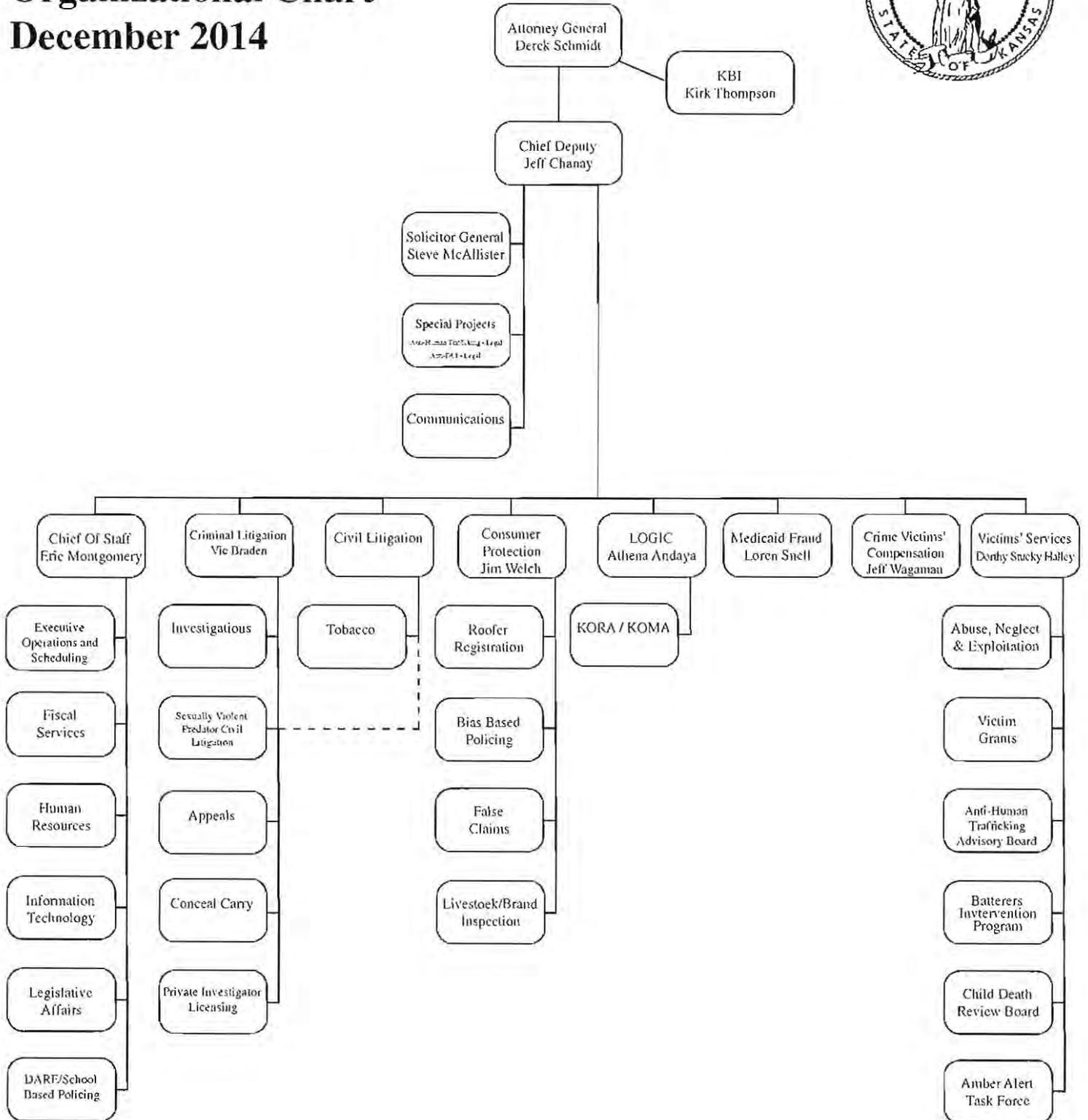
Susan Burbach, OIG Program Analyst

Alexis Crowley, Grants Management Officer

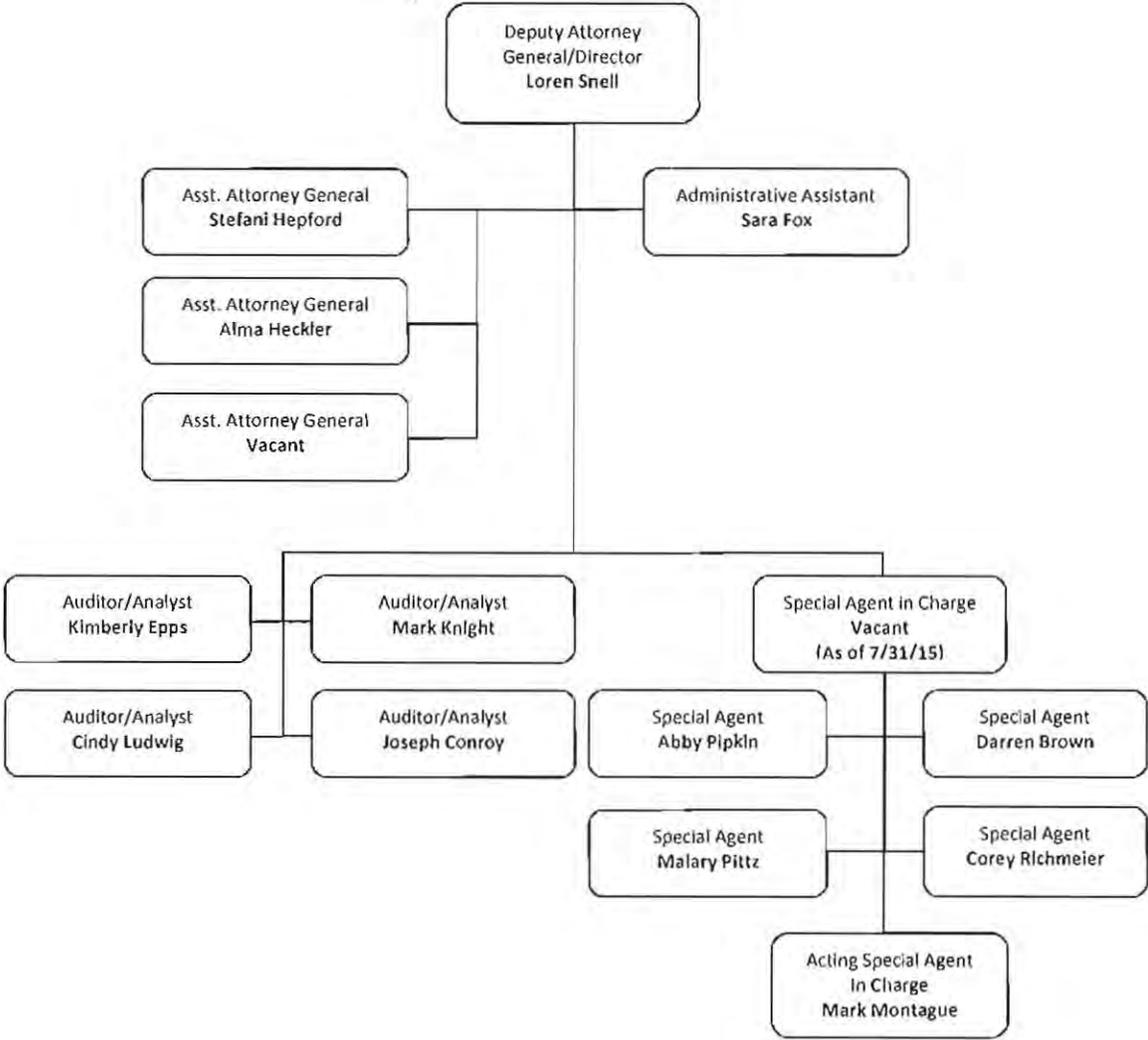
Theresa Kohler, Acting Budget Officer

Alexis Crowley Date 10-1-14
Theresa J. Kohler Date 10-1-14

Kansas Attorney General Derek Schmidt Organizational Chart December 2014



**Kansas Attorney General
Derek Schmidt
Medicaid Fraud & Abuse Division
Organizational Chart**



Appendix C: 2014-15 Training Report

ATTENDEE	DATE	TRAINING & SPONSOR	LOCATION	TOTAL HRS	ETHCS HRS
Loren F. Snell, Jr.					
	8/6/14	Cyber Security Awareness Training, State of Kansas	Topeka, KS	N/A	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	.5
	3/2/15	Ethics and Professionalism	Topeka, KS	1	1
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	3/25/15	Public Policy Conference on Federalism and the Pharmaceutical Industry	Arlington, VA	10	
	6/9/15	Brown Bag Ethics	Topeka, KS	1	1
	2015	Fred Pryor Online Courses	Topeka, KS	30 Courses	
Stefani Hepford					
	9/26/14	KSAG Fall CLE Seminar	Topeka, KS	1	1
	10/13/14	Kansas County and District Attorneys Fall Conference	Overland park, KS	6	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	.5
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	3/25/15	Public Policy Conference on Federalism and the Pharmaceutical Industry	Arlington, VA	10	
	5/29/15	Women's Attorney Association	Topeka, KS	2	
	6/18/15	Kansas County and District Attorneys Spring Conference	Wichita, KS	5	
	2015	Fred Pryor Online Courses	Topeka, KS	25 Courses	

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Alma Heckler					
	9/26/14	KSAG Fall CLE Seminar	Topeka, KS	5	1
	10/17/14	Seminar for Government Attorneys	Topeka, KS	5	1
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	.5
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	1/15/15	MMIS Interchange Overview	Topeka, KS	5	
	2015	Fred Pryor Online Courses	Topeka, KS	25 Courses	
Phil McManigal					
	7/3/14	Firearms Training	Holton, KS	2	
	11/18/14	Medicaid Fraud Investigations	Topeka, KS	1.5	
	11/21/14	Firearms Qualifications	Holton, KS	3	
	1/6/15	The Bulletproof Mind	Topeka, KS	6	
	1/26/15	Racial Profiling, Beyond Black and White	Topeka, KS	4	
	1/26/15	Ethical Decision Making	Topeka, KS	4	
	1/26/15	Media Meltdown	Topeka, KS	4	
	1/27/15	Critical Incident Stress	Topeka, KS	3.5	
	1/27/15	Ethical Decision Making	Topeka, KS	4	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	4/1/15	Dabbing and the Emerging Trends of Drug Concentrates, Edibles, E-Devices and Paraphernalia	Topeka, KS	4	
	4/1/15	Complex Conspiracy Case Review	Topeka, KS	3.5	
	4/2/15	Observations, Insights and Lessons Learned, Child Sex Crime Investigations	Topeka, KS	1.75	
	4/10/15	Range Practicals	Holton, KS	6	

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Darren Brown					
	7/2/14	Racial Biased Based Policing	Topeka, KS	2	
	7/3/14	Firearms Training	Holton, KS	2	
	7/25/14	Ms-isac Cyber Security Awareness Training and Evaluation	Topeka, KS	2	
	7/25/14	Oits Cyber Security Awareness Assessment Test	Topeka, KS	.5	
	11/21/14	Firearms Qualifications	Holton, KS	3	
	1/29/15	Glock Armorer School	Bonner Springs, KS	8	
	2/10/15	Managing the Property and Evidence Room	KC, MO	14	
	4/29/15	Range Practicals	Holton, KS	4	
	5/19/15	Conspiracy Investigations Local to Federal	Lawrence, KS	3	
	5/19/15	Advanced Search Warrant	Lawrence, KS	3.5	
	5/19/15	Legislative Updates	Lawrence, KS	1	
	2015	Fred Pryor Online Courses	Topeka, KS	24 Courses	
Mark Montague					
	7/2/14	Racial Biased Based Policing	Topeka, KS	2	
	11/18/14	Medicaid Fraud Investigations	Topeka, KS	1.5	
	11/21/14	Firearms Qualifications	Holton, KS	3	
	12/12/14	Firearms Qualifications	Holton, KS	1.5	
	1/29/15	Glock Armorer School	Bonner Springs, KS	8	
	4/10/15	Range Practicals	Holton, KS	7	
	4/29/15	Range Practicals	Holton, KS	4	

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	5/13/15	Range Practicals	Holton, KS	1	
	5/19/15	Legislative Updaates	Lawrence, KS	1	
	5/19/15	Conspiracy Investigations Local to Federal	Lawrence, KS	3	
	5/19/15	Advanced Search Warrant	Lawrence, KS	3.5	
	5/20/15	Sovereign Citizens	Lawrence, KS	3	
	5/20/15	Investigation Techniques	Lawrence, KS	2.5	
	5/20/15	Lottery Investigations	Lawrence, KS	1	
	2015	Fred Pryor Online Courses	Topeka, KS	22 Courses	
Corey Richmeier					
	7/2/14	Racial Biased Based Policing	Topeka, KS	2	
	7/3/14	Firearms Training	Holton, KS	2	
	9/15/14	Statement Analysis	KC, MO	8	
	11/21/14	Firearms Qualifications	Holton, KS	3	
	12/12/14	Firearms Qualifications	Holton, KS	1.5	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	2/25/15	Sex Crimes Investigations	Wichita, KS	13	
	4/1/15	Complex Conspiracy Case Review	Topeka, KS	3.5	
	4/1/15	Dabbing and the Emerging Trends of Drug Concentrates, Edibles, E- Devices and Paraphernalia	Topeka, KS	4	
	4/2/15	Observations, Insights and Lessons Learned, Child Sex Crime Investigations	Topeka, KS	1.75	
	4/10/15	Range Practicals	Holton, KS	6	
	2015	Fred Pryor Online Courses	Topeka, KS	24 Courses	

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Abby Pipkin					
	7/2/14	Racial Biased Based Policing	Topeka, KS	2	
	7/3/14	Firearms Training	Holton, KS	2	
	7/15/14	Courtroom Testimony	Topeka, KS	2	
	7/23/14	Physical Evidence/Evidence Procedure	Topeka, KS	4	
	8/18/14	Reid Interview and Interrogation	KC, MO	24	
	10/7/14	N-Nex	Salina, KS	4	
	10/23/14	Digital Forensics Training for Investigators	KC, MO	6.5	
	12/10/14	TAC Training	Salina, KS	4	
	12/11/14	Kansas Intelligent Fusion Center Briefing	Topeka, KS	1	
	12/12/14	Firearms Qualifications	Holton, KS	1.5	
	1/6/15	The Bulletproof Mind	Topeka, KS	6	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	4/1/15	Complex Conspiracy Case Review	Topeka, KS	3.5	
	4/1/15	Dabbing and the Emerging Trends of Drug Concentrates, Edibles, E-Devices and Paraphernalia	Topeka, KS	4	
	4/2/15	Affidavit Preparations and Media Considerations	Topeka, KS	1.75	
	4/2/15	Observations, Insights and Lessons Learned, Child Sex Crime Investigations	Topeka, KS	1.75	
	4/10/15	Range Practicals	Holton, KS	6	
	5/15/15	Elder Abuse	Bel Aire, KS	4	
	2015	Fred Pryor Online Courses	Topeka, KS	30 Courses	

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Malary Pittz					
	10/16/14	The Governor's Advisory Council on Domestic Violence Training	Topeka, KS	6	
	10/20/14	Sheriff's Agency Update	Topeka, KS	.5	
	10/20/14	National Traffic Incident Management	Topeka, KS	3.5	
	10/20/14	LifeHouse Child Advocacy	Topeka, KS	2	
	10/20/14	Offender Watch	Topeka, KS	.5	
	10/21/14	Legal Updates	Topeka, KS	2	
	3/12/15	New Uniform Training with Handgun Qualification	Berryton, KS	2	
	4/29/15	Range Practicals	Holton, KS	4	
	5/15/15	Elder Abuse	Bel Aire, KS	4	
	5/19/15	Legislative Updaates	Lawrence, KS	1	
	5/19/15	Conspiracy Investigations Local to Federal	Lawrence, KS	3	
	5/19/15	Advanced Search Warrant	Lawrence, KS	3.5	
	5/20/15	Sovereign Citizens	Lawrence, KS	3	
	5/20/15	Investigation Techniques	Lawrence, KS	2.5	
	5/20/15	Lottery Investigations	Lawrence, KS	1	
	5/20/15	Crime Scene Investigation Workstations	Lawrence, KS	6.5	
Mark Knight					
	11/18/14	Medicaid Fraud Investigations	Topeka, KS	6	
	1/15/15	MMIS Interchange Overview	Topeka, KS	5	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	5/15/15	KSAG Spring CLE	Topeka, KS	6.5	2
	2015	Fred Pryor Online Courses	Topeka, KS	24 Courses	

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Cynthia Ludwig					
	9/25/14	Emergency Procedures Training	Topeka, KS	4	
	11/18/14	Medicaid Fraud Investigations	Topeka, KS	1	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	2015	Fred Pryor Online Courses	Topeka, KS	25 Courses	
Joseph Conroy					
	8/20/14	CLEAR	Topeka, KS	1	
	9/9/14	CLEAR	Topeka, KS	3	
	1/15/15	MMIS Interchange Overview	Topeka, KS	6	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	3/13/15	KDHE Medicaid Training	Topeka, KS	4	
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
	3/20/15	KDHE Medicaid Training	Topeka, KS	4	
	5/5/15	Medicaid Fraud 101	Atlanta, GA	24	
	2015	Fred Pryor Online Courses	Topeka, KS	24 Courses	
Kimberly Epps					
	7/12/14	Introduction to Health Homes	Topeka, KS	1	
	7/18/14	Beneficiary Enrollment: Application and Enrollment	MII Online Training		
	7/21/14	Beneficiary Enrollment: The Application Process, Verification Requirements, and Guidance for Using Rules-Based Systems to Determine Eligibility	MII Online Training		

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	7/21/14	Beneficiary Enrollment: What are the Implications of the ACA for Program Integrity?	MII Online Training		
	8/20/14	Flowcharting 101	Topeka, KS	1.5	
	9/24/14	Strengthening Program Integrity in Behavioral Health	MII Online Training		
	10/7/14	Programmatic Fraud with Antipsychotic Medications	MII Online Training		
	11/13/14	New Employee Orientation	Topeka, KS	1	
	11/13/14	Annual Cyber Security Awareness Training	Topeka, KS	.5	
	11/18/14	Medicaid Fraud Investigations	Topeka, KS	6	
	1/15/15	MMIS Interchange Overview	Topeka, KS	6	
	1/29/15	Ethical Laws Working for Kansas Government	Topeka, KS	.5	
	3/18/15	KCJIS Confidentiality	Topeka, KS	1	
Sara Fox					
	2015	Fred Pryor Online Courses	Topeka, KS	30 Courses	

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PRESENTER	DATE	EVENT	TITLE	NO. PEOPLE ATTEND
Loren Snell	7/23/14	Sunflower Webinar Series, Kansas Bankers Association	Vulnerable Adult Abuse in Kansas	9
Loren Snell & Mark Montague	8/1/14	Mental Health Association of South Central Kansas Workshop, Bel Aire, KS	Investigation of Vulnerable Adult Abuse, Neglect and Exploitation	114
Loren Snell	8/1/14	Mental Health Association of South Central Kansas Workshop, Bel Aire, KS	Vulnerable Adult Abuse, Neglect and Exploitation 2014 Legislative Update	114
Loren Snell	8/22/14	Kansas Adult care Executives Annual Conference, Wichita, KS	Reporting Reasonable Suspicion of Abuse, Neglect or Exploitation	93
Loren Snell	9/16/14	Douglas County Estate Planning Council, Lawrence, KS	Financial Exploitation of Vulnerable Adults in Kansas	19
Loren Snell	9/26/14	Elder Abuse Awareness and Prevention Symposium, Kansas City, KS		41
Loren Snell	9/30/14	Adult Protective Services, West Region Training Program, Hays, KS		13

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Loren Snell	10/1/14	Leading Age 2014 Policy and Regulatory Fall Conference, Manhattan, KS		96
Phil McManigal	10/9/14	Nursing Home Surveyors Training, Topeka, KS	Ideas to Help Validate Allegations of Abuse, Neglect & Exploitation	70
Phil McManigal	11/18/14	Managed Care Training Program, Topeka, KS	Medicaid Fraud Referrals	25
Mark Knight and Cindy Ludwig	11/18/14	Managed Care Training Program, Topeka, KS	Data Analysis	25
Mark Montague	11/18/14	Managed Care Training Program, Topeka, KS	Investigating Medicaid Fraud	25
Stefani Hepford	11/18/14	Managed Care Training Program, Topeka, KS	Litigation: The Final Frontier	25
Loren Snell	4/8/15	Kansas Healthcare Association, 2015 Spring Conference	Abuse and Fraud in Kansas	70
Loren Snell	5/15/15	Mental Health Association of South Central Kansas, Annual Conference, Wichita, KS	Elder Abuse: Characteristics of Senior Adults	73
Loren Snell	5/15/15	Mental Health Association of South Central Kansas, Annual Conference, Wichita, KS	Elder Abuse: Reporting and Investigating Abuse, Neglect and Exploitation	73

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Stefani Hepford	5/15/15	Mental Health Association of South Central Kansas, Annual Conference, Wichita, KS	Elder Abuse: Prosecution of Abuse, Neglect and Exploitation Cases	73