

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
THIRD JUDICIAL DISTRICT AT ANCHORAGE

STATE OF ALASKA,)	
)	
Plaintiff,)	
)	
vs.)	
)	
LAURA A. SASSEEN,)	
aka: LAURA A. DELACRUZ,)	
aka: LAURA ANNE DELACRUZ,)	
aka: LAURA A. HERD,)	
DOB: 8/28/1956)	
APSIN ID: 0900625)	
DMV NO. 0900625 AK)	
ATN: 114-356-367)	Case No. 3AN-14- CR.
)	
MAT-SU ACTIVITY AND)	
RESPITE CENTER, LLC)	
ATN: 114-356-358)	Case No. 3AN-14- CR.
)	
Defendants.)	
)	

INFORMATION

I certify this document and its attachments do not contain the (1) name of a victim of a sexual offense listed in AS 12.61.140 or (2) residence or business address or telephone number of a victim of or witness to any offense unless it is an address identifying the place of a crime or an address or telephone number in a transcript of a court proceeding and disclosure of the information was ordered by the court.

The following counts charge a crime involving DOMESTIC VIOLENCE as defined in AS 18.66.990:

Count I - AS 11.46.630(a)(2) Fel C
Falsifying Business Records
Laura A. Sasseen - 001
Mat-Su Activity and Respite Center - 001

Count II - AS 47.05.210(a)(5) Mis A
Medical Assistance Fraud
Laura A. Sasseen - 002
Mat-Su Activity and Respite Center - 002

THE OFFICE OF SPECIAL PROSECUTIONS CHARGES:

Count I

That on or about April 26, 2012, at or near Anchorage in the Third Judicial District, State of Alaska, LAURA A. SASSEEN and MAT-SU ACTIVITY AND RESPITE CENTER with intent to defraud, altered, erased, obliterated, deleted, removed, or destroyed a true entry in the business records of an enterprise.

All of which is a class C felony offense being contrary to and in violation of AS 11.46.630(a)(2) and against the peace and dignity of the State of Alaska.

Count II

That on or about the 26th day of April, 2012, at or near Anchorage in the Third Judicial District, State of Alaska, LAURA A. SASSEEN and MAT-SU ACTIVITY AND RESPITE CENTER, knowingly made a false entry or falsely altered a medical assistance record.

All of which is a class A misdemeanor offense being contrary to and in violation of AS 47.05.210(a)(5) and against the peace and dignity of the State of Alaska.

Applicable Statutory and Regulatory Provisions:

The Alaska Department of Health and Social Services (DHSS) is the agency responsible for administering the Alaska Medicaid Program and has a fiduciary responsibility to ensure that claims for Medicaid services are paid in accordance with Medicaid program statutes, regulations, provider agreements and billing procedures. Alaska Statute 47.05.200 requires that DHSS contract for the performance of annual audits of Medicaid providers for the purpose of identifying overpayments, as well as inconsistencies with Medicaid statutes and regulations. DHSS contracts with Myers and Stauffer, LC, a certified public accountant agency, to conduct these audits. The audits verify the accuracy of Medicaid claim payments by examining supporting documentation for the services provided. Medicaid payments to providers are issued out of Anchorage, Alaska.

Alaska administrative regulations require Medicaid providers to “maintain accurate financial, clinical, and other records necessary to support the services for which the provider requests payment.” See 7AAC 105.230. Alaska law further provides that a person commits the crime of medical assistance fraud if the person knowingly makes a false entry in or falsely alters a medical assistance record. See 47.05.210(a)(5). Alaska law defines a “person” as a natural person and when appropriate, an organization, government or government instrumentality. See AS 11.81.900(46).

Probable Cause Statement

The undersigned swears under oath this Information is based upon a review of the investigative report submitted to date.

On April 26, 2012, DHSS in Anchorage notified the Mat-Su Activity & Respite Center (MARC), owned by Laura Sasseen, that the agency was selected for an audit. MARC is a home and community based waiver provider certified to bill Medicaid for providing care coordination, nurse oversight case management, day habilitation, residential habilitation, environmental modifications, respite, supported employment and intensive active treatment. Sasseen was provided an informational packet from Myers and Stauffer outlining the procedure for the audit.

The informational packet informed Sasseen that the purpose of the audit was to identify potential Medicaid overpayments and that DHSS is legally obligated to initiate a recovery action for the identified overpayments. Recovery for Medicaid overpayments is normally calculated by taking the actual overpayments identified from the sample group and extrapolating the overpayments over all of the claims for the audit period.

The initial phase of the audit consisted of a desk review of randomly selected Medicaid claims. Sasseen was instructed to provide copies of original Medicaid recipient records, sufficient to document medical need for services and the

amount, scope and duration of services provided for the claim numbers identified in the audit. The records submitted for the desk review raised issues that resulted in Myers and Stauffer scheduling the MARC for a field exam.

On January 7, 2013, Myers and Stauffer sent Sasseen a letter notifying her that the MARC was selected to take part in an on-site field examination. On February 20, 2013, auditors performed an on-site field examination at the provider's place of business. Auditors noted that the documentation submitted for the desk review had been modified from the original documentation that was available for review during the on-site field examination. The modifications included changes to information documented on the case notes and timesheets such as dates of service, procedure codes and hours or units of service provided.

On July 11, 2013, MFCU executed a search warrant on the MARC to obtain the provider's files related to the audit. Myers and Stauffer reviewed the documentation obtained through the search warrant, comparing that documentation to the records submitted by the provider for the desk review. A full review of the agency records revealed that the alterations primarily consisted of increases in recipient service units rendered. In some instances, the documented hours on the employee timesheets were also altered, in other instances both the original and altered timesheets were found in the agency files.

Interviews with Sasseen and employees of the MARC revealed that MARC providers turn in timesheets and case notes at the reception desk. Site supervisors then reviewed timesheets and case notes to ensure the hours and dates corresponded and services provided were adequately documented. Employees were required to initial any changes that were made to timesheets, case notes or progress notes. Once reviewed and approved, timesheets are routed to payroll for processing and the case notes are placed in the client files.

The MARC billed Medicaid every Monday for the services provided the prior week and payroll was processed on Wednesday. Sasseen is responsible for all billing with the exception of care coordination services. Employee Rachel Turner indicated that billing would usually take Sasseen approximately four hours. Employees Turner and Liza McCafferty both stated that they never observed Sasseen accessing the case notes for billing purposes. Turner's observation during her two years of employment was that Sasseen billed off of the Plan of Care rather than the client case notes or employee timesheets. McCafferty also observed Sasseen billing off of service level authorizations that she had compiled in a notebook as opposed to looking at actual timesheets.

Turner began her employment with the MARC on March 12, 2012, less than two months before the April 26, 2012 audit notice by DHSS. Turner was directed by Sasseen to pull the documents requested by Myers and Stauffer for the desk review. Turner made copies of the documents and then provided them to Sasseen and the originals were returned to the files. The copied files remained in Sasseen's possession for a period of time before they were returned to Turner. Sasseen instructed Turner to make another copy from the copies returned by Sasseen. Turner observed white out changes on both the case notes and timesheets with respect to hours billed and services provided.

The second set of copies was mailed to Myers and Stauffer. The altered copies were returned to Sasseen and were placed in a cardboard banker's box labeled "Audit." Turner reported seeing the box in Sasseen's office as late as February 2014 when she left her employment with the MARC.

A review of payroll records for the altered timesheets revealed that the employees were paid for the amount of hours originally entered on the records in 2009 and not the higher number of hours altered for the 2012 audit.

Sasseen is the sole owner of the MARC and the only person to benefit monetarily from falsely inflating billings to Medicaid and altering documents to avoid detection of overpayments in a Medicaid audit. Myers and Stauffer reviewed billings submitted by the MARC from the year 2009. The MARC billed Medicaid a total \$1,754,325.09 during the audit period. From these billings, Myers and Stauffer reviewed a sample of claims with billings totaling \$240,906.09. Of the reviewed billings, Myers and Stauffer's audit determined that \$37,451.88 in Medicaid payments were associated with documents that had been altered. When overpayments were extrapolated, the total overpayment determination was calculated at \$705,109.57. Had the alterations by Sasseen and the MARC gone undetected, the final audit finding would have been reduced by \$287,879.70.

Bail Information:

CONV	CONV	CONVICTING	COURT	POS	FEL	ATN
COURT	DATE	CHARGE	DOCKET	ID		
MPA	12/1/83	DWI – ALCOHOL	83-1596	Y	N	

Dated at Anchorage, Alaska, this ____ day of September, 2014.

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By: _____
A. Andrew Peterson
Assistant Attorney General
Alaska Bar No. 0601002

SUBSCRIBED AND SWORN TO before me this ____ day of
September 2014, at Anchorage, Alaska.

Notary Public in and for Alaska
My Commission Expires: End of Hire