

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

STATE OF ALASKA,

Plaintiff,

vs.

CECELIA DE LEON SOBIER

DOB: 05/23/1964

APSIN ID: 6931872

DMV NO.: 6925500 AK

ATN: 113380011

LEONIDA E. DELEON

DOB: 04/11/1954

APSIN ID: 6931870

DMV NO.: 6925497

ATN: 0635499

Defendants

No. 3AN-16- CR (Cecilia DeLeon Sober)

No. 3AN-16- CR (Leonida E. DeLeon)

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.

Count I - 47.05.210(a)(1) Fel C
Attempted Medical Assistance Fraud
Cecilia DeLeon Sobier – 001

Count II - 47.05.210(a)(5) A Misd
Medical Assistance Fraud
Leonida E. DeLeon - 001

1 THE OFFICE OF SPECIAL PROSECUTIONS CHARGES:

2 COUNT I

3 That in the Third Judicial District, State of Alaska, on or about April 2009
4 through October 2014, at or near Anchorage, Cecilia DeLeon Sobier knowingly
5 submitted or authorized the submission of a claim to a medical assistance agency for
6 property, services, or a benefit with reckless disregard that the claimant is not entitled to
7 the property, services, or benefit.

8 All of which is a Felony Class C offense being contrary to and in violation
9 of 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

10 COUNT II:

11 That in the Third Judicial District, State of Alaska, on or about June 28,
12 2009 through July 7, 2009, at or near Anchorage, Leonida E. DeLeon knowingly made a
13 false entry in or falsely altered a medical assistance record.

14 All of which is a Class A Misdemeanor offense being contrary to and in
15 violation of 47.05.210(a)(5) and against the peace and dignity of the State of Alaska.

16 **Probable Cause Statement**

17 In 2014, the Medicaid Fraud Control Unit (“MFCU”) initiated a joint state
18 and federal investigation into medical assistance fraud being committed by individuals
19 associated with C Care Services, LLC. (“C Care”). C Care was a company that billed
20 Medicaid for providing personal care, transportation and care coordination services to
21 eligible Medicaid recipients. Medicaid personal care consists of personal care attendants
22 (PCAs) who provide home based healthcare services.

23 On October 21, 2014, the MFCU executed a search warrant at C Care and
24 seized records relating to business operations, financial transactions, and Medicaid services
25 the agency billed the State of Alaska for providing to Medicaid recipients. A review of the
26 evidence seized and corresponding witness interviews revealed that numerous employees,
27

1 the managing member, Cecilia DeLeon Sobier and Sobier's family were fraudulently billing
2 Medicaid for services that were not being provided.

3 On March 25, 2015, MFCU investigators interviewed Evelyn Milligrock
4 about various false Medicaid billings. Milligrock worked at C Care Services as an office
5 manager from September 2006 to October 21, 2015. Milligrock admitted that she billed
6 Medicaid for performing PCA services to five different recipients while working full time
7 for C Care and that she did not provide the majority of the services paid for by Medicaid.
8 Milligrock estimated the loss to Medicaid for false billing was in excess of \$70,000.
9 Milligrock stated that Sobier knew she was not providing all of the services due to the fact
10 that Milligrock worked in the office from 9 a.m. in the morning and often as late as 11 p.m.
11 at night and thus had no time to provide PCA services to C Care clients.

12 During the interview, Milligrock admitted that C Care accepted timesheets
13 from recipient F.C.'s PCA, Nikko Castro (Sobier's son), for performing PCA services when
14 it appeared that Castro did not need PCA services based on the fact that Castro would walk
15 or get a ride to C Care and hang out at the agency up to four days a week without his PCA.
16 Both Milligrock and Sobier were present during this time and observed that F.C. did not
17 appear to need any assistance with walking, bathing, dressing, grooming, and helping with
18 mobility and body transfers, all services that C Care billed Medicaid for providing to F.C.
19 Medicaid paid C Care a total of \$4,060.63 for PCA services allegedly provided to F.C. by
20 Nikko Castro from July 1, 2009 through October 10, 2009. Nikko Castro also admitted to
21 MFCU investigators that he did not provide many of the services he was paid for providing.

22 MFCU investigators interviewed Josephina Palma and her husband
23 Demosthenes Palma on February 24, 2015. Josephina Palma and her husband confirmed
24 that recipient F.C. moved into their home in about August 2011 at the suggestion of Sobier.
25 Josephina and Demosthenes stated that Paulo DeFrancisca was not providing PCA services
26 for F.C. from the time F.C. moved into their home until his death a month later.

27

1 Josephine Palma told investigators that she was directed by Sobier to create
2 the timesheets for F.C.'s care, but to leave the provider section blank. Josephina sat in
3 Sobier's office while creating the timesheets. Paulo DeFrancisca's name was added at a
4 later date. Medicaid records revealed that C Care billed Medicaid a total of \$2,731.94 for
5 Paulo DeFrancisca providing PCA services to F.C. from July 25, 2011 through September
6 10, 2011.

7 MFCU investigators interviewed Sobier as part of a cooperation agreement.
8 Sobier confirmed that F.C. came to C Care on a daily basis until he became very ill. Sobier
9 admitted that F.C. did not need help with daily living services as he was able to get up and
10 down from a sitting position with no help and walked independently. C Care billed
11 Medicaid a total of \$28,436.94 for PCA services provided to F.C. Sobier acknowledged
12 that most of the billing for Mr. Castro was fraudulent and done at her direction. She
13 confirmed her hand writing and acknowledged she completed the fraudulent timesheets for
14 time period August 31, 2008 through June 8, 2009. She also confirmed filling out the
15 timesheets for Nikko Castro.

16 The MFCU investigation revealed that Sobier's sister Leonida DeLeon billed
17 Medicaid for providing PCA services to recipients E.D. and J.D. (DeLeon and Sobier's
18 parents) from June 28, 2009 through July 7, 2009, during a period of time in which DeLeon
19 was out of the country and both parents remained in the United States. DeLeon confirmed
20 her primary function at C Care was checking PCA timesheets for accuracy, entering the
21 time into the agency software program and calculating total hours PCA worked for each pay
22 period. DeLeon admitted that it was her signature on the timesheets. The total billing for
23 the travel period resulted in a Medicaid loss of \$1,080.58.

24 DeLeon also submitted timesheets indicating she was providing PCA
25 services for her parents seven days a week during the day. Interviews with DeLeon and
26 other C Care office employees revealed that DeLeon was actually working at C Care and
27 not providing services to her parents as indicated in the timesheets. Employees also

1 confirmed that both recipients did not appear to need PCA assistance to the extent
2 authorized. DeLeon admitted she was not providing all of the services indicated on the
3 timesheets. Sobier was aware that DeLeon was not providing all of the services billed to
4 Medicaid as DeLeon was present in the office on a daily basis and both recipients lived with
5 her other sister. Medicaid records revealed that C Care billed Medicaid a total of
6 \$30,518.03 for PCA services for recipients E.D. and J.D. that were not provided from April
7 12, 2009 through May 21, 2010.

8 Alaska law provides that a person commits the crime of Medical Assistance
9 Fraud if the person knowingly submits or authorizes the submission of a claim to a medical
10 assistance agency for a benefit with a reckless disregard that the claimant is not entitled to
11 the benefit. See AS 47.05.210(a)(1). Medical Assistance Fraud under this section is a class
12 C felony offense if the amount billed is in excess of \$500 and a class B felony offense if the
13 amount billed is in excess of \$25,000. See AS 47.05.210(b)(2). State law further prohibits
14 one from knowingly making a false entry in a medical assistance record. See AS
15 47.05.210(a)(5).

16 Dated at Anchorage, Alaska, this ____ day of March, 2016.

17 CRAIG W. RICHARDS
18 ATTORNEY GENERAL

19 By: _____
20 Andrew Peterson
21 Assistant Attorney General
22 Alaska Bar No. 0601002

23 SUBSCRIBED AND SWORN TO before me this 30th day of
24 March 2016, at Anchorage, Alaska.

25
26 Notary Public in and for Alaska
27 My Commission Expires: End of Hire