

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

3 STATE OF ALASKA,

4 Plaintiff,

5 vs.

6 SETH LOOKHART

7 DOB: 07/15/1985

8 APSIN ID: 8404838

9 DMV NO.: 7549234 AK

ATN: 115745319

10 SHAUNA LEIGH CRANFORD

11 DOB: 10/10/1984

12 APSIN ID: 8539780

13 DMV NO.: 7591023 AK

ATN: 115745301

14 LOOKHART DENTAL LLC

15 D/B/A CLEAR CREEK DENTAL LLC

16 ATN: 115745292

17 Defendants.

18 No. 3AN-17- 02990CR (Seth Lookhart)

19 No. 3AN-17- 02991CR (Shauna Leigh Cranford)

20 No. 3AN-17- 02992CR (Lookhart Dental LLC)

21 **INFORMATION**

22 I certify this document and its attachments do not contain the (1) name of a victim of a sexual offense listed in  
23 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.

24 Count I - AS 47.05.210(a)(1)

25 Medical Assistance Fraud

26 Seth Lookhart - 001, Shauna Leigh Cranford - 001, Lookhart Dental LLC - 001

27 Count II - AS 47.05.210(a)(1)

Medical Assistance Fraud

Seth Lookhart - 002, Shauna Leigh Cranford - 002, Lookhart Dental LLC - 002

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Count III - AS 11.46.600(a)(2)  
Scheme To Defraud  
Seth Lookhart - 003, Shauna Leigh Cranford - 003, Lookhart Dental LLC - 003

Count IV - AS 47.05.210(a)(1)  
Medical Assistance Fraud  
Seth Lookhart - 004, Shauna Leigh Cranford - 004, Lookhart Dental LLC - 004

Count V - AS 47.05.210(a)(5)  
Medical Assistance Fraud  
Seth Lookhart - 005, Shauna Leigh Cranford - 005, Lookhart Dental LLC - 005

Count VI - AS 11.46.120  
Theft In The First Degree  
Seth Lookhart - 006, Shauna Leigh Cranford - 006, Lookhart Dental LLC - 006

Count VII - 11.46.600(a)(2)  
Scheme To Defraud  
Seth Lookhart - 007, Shauna Leigh Cranford - 007, Lookhart Dental LLC - 007

Count VIII - AS 47.05.210(a)(1)  
Medical Assistance Fraud  
Seth Lookhart - 008, Shauna Leigh Cranford - 008, Lookhart Dental LLC - 008

Count IX - AS 47.05.210(a)(1)  
Medical Assistance Fraud  
Seth Lookhart - 009, Shauna Leigh Cranford - 009, Lookhart Dental LLC - 009

Count X - AS 47.05.210(a)(1)  
Medical Assistance Fraud  
Seth Lookhart - 010, Shauna Leigh Cranford - 010, Lookhart Dental LLC - 010

Count XI - AS 08.36.315(6)  
Unlawful Dental Acts  
Seth Lookhart - 011

Count XII - AS 08.36.100  
Practice Dentistry W/O License  
Seth Lookhart – 012, Shauna Leigh Cranford – 011

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Count XIII - AS 08.36.315(6)  
Unlawful Dental Acts  
Seth Lookhart – 013, Shauna Leigh Cranford - 012

Count XIV - AS 08.36.315(6)  
Unlawful Dental Acts  
Seth Lookhart – 014, Shauna Leigh Cranford - 013

Count XV - AS 47.05.210(a)(1)  
Medical Assistance Fraud  
Seth Lookhart - 015, Shauna Leigh Cranford - 014, Lookhart Dental LLC - 011

Count XVI - AS 47.05.210(a)(5)  
Medical Assistance Fraud  
Seth Lookhart – 016, Shauna Leigh Cranford - 015, Lookhart Dental LLC - 012

Count XVII - AS 47.05.210(a)(5)  
Medical Assistance Fraud  
Seth Lookhart – 017, Shauna Leigh Cranford - 016, Lookhart Dental LLC - 013

THE OFFICE OF SPECIAL PROSECUTIONS CHARGES:

COUNT I

That in the Third Judicial District, State of Alaska, between May 2015 and February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or accomplices, knowingly submitted or authorized the submission of a claim to a medical assistance agency for property or a benefit with reckless disregard that the claimant was not entitled to the property or benefit, which had an aggregate value of more than \$25,000; to wit: billing Medicaid for IV Sedation procedures in violation of 7 AAC 110.145(a) in that the IV sedation procedures provided were not “necessary for emergency dental care.”

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

COUNT II

1  
2 That in the Third Judicial District, State of Alaska, between May 2015 and  
3 February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
4 CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
5 accomplices, knowingly submitted or authorized the submission of a claim to a medical  
6 assistance agency for property or a benefit with reckless disregard that the claimant was  
7 not entitled to the property or benefit, which had an aggregate value of more than  
8 \$25,000; to wit: billing Medicaid for IV Sedation procedures in violation of 7 AAC  
9 110.155 in that the defendants billed for IV sedation procedures without justifying “in  
10 writing, that the service is required for a patient who is uncontrollable under local  
11 anesthesia alone.”

12 All of which is a Felony class B offense being contrary to and in violation of  
13 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

COUNT III

14  
15 That in the Third Judicial District, State of Alaska, between May 2015 and  
16 February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
17 CRANFORD, and LOOKHART DENTAL LLC engaged in conduct constituting a  
18 scheme to defraud Alaska Medicaid of \$10,000 by false or fraudulent pretense,  
19 representation, or promise and obtained property in accordance with the scheme.

20 All of which is a Felony class B offense being contrary to and in violation of  
21 11.46.600(a)(2) and against the peace and dignity of the State of Alaska.

COUNT IV

22  
23 That in the Third Judicial District, State of Alaska, between May 2015 and  
24 February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
25 CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
26 accomplices, knowingly submitted or authorized the submission of a claim to a medical

1 assistance agency for property or a benefit with reckless disregard that the claimant was  
2 not entitled to the property or benefit, which had an aggregate value of more than  
3 \$25,000; to wit: billing Medicaid for IV Sedation procedures in violation of 7 AAC  
4 145.005(h) in that the defendants charged “a higher rate for [IV sedation] provided to a  
5 Medicaid recipient than the [they charged] others.”

6 All of which is a Felony class B offense being contrary to and in violation of  
7 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

8 **COUNT V**

9 That in the Third Judicial District, State of Alaska, during May 2015, at or near  
10 Anchorage, SETH LOOKHART, SHAUNA LEIGH CRANFORD, and LOOKHART  
11 DENTAL LLC, while acting as principals or accomplices, knowingly made a false entry  
12 or falsely altered a medical assistance record; to wit: the defendants submitted a claim for  
13 oral sedation (D9248) for a patient that actually had IV sedation performed prior to the  
14 effective date Lookhart's license to perform sedation.

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

17 **COUNT VI**

18 That in the Third Judicial District, State of Alaska, between December 2015 and  
19 June 2016, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH CRANFORD,  
20 and LOOKHART DENTAL LLC, while acting as principals or accomplices, committed  
21 the crime of theft and the value of the property or services was \$25,000 or more; to wit:  
22 the defendants did exercise control over property and failed to make the required  
23 disposition of the property by diverting funds from Alaska Dental Arts.

24 All of which is a Felony class B offense being contrary to and in violation of  
25 AS11.46.120 and AS 11.46.210 and against the peace and dignity of the State of Alaska.

COUNT VII

1 That in the Third Judicial District, State of Alaska, between May 2015 and  
2 February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
3 CRANFORD, and LOOKHART DENTAL LLC engaged in conduct constituting a  
4 scheme to defraud Alaska Dental Arts LLC of \$10,000 by false or fraudulent pretense,  
5 representation, or promise and obtained property or in accordance with the scheme.

6 All of which is a Felony class B offense being contrary to and in violation of  
7 11.46.600(a)(2) and against the peace and dignity of the State of Alaska.

COUNT VIII

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10 That in the Third Judicial District, State of Alaska, between February 2016 and  
11 October 2016, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
12 CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
13 accomplices, knowingly submitted or authorized the submission of a claim to a medical  
14 assistance agency for property or a benefit with reckless disregard that the claimant was  
15 not entitled to the property or benefit, which had an aggregate value of more than  
16 \$25,000; to wit: billing Medicaid for IV sedation for patients that were receiving teeth  
17 cleaning services under billing codes D1110 and D4341.

18 All of which is a Felony class B offense being contrary to and in violation of  
19 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

COUNT IX

20  
21 That in the Third Judicial District, State of Alaska, between July 2016 and  
22 September 2016, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
23 CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
24 accomplices, knowingly submitted or authorized the submission of a claim to a medical  
25 assistance agency for property or a benefit with reckless disregard that the claimant was  
26 not entitled to the property or benefit, which had an aggregate value of more than \$500

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*Lookhart Dental LLC*

1 and less than \$25,000; to wit: billing Medicaid for emergent services that were ineligible  
2 for emergent billing by backdating the date of service provided.

3 All of which is a Felony class C offense being contrary to and in violation of  
4 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

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6 **COUNT X**

7 That in the Third Judicial District, State of Alaska, between July 2016 and  
8 September 2016, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
9 CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
10 accomplices, knowingly submitted or authorized the submission of a claim to a medical  
11 assistance agency for property or a benefit with reckless disregard that the claimant was  
12 not entitled to the property or benefit, which had an aggregate value of more than \$500  
13 and less than \$25,000; to wit: billing Medicaid for IV sedation performed in association  
14 with underlying procedures that Medicaid does not cover.

15 All of which is a Felony class C offense being contrary to and in violation of  
16 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

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18 **COUNT XI**

19 That in the Third Judicial District, State of Alaska, on or about July 14, 2016, at  
20 or near Anchorage, SETH LOOKHART, engaged in the performance of patient care,  
21 regardless of whether actual injury to the patient occurred, that did not conform to  
22 minimum professional standards of dentistry; to wit: Seth Lookhart performed a dental  
23 extraction procedure on a sedated patient while riding a hoverboard and filmed the  
24 procedure and distributed the film to persons outside his dental practice.

25 All of which is punishable as a Misdemeanor Class B offense under 08.36.340  
26 and being contrary to and in violation of 08.36.315(6) and against the peace and dignity  
27 of the State of Alaska.

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COUNT XII

That in the Third Judicial District, State of Alaska, on or about October 22, 2016, at or near Anchorage, SETH LOOKHART and SHAUNA LEIGH CRANFORD, while acting as principals or accomplices, engaged in the practice of dentistry without a license; to wit: Seth Lookhart aided his office manager Shauna Cranford in performing a dental extraction procedure on a sedated patient, and Shauna Cranford is not a licensed dentist.

All of which is punishable as a Misdemeanor Class B offense under 08.36.340 and being contrary to and in violation of 08.36.100 and against the peace and dignity of the State of Alaska.

COUNT XIII

That in the Third Judicial District, State of Alaska, on or about October 22, 2016, at or near Anchorage, SETH LOOKHART, permitted the performance of patient care by persons under the dentist's supervision, regardless of whether actual injury to the patient occurred, that did not conform to minimum professional standards of dentistry; to wit: Seth Lookhart permitted his office manager Shauna Cranford, who is not a licensed dentist, to perform a dental extraction procedure on a sedated patient and partially filmed the procedure and Cranford distributed the film to persons outside the dental practice.

All of which is punishable as a Misdemeanor Class B offense under 08.36.340 and being contrary to and in violation of 08.36.315(6) and against the peace and dignity of the State of Alaska.

COUNT XIV

That in the Third Judicial District, State of Alaska, during December 2016, at or near Anchorage, SETH LOOKHART and SHAUNA LEIGH CRANFORD, while acting as principals or accomplices, permitted the performance of patient care by persons under the dentist's supervision, regardless of whether actual injury to the patient occurred, that



1 did not conform to minimum professional standards of dentistry; to wit: Shauna  
2 Cranford, who is not a medical professional authorized to prescribe medications,  
3 approved the prescription of schedule III controlled substances to Clear Creek Dental  
4 patients.

5 All of which is punishable as a Misdemeanor Class B offense under 08.36.340  
6 and being contrary to and in violation of 08.36.315(6) and against the peace and dignity  
7 of the State of Alaska.

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COUNT XV

That in the Third Judicial District, State of Alaska, between May 2015 and  
February 2017, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
accomplices, knowingly submitted or authorized the submission of a claim to a medical  
assistance agency for property or a benefit with reckless disregard that the claimant was  
not entitled to the property or benefit, which had an aggregate value of more than  
\$25,000; to wit: billing Medicaid for IV sedation periods in excess of the actual time that  
the recipient spent under IV sedation or in excess of the time medically necessary for the  
underlying procedure.

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

COUNT XVI

That in the Third Judicial District, State of Alaska, between July 2016 and  
September 2016, at or near Anchorage, SETH LOOKHART, SHAUNA LEIGH  
CRANFORD, and LOOKHART DENTAL LLC, while acting as principals or  
accomplices, knowingly made a false entry or falsely altered a medical assistance record;  
to wit: the defendants altered claims by falsely backdating the date of service for  
procedures that were no longer covered as emergent care after July 1, 2016 so that the

1 date of service falsely appeared to have taken place prior to the July 1, 2016 fee schedule  
2 change.

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

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6 **COUNT XVII**

7 That in the Third Judicial District, State of Alaska, during December 2016, at or  
8 near Anchorage, SETH LOOKHART, SHAUNA LEIGH CRANFORD, and  
9 LOOKHART DENTAL LLC, while acting as principals or accomplices, knowingly  
10 made a false entry or falsely altered a medical assistance record; to wit: the defendants  
11 altered the actual dates of service on the claim forms to reflect a false date of service in  
12 order to bill Medicaid for services provided to patients that were not eligible to receive  
13 Medicaid services on the dates when the service was actually performed.

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

16 **STATEMENT OF PROBABLE CAUSE**

17 The undersigned swears under oath this Information is based upon a review of  
18 the reports and materials associated with a joint investigation headed by Investigator  
19 Lance Anderson of the Medicaid Fraud Control Unit and supported by special agent Scott  
20 J. Schneckenburger and Mario Marez from the Office of the Inspector General, as well as  
21 agents from the FBI and DEA.

22 Health care providers seeking to provide services to Medicaid recipients in Alaska  
23 must enroll as a provider with the Department of Health and Social Services. As part of  
24 that enrollment process, every health care provider enters into an agreement with the state  
25 to abide by all federal and state laws and regulations that govern the providing of services  
26 to Medicaid recipients. These laws and regulations are all published and publicly  
27 available for review to any provider. All providers must sign an agreement that not only

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1 acknowledges their responsibility to follow these state and federal laws and regulations,  
2 but also that the providers be held accountable for the services and practices performed  
3 by their employees and subordinates. This is true for both medical doctors and dentists.

4 *The General Factual Background*

5 The following information was derived from several sources during a state  
6 investigation. Numerous prior and current employees of Dr. Lookhart have been  
7 interviewed, several prior patients have been interviewed, Seth Lookhart and Shauna  
8 Cranford were both interviewed, Medicaid enrollment documentation has been reviewed,  
9 Medicaid billings by Lookhart and Cranford have been reviewed, medical documents  
10 from the clinic have been reviewed and multiple digital devices, including cell phones  
11 belonging to Lookhart and Cranford, have been seized and reviewed pursuant to a search  
12 warrant that was obtained as part of the state's investigation.

13 Seth Lookhart graduated from dental school in 2014 and came to Alaska to begin  
14 his practice in mid-2014. When he first arrived, he took a position working for a local  
15 dental group at a clinic on Muldoon doing business as Alaska Dental Arts LLC. Alaska  
16 Dental Arts LLC was chiefly owned and operated by two local dentists, Dr. Broc  
17 Brimhall and Dr. Shane Rhoton. At this point in 2014, Lookhart was working as an  
18 independent contractor, and the agreement he signed with Alaska Dental Arts LLC  
19 required him to operate all aspects of the clinic at the Muldoon location, including  
20 developing new patients, performing all dental services, assessing eligibility for payment,  
21 billing and collecting funds for services. Shortly after arriving, Lookhart also obtained a  
22 business license for a personally held business, Lookhart Dental LLC.

23 In 2014, Lookhart became the solo dentist at Alaska Dental Arts on Muldoon and  
24 was expected to build the practice with little assistance from the clinic owners. Lookhart  
25 indicated that he struggled to do this on his own. In March 2015, Lookhart hired Shauna  
26 Cranford to be his office manager. Cranford moved to Alaska in 2013 and had previous

1 dental business experience. Based on her prior experience at other dental clinics,  
2 Cranford began working with Lookhart to develop a more successful business model for  
3 the Muldoon clinic. In an interview with Cranford, she stated that she is not only the  
4 business manager for the dental practice, but she also goes over treatment plans for the  
5 patients and is the person primarily responsible for the coding and billing procedures.

6 Lookhart stated that in April 2016 he was forced to make a decision by the owners  
7 of Alaska Dental Arts: he had to either purchase the business from them or he would be  
8 terminated. Ultimately, he and the owners agreed on a \$2 million price for the business,  
9 with a \$200,000 down payment. The purchase agreement took place and when Lookhart  
10 became the owner, he changed the name of the clinic to Clear Creek Dental LLC, a  
11 company owned by his other LLC, Lookhart Dental LLC. He retained Cranford as his  
12 office manager. Until March 2017, Lookhart was the sole dentist practicing at Clear  
13 Creek Dental.

14 Because of the business' targeted patient base, Alaska Dental Arts on Muldoon  
15 served primarily Medicaid patients. In an interview with Dr. Lookhart conducted on  
16 March 1, 2017, he stated that when he took over the daily operations at Alaska Dental  
17 Arts in 2014, business was very slow and he frequently had very few patients throughout  
18 the week. The state confirmed that the clinic billed \$62,860 through the Medicaid  
19 program in December 2014, but the state only paid the clinic \$26,880. There are a  
20 variety of reasons the amount paid by Medicaid is often less than the amount originally  
21 billed by a provider, including eligibility issues and billing errors. Providers bill for  
22 specific procedures according to standardized billing codes as established by the  
23 American Dental Association. In December 2014, Alaska Dental Arts in Muldoon's  
24 highest single billing code was "D2393 – Composite Resin Posterior – 3 surface" (a 3  
25 surface filling on a single tooth); they billed \$14,615 for D2393 and were paid \$5,079.

1 Over the course of the next two years, Lookhart continued to build his practice  
2 primarily around Medicaid recipients. During the 6 month period from December 2014  
3 through May 2015, Lookhart's clinic submitted average monthly Medicaid billings of  
4 \$65,397 and was paid on average \$26,859. From June 2015 through November 2015, he  
5 submitted average monthly billings of \$298,310 and was paid on average \$148,213.  
6 From December 2015 through May 2016, Lookhart's clinic submitted average monthly  
7 billings of \$369,872 and was paid on average \$253,183. In May 2016, Lookhart  
8 purchased the business from Dr. Brimhall and Dr. Rhoton. Then, from June 2016  
9 through November 2016, he submitted average monthly Medicaid billings of \$401,893  
10 and was paid on average \$307,142 per month. Finally, in the month of January 2017,  
11 Lookhart was paid \$435,687 in Medicaid reimbursements.

12 This significant increase in billing is due in large part to Lookhart beginning to  
13 offer IV sedation to Medicaid recipients at the clinic. After being hired, Cranford  
14 suggested that Lookhart could improve business at the clinic by getting trained to  
15 perform IV sedation on patients that were having work done. Employees indicated that  
16 Lookhart was initially resistant to adding this service to his practice, but Cranford  
17 ultimately convinced him it was a good idea. When interviewed, Cranford confirmed  
18 that she introduced the idea of including IV sedation as a service at the clinic.

19 IV sedation is one of several options a dentist has of anesthetizing a patient for  
20 their dental procedure; other common methods include local anesthesia, nitrous oxide gas  
21 and oral sedation. IV sedation involves placing a patient on a monitor for their vital signs  
22 and then introducing, through an intravenous needle, a drug such as Versed or Fentanyl  
23 into the patient to render them essentially unconscious. Generally speaking, IV sedation  
24 is the most costly form of anesthesia that can be billed to Medicaid. Currently, IV  
25 sedation is billed under the dental code D9243 and is paid at a rate of \$170.76 for each 15  
26 minute increment it is used, up to 12 units or 3 hours (\$2,049.12). By comparison, nitrous

1 oxide is currently paid at a flat rate of \$57.01, oral sedation is paid at \$188.12 and local  
2 anesthesia is generally included in the cost of a dental procedure when it is necessary.

3 Under Alaska law, IV sedation requires additional training and licensing in order  
4 for a dentist to offer it at their clinic. In May 2015, Lookhart attended a training program  
5 to learn how to perform IV sedation. Lookhart successfully completed his training and  
6 he received a license to perform IV sedation on patients on May 27, 2015. When  
7 Lookhart first began providing IV sedation, the regulations noted below were in place  
8 and applied to his ability to bill Medicaid for the procedure. As mandated by 7 AAC  
9 110.155 and 7 AAC 110.145, IV sedation is only authorized as emergent care, falling  
10 outside of a general \$1,150 annual cap, if it is being used in conjunction with a dental  
11 procedure necessary to relieve “the immediate relief of pain or acute infection . . .  
12 *necessary for emergency dental care,*” and “if the dental services provider justifies, *in*  
13 *writing,* that the service is required for a patient *who is uncontrollable under local*  
14 *anesthesia alone.*” When Lookhart first began the procedure in 2015, the first 30  
15 minutes of sedation were billed as a separate unit at a rate of \$285.04 and then each 15  
16 minute period after that was billed as a separate unit at a rate of \$130.30. Effective  
17 January 1, 2016, Medicaid now simply pays each 15 minute increment at \$170.76.

### 18 *The Relevant Regulations*

19 Dental provider enrollment requirements for Medicaid are governed by 7 AAC  
20 110.140, an administrative regulation. This regulation provides that dentists may  
21 participate and be paid for applicable services provided under the state Medicaid program  
22 if they are licensed under the applicable state law, AS 08.36, and they are “enrolled” as a  
23 dentist in accordance with 7 AAC 105.210, the provision that governs the general  
24 requirements for Medicaid providers. That regulation states:

25 (b) To be enrolled in this state, a provider

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- (1) must submit a completed provider enrollment form and provider information submission agreement on forms provided by the department;
- (2) must verify that the provider meets all other applicable requirements of 7 AAC 105 - 7 AAC 160 and all applicable federal and state licensing and certification requirements;
- (3) must comply with all federal and state laws as they apply to providing health care or related services to Medicaid recipients in this state, including laws related to recipient confidentiality, electronic transactions, and civil rights;
- (4) must assume responsibility for all information and claims submitted to the department by that provider or that provider's billing agent;
- (5) must agree to submit claims in the form or format required by the department for claim submission;
- (6) must comply with the requirements of AS 47.05.300 - 47.05.390 and 7 AAC 10.900 - 7 AAC 10.990 (barrier crimes, criminal history checks, and centralized registry), if applicable to that provider type;

An enrolled provider that performs medical procedures, which includes dentistry, can only bill for “covered services” as defined generally by 7 AAC 105.100. That regulation states:

- The department will pay for a service only if that service
- (1) *is identified as a covered service in accordance with AS 47.07 and 7 AAC 105 - 7 AAC 160;*
  - (2) is provided to an individual who is eligible for Medicaid under 7 AAC 100 on the date of service;
  - (3) is ordered or prescribed by a provider authorized to order or prescribe that service under applicable law;
  - (4) is provided by a person who is enrolled as a Medicaid provider or rendering provider under 7 AAC 105.210, or

1 otherwise eligible to receive payment for services under 7  
2 AAC 105 - 7 AAC 160;

3 (5) is medically necessary as determined by criteria  
4 established under 7 AAC 105 - 7 AAC 160 or by the  
5 standards of practice applicable to the provider;

6 (6) has received prior authorization from the department, if  
7 prior authorization is required under 7 AAC 105 - 7 AAC  
8 160; and

9 (7) is not specifically excluded as a noncovered service under  
10 7 AAC 105 - 7 AAC 160.

11 *Emphasis added. See also 7 AAC 105.110 Noncovered*  
12 *services.*

13 Pursuant to 7 AAC 105.100(b)(1), once a dentist is properly enrolled to participate  
14 in the Medicaid program, the dentist must provide services according to the applicable  
15 laws and regulations specifically governing dentistry.

16 7 AAC 110.145 governs “Dental services for adults.” The regulation provides that  
17 Medicaid recipients will receive an annual dental benefit of \$1,150 per person for every  
18 adult 21 years of age or older, and it lists specifically what services are covered. *See 7*  
19 *AAC 110.145(b),(c)&(d).* Pursuant to 7 AAC 110.145(a), the following emergency  
20 dental services are not counted against the annual \$1,150 cap:

21 (1) the immediate relief of pain or acute infection, including  
22 general diagnostic examinations, radiographs, anesthesia, and  
23 sedation necessary *for emergency dental care*, except as  
24 specifically excluded under (d) of this section;

25 (2) diagnostic radiographs, extractions, and alveoloplasty in  
26 preparation for dentures and partials provided under (b) of  
27 this section.

28 Additionally, 7 AAC 110.155 specifically governs “Dentist-administered  
29 anesthesia and sedation.” The regulation states:



1 (a) The department will pay for general anesthesia, nitrous  
2 oxide sedation, *intravenous sedation*, intramuscular sedation,  
3 or oral sedation, without prior authorization, *if the dental*  
4 *services provider justifies, in writing, that the service is*  
*required for a patient who is uncontrollable under local*  
*anesthesia alone*; justification may include

5 (1) severe intellectual disability or developmental disability;

6 (2) spastic type disability;

7 (3) severe behavioral problems;

8 (4) failure of a local anesthetic to control pain;

9 (5) extreme apprehension; or

10 (6) a prolonged or difficult surgical procedure.

11 (b) The cost of the supplies necessary for the administration  
12 of anesthesia and sedation, including drugs, nitrous oxide  
13 masks, tubing, and syringes, are included in the payment  
made under (a) of this section.

14 *Emphasis added.*

15 The state of Alaska contracts out its billing process for Medicaid to Xerox State  
16 Healthcare, LLC. Thus, Xerox operates the billing system for the state, and enrolled  
17 providers and recipients use the website set up for nearly all Medicaid purposes at  
18 www.medicaidalaska.com. Providers use this website to process claims reimbursement  
19 and receive updates on Medicaid changes. Additionally, this website includes all the  
20 laws and regulations governing Medicaid coverage and billing, including the above-cited  
21 regulations, as well as billing manuals to assist providers in navigating the rules and  
22 regulations. During her employment as the clinic's office manager, Shauna Cranford  
23 accessed this website on a near-daily basis, and Seth Lookhart also accessed it on a  
24 frequent basis.

1 *The Medicaid Enrollment Agreement*

2 Pursuant to 7 AAC and the relevant regulations noted above, Lookhart enrolled to  
3 provide dental services in the state Medicaid program on June 23, 2014. The enrollment  
4 packet that was signed by Seth Lookhart on June 23, 2014 included the following specific  
5 provisions:

6 I hereby certify that the information provided in my Alaska  
7 Medicaid Provider Enrollment Application, Provider Enrollment  
8 Agreement, and all required enrollment addenda and attachments is  
9 true, accurate, and complete and that I have read this entire form  
10 prior to executing the same. With regard to Medicaid and CAMA  
11 (Alaska Statutes § 47.07.030 and § 47.08.150, also referred to as  
12 “Alaska Medical Assistance” or the “Alaska Medical Assistance  
13 Program”) payments made to me for appropriate medically  
14 necessary services rendered to eligible claimants, and in accordance  
15 with any restriction noted herein, I agree as follows:

16 I am fully responsible for all health care services provided by  
17 employees, my subcontractors, contractors, and myself. I certify that  
18 the qualifications and credentials of persons providing and billing for  
19 health care services through my practice/business are appropriate  
20 and in accordance with Alaska professional licensing, Alaska  
21 Medical Assistance program rules, federal and state regulations,  
22 statutes, and program rules.

23 I will abide by all Alaska laws, regulations, rules, written polices,  
24 and billing manual instructions related to the Alaska Medical  
25 Assistance Program, including but not limited to, Alaska Statutes  
26 (“AS”), Alaska Administrative Code (“AAC”), Title XIX of the  
27 Social Security Act, the United State Code (“U.S.C.”) and the Code  
of Federal Regulations (“C.F.R.”) related to the Medicaid and  
CAMA programs, and the terms of this document, including but not  
limited to, licensure, quality assurance and quality improvement,  
audit and review, overpayments, timely billing, and when  
appropriate to bill third-party resources.

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I will maintain written financial, clinical, and other records as required by state and federal laws and regulations, necessary to demonstrate the nature and extent of the medical necessity, support, care, and services for which payment is requested.

I will ensure that the fees or charges for services or items furnished to recipients of Alaska's Medical Assistance programs will not exceed the fees or charges for comparable services or items furnished to individuals not covered under Alaska's Medical Assistance programs as provided in state regulations.

I have read and understand the penalties for medical assistance fraud contained at AS 47.05.210.

A copy of the entire general enrollment packet can be found online at:  
[http://manuals.medicaidalaska.com/docs/dnld/Form\\_Individual\\_Provider\\_Agreement.pdf](http://manuals.medicaidalaska.com/docs/dnld/Form_Individual_Provider_Agreement.pdf)

*The MFCU Investigation*

The state's investigation began when a former employee contacted the state to report a concern that Lookhart was performing more IV sedation than was necessary on Medicaid patients in order to increase profits and that Lookhart was also engaged in other questionable practices. The initial report was made in August 2016.

Some ex-employees that were interviewed in the early phases of the investigation stated that they felt like Cranford and Lookhart pushed IV sedation, especially with Medicaid patients, and even scheduled procedures that could have been completed in a single day over the course of multiple visits so they could bill for additional IV sedation procedures. One former employee reported that IV sedation was even used for procedures like deep cleanings. Multiple ex-employees stated that Medicaid patients would have procedures done using IV sedation while patients who were privately insured would only receive local anesthesia for the same treatment. Moreover, the ex-employees stated that the time needed to complete some procedures would be unnecessarily increased on certain Medicaid patients so that billing could be maximized. Ex-employees

1 also told investigators that it was common for Medicaid patients that had already  
2 exhausted their \$1,150 annual limit to be scheduled for non-emergency procedures if the  
3 patient agreed to be IV sedated. Lockhart would then perform the non-emergency  
4 procedure and bill the state for IV sedation despite no emergent justification so that the  
5 clinic would still be paid. Finally, some former employees felt that Lockhart was  
6 performing medically unnecessary procedures or more invasive procedures than  
7 necessary in order to IV sedate a patient and bill Medicaid for the procedure.

8 In reviewing the billing information maintained for the Medicaid system in  
9 Alaska, the Medicaid Fraud Control Unit (MFCU) discovered that Lookhart bills more  
10 IV sedation procedures than any other provider in the state. In fact, his reimbursement  
11 totals for IV sedation are so much higher than other dental providers, that his practice  
12 alone was responsible for nearly 31% of the total statewide payments for IV sedation in  
13 2016. He billed the state a total of \$1.8 million for the IV sedation procedure in 2016.  
14 For comparison, the next highest IV sedation biller for 2016 only billed \$475,000 or 8%  
15 of the total Medicaid payout for IV sedation. Additionally, when using IV sedation,  
16 Lookhart also typically administers a therapeutic drug through the IV, such as Toradol,  
17 and bills it as a separate procedure under the dental billing code D9610. Lookhart also  
18 accounted for the highest percentage of reimbursement statewide for that code,  
19 approximately \$68,000 or 30%. The next highest biller was only reimbursed \$30,000 or  
20 13% for dental code D9610.

21 The clinic advertised in a variety of ways, including on Facebook, Yelp and  
22 through direct mailings and fliers. After Lookhart became certified and licensed to  
23 perform IV sedation, he and Cranford began to focus on this service in the clinic's  
24 advertising. They crafted advertising to try to attract patients who would be interested in  
25 using IV sedation, particularly Medicaid recipients. Despite what the regulations require  
26 concerning the justification necessary to bill Medicaid for IV sedation, Cranford and  
27 Lockhart crafted a business model that offered IV sedation to most Medicaid patients for

1 even simple procedures such as fillings, dental cleanings and even some services not  
2 covered by Medicaid at all.

3 Although the law requires a provider to justify “*in writing, that the service is*  
4 *required for a patient who is uncontrollable under local anesthesia alone,*” Lookhart  
5 only documented two possible justifications in his medical records: “comfort” and / or  
6 “anxiety.” (Note: although “*extreme apprehension*” is a possible justification for using  
7 IV sedation and billing Medicaid, mere “comfort” and “anxiety” are not sufficient  
8 justifications). When interviewed, Lookhart and Cranford both confirmed that the  
9 procedure was offered to patients for mere “comfort.” They both claimed ignorance of  
10 the specific mandates set forth by 7 AAC 110.155 and 7 AAC 110.145.

11 *Counts I, II and III*

12 Count I of this Information alleges that the defendants violated 7 AAC 110.145(a)  
13 in that the IV sedation procedures were routinely billed to Medicaid when they were not  
14 associated with any procedure that was “necessary for emergency dental care.” Count II  
15 of this Information alleges that the defendants violated 7 AAC 110.155 in that they billed  
16 for IV sedation procedures without justifying “in writing, that the service is required for a  
17 patient who is *uncontrollable under local anesthesia alone.*” As noted above, Lookhart’s  
18 clinic billed approximately \$1.8 million in 2016 alone, and after reviewing his sedation  
19 records, the state has yet to find a single incident where the defendants complied with the  
20 written justification requirements mandated by 7 AAC 110.155. Moreover, the state has  
21 found numerous incidents, well in excess of \$25,000 worth of billing, where IV sedation  
22 was used for clearly non-emergency procedures and then billed to Medicaid for  
23 reimbursement.

24 *The Glass Warrant*

25 Based on the information provided by the former employees and the corroborated  
26 billings accessible to the state, MFCU investigators obtained a *Glass* warrant so that an

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1 undercover agent could enter the clinic and pose as a Medicaid recipient and see whether  
2 he would be offered IV sedation consistent with what the former employees had  
3 described. On February 27, 2017 the agent entered the clinic and stated he felt that he  
4 needed a chipped tooth repaired. X-rays were taken and he was given a general  
5 examination by a clinic employee. Then, Lookhart entered and examined the tooth that  
6 needed the filling and said that the agent should set up an appointment and discuss the  
7 plan of care options with Cranford.

8 Cranford then met with the agent and offered him the option of IV sedation for a  
9 single filling and informed him that his insurance, Medicaid, would cover it. The agent  
10 never suggested he was apprehensive about the procedure and never sought any  
11 alternatives to local anesthesia. Cranford explained that IV sedation was a good option  
12 because the patient would just go to sleep and never feel the procedure being done and  
13 would then wake up without remembering anything. When asked if it cost more than  
14 local anesthesia, Cranford said that it didn't and his insurance (Medicaid) would cover it.

15 *The Search Warrant*

16 In addition to the *Glass* warrant, MFCU investigators also obtained a warrant to  
17 search Clear Creek Dental clinic's computer systems and medical records, as well as the  
18 phones belonging to Cranford and Lookhart, for evidence related to Medicaid fraud. On  
19 March 1, 2017, MFCU investigators executed the search warrant at the Clear Creek  
20 Dental clinic on Muldoon with the assistance of federal agents from the Office of the  
21 Inspector General, FBI and DEA. Lookhart's and Cranford's phones were imaged  
22 (forensically copied) on site and returned to them, and the clinic's current computer  
23 system was also imaged on site. Those materials are voluminous and in the process of  
24 being analyzed. While executing the search warrant, the investigators interviewed  
25 Lookhart, Cranford and several employees.

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1 One of the employees told investigators that a Medicaid patient, Patient A,  
2 recently needed to have a crown procedure done, but he did not want to be IV sedated for  
3 the procedure. Investigator Lance Anderson of MFCU located Patient A and spoke with  
4 him about his recent experience at Clear Creek Dental. Patient A, a verified Medicaid  
5 patient, said that he did not want to be IV sedated for the procedure and that he was fine  
6 to receive a local anesthetic or nitrous oxide, but he said that he was talked into having IV  
7 sedation for the crown procedure by a female employee. Based on the information  
8 provided by the current employee, the female that talked the patient into receiving IV  
9 sedation even though he did not want it was Shauna Cranford. Patient A's procedure  
10 took place in February 2017.

11 In analyzing the material on both Cranford's and Lookhart's phone regarding the  
12 business practices focusing on Medicaid patients and billing practices, as well as IV  
13 sedation practices, MFCU investigators have found numerous relevant conversation and  
14 communications contained on the devices. The following correspondences are portions  
15 of text message conversations, and they are presented in chronological order, along with  
16 any necessary information to place the communications in the proper context.

17 *Texts regarding charging Medicaid a Different Rate – Count IV*

18 A November 2015 text message between Shauna Cranford and then-owner, Dr.  
19 Brimhall, explains that Lookhart and Cranford charge private insurers a lower rate than  
20 they charge Medicaid – in violation of 7 AAC 145.005(h):

21 11/9/2015 7:49:06 PM(UTC-9), (Broc Brimhall)

22 I saw there was a pt in schedule today [Patient B] that must of had some insurance other than Medicaid that you pulled  
23 a bunch of teeth out on and did sedation. (Fees look like premiera or something). Anyways does other insurances pay  
24 for sedation or just Medicaid.

25 Status: Read

26 11/9/2015 7:53:20 PM(UTC-9), (Shauna Cranford)

27 Like I prefaced in the email those codes haven't been checked for accuracy

Status: Sent

11/9/2015 7:53:49 PM(UTC-9), - (Shauna Cranford)

She is Medicaid but the fees were entered prior to her insurance info

Status: Sent

11/9/2015 7:54:07 PM(UTC-9), - (Shauna Cranford)

Once the fee audit occurs those will be dropped to Medicaid rates

Status: Sent

11/9/2015 7:54:42 PM(UTC-9), - (Shauna Cranford)

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To answer your question, very few insurances pay for sedation. So few that I make PPO patients pay for the sedation up front

Status: Sent  
11/9/2015 7:56:16 PM(UTC-9), - (Broc Brimhall)

Ok thanks for the clarification?

Do you all charge ppo and fee for service pt's a blanket sedation fee (ex: 600) or do you bill in the incremental times

Status: Read  
11/9/2015 7:56:48 PM(UTC-9), - (Shauna Cranford)

Flat rate

Status: Sent  
11/9/2015 7:57:05 PM(UTC-9), - (Broc Brimhall)

What is it

Status: Read  
11/9/2015 7:58:28 PM(UTC-9), - (Shauna Cranford)

\$450

Status: Sent

A general limitation that is placed upon all Medicaid providers pursuant to 7 AAC 145.005(h), the provision that governs “conditions for payment,” is that “a provider may not charge (1) for any administrative cost related to participation in the Medicaid program; or (2) a higher rate for any unit of service provided to a Medicaid recipient than the provider charges others, except for an amount billed Medicare.” In other words, this regulation prohibits providers from charging the state (through Medicaid) a higher rate than they charge private insurance companies and people who personally pay for care.

Even though this portion of the correspondence only reflects Cranford and Dr. Brimhall, Lookhart and Dr. Rhoton also received these text messages. This “flat rate” that is charged to privately insured people is further corroborated by a sheet labelled as “Dr. Seth Lookhart Common Codes / Rack Fees 2016” that was recovered during the execution of the search warrant in that the rate charged to Medicaid patients is \$170.76 per 15 minute unit increments, while the rate charged to “Non-Medicaid” patients is a flat fee of \$450. For comparison purposes, a Medicaid patient that is charged for 3 units of IV sedation (45 minutes) will be billed at \$512.28, with an additional \$170.76 charged for each additional 15 minute unit, while a “Non-Medicaid” patient will only be billed a flat fee of \$450 regardless of the amount of time that is required. During 2016, Lookhart billed on average 9.4 units (over 2.25 hours or \$1,605) per visit for Medicaid recipients that received IV sedation.

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*Lookhart Dental LLC*



1 *Texts immediately following IV Sedation Certification – Count V*

2 As noted above, Lockhart obtained his license to perform IV sedation on May 27,  
3 2015. The following series of text messages are exchanges between Lookhart and  
4 Cranford recovered from Cranford’s phone. The texts selected below are only a brief  
5 selection of exchanges between Cranford and Lookhart during the two week period  
6 immediately following Lookhart becoming certified to preform IV sedation.

7 5/27/2015 5:50:41 PM(UTC-8), - (Seth Lookhart)  
So pumped on the IV stuff  
Status: Read  
8 5/27/2015 5:50:47 PM(UTC-8), - (Seth Lookhart)  
Super weird I know but hey  
Status: Read  
9 5/27/2015 5:51:14 PM(UTC-8), - (Shauna Cranford)  
I'm actually very excited too  
Status: Sent  
10 5/27/2015 5:51:29 PM(UTC-8), - (Shauna Cranford)  
I've been waiting 10 weeks for this !  
Status: Sent  
11 5/27/2015 5:51:51 PM(UTC-8), - (Shauna Cranford)  
It's going to be awesome and really drive things up here  
Status: Sent  
12 5/27/2015 6:02:09 PM(UTC-8), - (Seth Lookhart)  
Also my permit is dated today so we have to do oral for that sedation last week  
Status: Read  
13 5/27/2015 6:02:31 PM(UTC-8), - (Shauna Cranford)  
K. I'll create the claim.  
Status: Sent  
14 5/27/2015 6:03:02 PM(UTC-8), - (Seth Lookhart)  
I don't remember if we have that on my day sheet or not for that day yet  
Status: Read  
15 5/27/2015 6:03:04 PM(UTC-8), - (Seth Lookhart)  
What day was it  
Status: Read  
16 5/27/2015 6:04:18 PM(UTC-8), - (Shauna Cranford)  
5/19  
Status: Sent  
17

18 The text messages above refer to a patient that Lockhart performed IV sedation on  
19 prior to being licensed to do so in Alaska and then asking Cranford to go back and  
20 change the type of anesthesia that was used in the medical record so they could still get  
21 paid something for it. The billing was in fact changed to reflect oral sedation as  
22 described in the text messages. Inv. Anderson located the patient involved, who  
23 confirmed that IV sedation was in fact performed.  
24

25  
26  
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1 *Texts describing targeting Medicaid recipients for IV sedation*

2 5/29/2015 11:49:58 AM(UTC-8), - (Seth Lookhart)  
3 also I would like to see something to go out to villages (Medicaid) about coming in and doing iv sedation and getting  
4 all dental needs done in a short period of time

5 Status: Read  
6 5/29/2015 11:50:32 AM(UTC-8), - (Seth Lookhart)  
7 And depending on if you're (Shauna) up for it throwing in someone like travel assistance may be available

8 Status: Read  
9 5/29/2015 11:50:57 AM(UTC-8), - (Shauna Cranford)

10 Yea I don't mind getting travel vouchers  
11 Status: Sent  
12 5/29/2015 11:51:21 AM(UTC-8), - (Shauna Cranford)

13 Anything it takes to bring in cash, I'm up for  
14 Status: Sent

15 \_\_\_\_\_  
16 6/6/2015 4:01:06 PM(UTC-8), - (Seth Lookhart)

17 Do you think it would be a good idea to draft up a letter and send it to the dentist in the bush and say hey this is who we  
18 are and what we do. If you have patients you can't take care of refer them to us and we can arrange travel depending on  
19 their insurance

20 Status: Read  
21 6/6/2015 4:02:33 PM(UTC-8), - (Shauna Cranford)  
22 Yes I do. I can get one together and figure out where best to send the contact to

23 Status: Sent  
24 6/6/2015 4:03:49 PM(UTC-8), - (Seth Lookhart)  
25 Further more how long has medicad been doing these vouchers and how likely is it that they keep Doing them

26 Status: Read  
27 6/6/2015 4:05:11 PM(UTC-8), - (Seth Lookhart)  
28 And once we do 3.5 million a year at the office im moving my buddy up here as an associate and moving my other  
29 friend over from Brasil to do all our dentures

30 Status: Read  
31 6/6/2015 4:05:37 PM(UTC-8), - (Shauna Cranford)  
32 It's in the handbook they receive when they get medicaid

33 Status: Sent  
34 6/6/2015 4:06:04 PM(UTC-8), - (Shauna Cranford)  
35 It even tells them the process of getting travel vouchers and answers FAQs

36 Status: Read  
37 6/6/2015 4:06:50 PM(UTC-8), - (Seth Lookhart)  
38 Is it a new thing?

39 Status: Read  
40 6/6/2015 4:06:56 PM(UTC-8), - (Shauna Cranford)  
41 No

42 Status: Sent  
43 6/6/2015 4:07:10 PM(UTC-8), - (Seth Lookhart)  
44 So it's not likely it will go away anytime soon?

45 Status: Read  
46 6/6/2015 4:07:14 PM(UTC-8), - (Shauna Cranford)  
47 No

48 Status: Sent  
49 6/6/2015 4:07:42 PM(UTC-8), - (Seth Lookhart)  
50 ***So let's build a practice around it, sedation, and let's medicad it up (emphasis added)***

51 Status: Read  
52 6/6/2015 4:08:00 PM(UTC-8), - (Shauna Cranford)  
53 Gold 9s for all!

54 Status: Sent  
55 6/6/2015 4:08:14 PM(UTC-8), - (Seth Lookhart)  
56 It would be nice if we had to hire someone just to coordinate travel for the patients

57 Status: Read  
58 6/6/2015 4:08:25 PM(UTC-8), - (Seth Lookhart)  
59 Ahhhhhhhhhhhhhhhhhhh Yeah

60 \_\_\_\_\_  
61 6/12/2015 7:38:09 PM(UTC-8), - (Seth Lookhart)  
62 Man ever since we pulled the travel voucher ad our Facebook had gone silent  
63 Status: Read

64 Information  
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6/12/2015 7:38:54 PM(UTC-8), - (Shauna Cranford)  
Yea. Give it a bit for me to establish a relationship with the travel dept

Status: Sent  
6/12/2015 7:39:10 PM(UTC-8), - (Shauna Cranford)

Then we turn it on and get it in  
Status: Sent  
6/12/2015 7:39:16 PM(UTC-8), - (Seth Lookhart)

Makes sense  
Status: Read  
6/12/2015 7:40:21 PM(UTC-8), - (Shauna Cranford)

Then we run an ad...live in the bush and want a gold 9??? Let's medicaid it up  
Status: Sent  
6/12/2015 7:41:03 PM(UTC-8), - (Seth Lookhart)

Lol  
Status: Read

### *Diversion of Funds from Employer – Counts VI and VII*

In December 2015, Lookhart was reimbursed nearly \$52k by Medicaid for IV sedation procedures. By the second half of 2015, IV sedation had become the single highest individual billing code for Alaska Dental Arts under Lookhart's and Cranford's guidance. During this timeframe, Lookhart was still working as a contractor for Dr. Brimhall and Dr. Rhoton, and under their contract, Lookhart was to receive the greater of 30% of the profit made by the clinic or \$240K as a base salary. Lookhart was responsible for reporting all the billing information to Dr. Brimhall and Dr. Rhoton. By the second half of 2015, the business relationship had begun to sour between Lookhart and Brimhall, and Lookhart was frustrated with the overall arrangement.

One point of major contention between Lookhart and the business owners was that they had refused to pay for the IV sedation course that Lookhart had to attend in order to get licensed to perform IV sedations. Then, on December 29, 2015 Lookhart and Cranford developed a plan to divert funds away from Alaska Dental Arts by billing the vast majority of the IV sedation, the most profitable portion of the practice, to a separate Medicaid biller ID associated with Lookhart only.

12/29/2015 8:45:22 AM(UTC-9), - (Shauna Cranford)  
Maggie just asked me for copies of our sedation paperwork

Status: Sent  
12/29/2015 8:47:45 AM(UTC-9), - (Seth Lookhart)

(Note: Maggie is the overall business manager for Dr. Broc Brimhall and Dr. Shane Rhoton)

Tell her no  
Status: Read  
12/29/2015 8:48:29 AM(UTC-9), - (Seth Lookhart)

Those are property of sedation kit.com if they would like a copy they need to pay for the course

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1 Status: Read  
12/29/2015 8:48:55 AM(UTC-9), - (Seth Lookhart)  
Is she wanting for an audit or to use?

2 Status: Read  
12/29/2015 8:50:06 AM(UTC-9), - (Shauna Cranford)  
In it sure what use they would be to her

3 Status: Sent  
12/29/2015 8:50:37 AM(UTC-9), - (Shauna Cranford)  
My best guess is BS wants it because they want all or some of the other associates to offer IV

4 Status: Sent  
**(Note: "BS" is a reference to Dr. Broc Brimhall and Dr. Shane Rhoton)**

5 12/29/2015 8:51:21 AM(UTC-9), - (Seth Lookhart)  
You can tell her to ask me if you like but my answer is no

6 Status: Read  
12/29/2015 8:51:44 AM(UTC-9), - (Shauna Cranford)  
Maggie never asks me for something because she is curious about it. It's generally because BS want something

7 Status: Sent  
12/29/2015 8:52:05 AM(UTC-9), - (Seth Lookhart)  
Do not give it to her

8 Status: Read  
12/29/2015 8:52:13 AM(UTC-9), - (Shauna Cranford)  
I won't

9 Status: Sent  
12/29/2015 8:54:30 AM(UTC-9), - (Seth Lookhart)  
They were unwilling to help pay for the course. They are already receiving more than they true should with me only taking 30%

10 Status: Read  
12/29/2015 8:55:18 AM(UTC-9), - (Seth Lookhart)  
Weird side question but could we start running some sedation through my personal medi number

11 Status: Read  
12/29/2015 8:55:23 AM(UTC-9), - (Shauna Cranford)  
I agree. We are not here to kick start ADA as an IV practice and provide all of the leg work

12 Status: Sent  
12/29/2015 8:55:42 AM(UTC-9), - (Shauna Cranford)  
Yes we could

13 Status: Sent  
12/29/2015 8:56:32 AM(UTC-9), - (Shauna Cranford)  
I can send claims through their website for Lookhart Dental LLC

14 Status: Sent  
12/29/2015 8:57:42 AM(UTC-9), - (Seth Lookhart)  
I know it might prevent me from coming at them for back taxes with a law suit but it might be worth it

15 Status: Read  
12/29/2015 8:58:12 AM(UTC-9), - (Seth Lookhart)  
Our office production would drop and it would draw far less attention to the office

16 Status: Read  
12/29/2015 8:58:25 AM(UTC-9), - (Seth Lookhart)  
Will they be able to track it

17 Status: Read  
12/29/2015 8:58:33 AM(UTC-9), - (Seth Lookhart)  
I want it untraceable

18 Status: Read  
12/29/2015 9:03:36 AM(UTC-9), - (Shauna Cranford)  
They can't look at your claims at all and the check would go to your house. If you are billing procedures as well as the sedation, only bill under your LLC for ones that don't require auth

19 Status: Sent  
12/29/2015 9:05:17 AM(UTC-9), - (Seth Lookhart)  
Like sedation

20 Status: Read  
12/29/2015 9:06:11 AM(UTC-9), - (Seth Lookhart)  
It would be only sedation and probably not all of them

21 Status: Read  
12/29/2015 9:06:21 AM(UTC-9), - (Seth Lookhart)  
How would it look through dentrix

22 Status: Read  
**(Note: Dentrix was the internal tracking program used by the clinic)**

23 12/29/2015 9:11:10 AM(UTC-9), - (Shauna Cranford)  
We just wouldn't flag them as sedation

24 Status: Sent

25

26

27

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*State v. Seth Lookhart*  
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*Lookhart Dental LLC*

1 12/29/2015 9:11:37 AM(UTC-9), - (Shauna Cranford)  
And not put in the sedation charges  
Status: Sent  
2 12/29/2015 9:11:57 AM(UTC-9), - (Shauna Cranford)  
So it would look like you're doing less sedation  
Status: Sent  
3 12/29/2015 9:18:01 AM(UTC-9), - (Shauna Cranford)  
I'm surprised the power hasn't gone out  
Status: Sent  
4 12/29/2015 9:31:08 AM(UTC-9), - (Seth Lookhart)  
I think that's what I'd like to do  
Status: Read  
5 12/29/2015 9:31:50 AM(UTC-9), - (Seth Lookhart)  
Even if we only do 50% of the sedations it will drop their production to a more "normal/reasonable" level  
Status: Read  
6 12/29/2015 9:32:34 AM(UTC-9), - (Shauna Cranford)  
I would keep a separate copy of the sedation records that you bill under yourself  
Status: Sent  
7 12/29/2015 9:32:46 AM(UTC-9), - (Seth Lookhart)  
Sure  
Status: Read  
8 12/29/2015 9:32:57 AM(UTC-9), - (Shauna Cranford)  
I can photocopy them and give them to you to store off site  
Status: Sent  
9 12/29/2015 9:33:33 AM(UTC-9), - (Seth Lookhart)  
I guess they could catch on if they manually went through charts and saw scanned record and compared to the ledger  
and they weren't showing there  
Status: Read  
10 Read: 12/29/2015 9:33:35 AM(UTC-9)  
12/29/2015 9:34:11 AM(UTC-9), - (Shauna Cranford)  
I don't know that they are that smart  
Status: Sent  
11 12/29/2015 9:34:49 AM(UTC-9), - (Seth Lookhart)  
I'm sure they aren't  
Status: Read  
12 12/29/2015 9:35:42 AM(UTC-9), - (Seth Lookhart)  
And as far as sedation goes it's a pretty sure fire payment correct  
Status: Read  
13 12/29/2015 9:35:56 AM(UTC-9), - (Shauna Cranford)  
As long as they are eligible  
Status: Sent  
14 12/29/2015 9:36:22 AM(UTC-9), - (Shauna Cranford)  
It pays out right away  
Status: Sent  
15 12/29/2015 9:51:49 AM(UTC-9), - (Seth Lookhart)  
How hard is it to set up?  
Status: Read  
16 12/29/2015 9:52:01 AM(UTC-9), - (Seth Lookhart)  
And what's the fee for 9243?  
Status: Read  
17 12/29/2015 9:52:24 AM(UTC-9), - (Shauna Cranford)  
Set up what? You are already set up  
Status: Sent  
18 12/29/2015 9:52:45 AM(UTC-9), - (Seth Lookhart)  
So it's just start billing?  
Status: Read  
19 12/29/2015 9:52:50 AM(UTC-9), - (Shauna Cranford)  
I would just have to login to their website and submit the codes manually through their portal  
Status: Sent  
20 12/29/2015 9:53:03 AM(UTC-9), - (Seth Lookhart)  
Can they track that?  
Status: Read  
21 12/29/2015 9:53:45 AM(UTC-9), - (Shauna Cranford)  
\$170.76  
Status: Sent  
22 12/29/2015 9:53:56 AM(UTC-9), - (Shauna Cranford)  
They meaning BS?  
Status: Sent  
23 12/29/2015 9:54:08 AM(UTC-9), - (Shauna Cranford)

27 Information  
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1 BS cannot track it  
Status: Sent  
12/29/2015 9:56:39 AM(UTC-9), - (Seth Lookhart)

2 Yeah  
Status: Read  
12/29/2015 9:56:57 AM(UTC-9), - (Seth Lookhart)

3 Or anyone else  
Status: Read  
12/29/2015 9:57:13 AM(UTC-9), - (Shauna Cranford)

4 Just Medicaid would know  
Status: Sent  
12/29/2015 9:57:42 AM(UTC-9), - (Shauna Cranford)

5 The RA would get mailed to your house  
Status: Sent  
12/29/2015 9:57:57 AM(UTC-9), - (Seth Lookhart)

6 Sure  
Status: Read  
12/29/2015 9:58:00 AM(UTC-9), - (Seth Lookhart)

7 Let's do it  
Status: Read  
12/29/2015 9:58:41 AM(UTC-9), - (Seth Lookhart)

8 Do we incrementally reduce volume or take a decent cut?  
Status: Read  
12/29/2015 10:01:19 AM(UTC-9), - (Shauna Cranford)

9 That's up to you.  
Status: Sent  
12/29/2015 10:02:26 AM(UTC-9), - (Shauna Cranford)

10 A decent cut would draw some attention but you can have some excuse  
Status: Sent  
12/29/2015 10:03:03 AM(UTC-9), - (Shauna Cranford)

12 An incremental reduction would likely go unnoticed until a certain level  
Status: Sent  
12/29/2015 10:05:40 AM(UTC-9), - (Shauna Cranford)

13 Attrition  
Status: Sent  
12/29/2015 10:05:47 AM(UTC-9), - (Seth Lookhart)

14 Sure  
Status: Read  
12/29/2015 10:06:07 AM(UTC-9), - (Seth Lookhart)

15 I would say our numbers shouldn't not increase  
Status: Read  
12/29/2015 10:07:41 AM(UTC-9), - (Shauna Cranford)

16 Lol it actually reminds me about a rant LJ had about the maid stealing his socks and undershirts. He compared it to  
attrition.  
Status: Sent  
12/29/2015 10:07:59 AM(UTC-9), - (Shauna Cranford)

18 It was funny. The rant went on for like an hour  
Status: Sent  
12/29/2015 10:08:52 AM(UTC-9), - (Shauna Cranford)

19 Yes I agree or the numbers should be around the average for sedation. Like \$40-\$50k  
Status: Sent  
12/29/2015 10:09:26 AM(UTC-9), - (Shauna Cranford)

20 I would throw out our high of near \$80k  
Status: Sent  
12/29/2015 10:10:47 AM(UTC-9), - (Seth Lookhart)

21 I would say within six months 50% get billed out under the cartel  
Status: Read

22 (Note: Cranford and Lookhart often refer to their business and practices as "the cartel")  
12/29/2015 10:11:00 AM(UTC-9), - (Seth Lookhart)

23 Reasonable?  
Status: Read  
12/29/2015 10:11:26 AM(UTC-9), - (Shauna Cranford)

24 Sounds good  
Status: Sent  
12/29/2015 10:12:12 AM(UTC-9), - (Shauna Cranford)

25 I'll check out the portal a little today. I've never used it for sending claims but was trained on it by Joan. It was simple  
enough  
Status: Sent

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1 12/29/2015 10:13:55 AM(UTC-9), - (Seth Lookhart)  
Lol  
Status: Read  
2 12/29/2015 10:13:57 AM(UTC-9), - (Seth Lookhart)  
Ok  
Status: Read  
3 12/29/2015 10:15:37 AM(UTC-9), - (Seth Lookhart)  
I would say we keep sedations around 25 a month under ak dental arts  
Status: Read  
4 12/29/2015 10:16:19 AM(UTC-9), - (Seth Lookhart)  
And still keep a record on the sedation excel but may star those billed under the cartel  
Status: Read  
5 12/29/2015 10:17:01 AM(UTC-9), - (Shauna Cranford)  
That's around 20 sedations to ADA. So like month 1  
Status: Sent  
6 12/29/2015 10:19:13 AM(UTC-9), - (Seth Lookhart)  
Wait what?  
Status: Read  
7 12/29/2015 10:20:22 AM(UTC-9), - (Seth Lookhart)  
Over the last 6 months we have averaged around 40 sedations a month of say we keep around 25 going to BS and the  
8 remaining 15 to the cartel  
Status: Read  
9 12/29/2015 10:20:59 AM(UTC-9), - (Shauna Cranford)  
Got it. I thought you were talking \$25k  
Status: Sent  
10 12/29/2015 10:21:26 AM(UTC-9), - (Seth Lookhart)  
Or perhaps better to do a percentage so that it will naturally eb and flow  
Status: Read  
11 12/29/2015 10:22:07 AM(UTC-9), - (Seth Lookhart)  
And I wouldn't have a day sheet on the cartel cases correct?  
Status: Read  
12 12/29/2015 10:22:50 AM(UTC-9), - (Shauna Cranford)  
Correct. But I would make something so that tracking claims would be easier  
Status: Sent  
13 12/29/2015 10:23:18 AM(UTC-9), - (Shauna Cranford)  
So you would have a day sheet. Just not a dextrix one  
Status: Sent  
14 12/29/2015 10:23:51 AM(UTC-9), - (Seth Lookhart)  
Sure  
Status: Read  
15 12/29/2015 10:41:33 AM(UTC-9), - (Seth Lookhart)  
Do you think 40% of sedations is reasonable and not noticeable  
Status: Read  
16 12/29/2015 10:41:50 AM(UTC-9), - (Seth Lookhart)  
Start with 15% for jan  
Status: Read  
17 12/29/2015 10:42:09 AM(UTC-9), - (Seth Lookhart)  
Then 25 for feb  
Status: Read  
18 12/29/2015 10:42:16 AM(UTC-9), - (Seth Lookhart)  
Then 35 for March  
Status: Read  
19 12/29/2015 10:42:25 AM(UTC-9), - (Seth Lookhart)  
And 40 for April and forward?  
Status: Read  
20 12/29/2015 10:42:30 AM(UTC-9), - (Seth Lookhart)  
Looks great  
Status: Read  
21 12/29/2015 10:42:32 AM(UTC-9), - (Seth Lookhart)  
Thanks

24 MFCU investigators confirmed that beginning in January 2016, Cranford began  
25 billing IV sedation procedures directly to the provider ID associated with Lookhart LLC.  
26 The reimbursement checks and / or remittance advices were sent directly to Lookhart's

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1 home in Eagle River from January through June, which is when he purchased the  
2 practice. The total amount of the reimbursement funds that were diverted away from  
3 Alaska Dental Arts during that time frame is valued at approximately \$250,686.  
4 Additionally, after the sale of the practice was completed, Lookhart submitted an  
5 additional \$121,517 worth of Medicaid billings for procedures that were actually  
6 completed between November 1, 2015 and May 25, 2016.

7 *Texts regarding 2016 Medicaid Reform changes – Counts VIII, IX, X and XVI*

8 Dental billing for adult Medicaid recipients is generally broken down into two  
9 categories: enhanced and emergent care. Enhanced care is the general level of dental  
10 care that has an annual cap of \$1,150, and emergent care, as defined by 7 AAC  
11 110.145(a), is *emergency* dental care, and is not counted towards the annual cap.

12 In 2016, the Alaska legislature passed Senate Bill 74, a Medicaid Reform Bill, and  
13 Governor Walker signed the bill on June 21, 2016; one of the stated goals of the law was  
14 to enhance fraud detection. Similarly, in June 2016, the state announced that the dental  
15 fee schedule / service coverage was being changed. Some procedures that had been  
16 previously considered “emergent care” would no longer be permitted to be billed as  
17 “emergent.” Under the new regulations, all 3 and 4 surface fillings were to be included in  
18 a recipient’s \$1,150 annual cap.

19 The following text message exchange immediately follows Cranford and Lookhart  
20 discovering that the new Medicaid fee schedule was about to go into effect on July 1,  
21 2016. The exchange represents a brainstorming session of how they could sustain their  
22 Medicaid billings despite the reforms. As discussed above in the regulations’ section of  
23 this affidavit, dental billing for Medicaid recipients is generally broken down into two  
24 categories: enhanced and emergent care. Enhanced care is the general level of dental  
25 care that has an annual cap of \$1,150, and emergent care, as defined by 7 AAC  
26 110.145(a) – covering *emergency* dental care, is not included in the annual cap. In the

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1 texts below, when Cranford and Lookhart are discussing the reclassification of certain  
2 codes, they seem particularly concerned about the procedures that will no longer be  
3 excluded from the cap as “emergent.”

4 6/2/2016 8:22:26 PM(UTC-8), - (Seth Lookhart)

Why is there all this talk about Medicaid change

Status: Read

5 6/2/2016 8:22:40 PM(UTC-8), - (Seth Lookhart)

Are we missing something?

Status: Read

6 6/2/2016 8:23:24 PM(UTC-8), - (Shauna Cranford)

That's what I've been trying to figure out. But all changes have to be proposed and listed on their site and I don't see anything like that

Status: Sent

7 6/2/2016 8:24:10 PM(UTC-8), - (Seth Lookhart)

8 You're positive

Status: Read

9 6/2/2016 8:24:28 PM(UTC-8), - (Shauna Cranford)

I'm looking now to see if I can find anything

Status: Sent

10 6/2/2016 8:36:58 PM(UTC-8), - (Shauna Cranford)

A new fee schedule got uploaded for Medicaid benefit year starting in July

Status: Sent

11 6/2/2016 8:37:05 PM(UTC-8), - (Shauna Cranford)

I just found it

Status: Sent

12 6/2/2016 8:37:10 PM(UTC-8), - (Seth Lookhart)

13 Ish

Status: Read

6/2/2016 8:37:22 PM(UTC-8), - (Seth Lookhart)

Any major changes?

Status: Read

14 6/2/2016 8:37:29 PM(UTC-8), - (Seth Lookhart)

And link please

Status: Read

15 6/2/2016 8:37:33 PM(UTC-8), - (Shauna Cranford)

[http://manuals.medicaidalaska.com/docs/dnld/Fees\\_Dental\\_SFY2017.pdf](http://manuals.medicaidalaska.com/docs/dnld/Fees_Dental_SFY2017.pdf)

Status: Sent

16 6/2/2016 8:37:44 PM(UTC-8), - (Shauna Cranford)

I just found it so I didn't look yet

Status: Sent

17 6/2/2016 8:39:14 PM(UTC-8), - (Seth Lookhart)

18 Well shit Maggie is right

Status: Read

19 6/2/2016 8:39:24 PM(UTC-8), - (Seth Lookhart)

Fillings aren't emergent

Status: Read

20 **(Note: Only 3 and 4 surface fillings were considered emergent under the pre-2016 fee schedule)**

6/2/2016 8:41:39 PM(UTC-8), - (Shauna Cranford)

21 Well shit

Status: Sent

22 6/2/2016 8:41:52 PM(UTC-8), - (Seth Lookhart)

That changes things a ton

Status: Read

23 6/2/2016 8:41:55 PM(UTC-8), - (Shauna Cranford)

Sedation is still covered

Status: Sent

24 **(Note: Under the 2016 modifications, IV sedation remained covered in the very limited circumstances as described above, subject to the limitations of 7 AAC 110.145 and 155)**

25 6/2/2016 8:42:00 PM(UTC-8), - (Seth Lookhart)

Like a ton a ton

Status: Read

26 6/2/2016 8:42:11 PM(UTC-8), - (Shauna Cranford)

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1 Yes it does  
Status: Sent  
6/2/2016 8:42:21 PM(UTC-8), - (Seth Lookhart)

2 That also means we need to clean out all adult medi treatment plans with fillings  
Status: Read  
6/2/2016 8:42:42 PM(UTC-8), - (Seth Lookhart)

3 So basically only extractions are covered for adults  
Status: Read  
6/2/2016 8:43:51 PM(UTC-8), - (Seth Lookhart)

4 Also means almost zero crowns  
Status: Read  
6/2/2016 8:44:15 PM(UTC-8), - (Seth Lookhart)

5 Basically I won't do fillings on adults unless they are sedated  
Status: Read  
6/2/2016 8:44:27 PM(UTC-8), - (Seth Lookhart)

6 And it will be one quad per 3 hour sedation period  
Status: Read

7 **(Note: Dentists often refer to the sections of the mouth as "quads" because the mouth is split  
up into four sections – upper left, lower left, upper right and lower right)**

8 6/2/2016 8:44:36 PM(UTC-8), - (Shauna Cranford)

9 Yup  
Status: Sent  
6/2/2016 8:44:57 PM(UTC-8), - (Shauna Cranford)

10 They do cover more in the denture stuff now though  
Status: Sent  
6/2/2016 8:45:04 PM(UTC-8), - (Shauna Cranford)

11 And partials for kids  
Status: Sent  
6/2/2016 8:45:46 PM(UTC-8), - (Seth Lookhart)

12 We should run an ad for Medicaid saying, if you need fillings get them now before you will not have coverage  
Status: Read  
6/2/2016 8:45:55 PM(UTC-8), - (Seth Lookhart)

13 And then work a crap ton doing fillings  
Status: Read  
6/2/2016 8:47:24 PM(UTC-8), - (Shauna Cranford)

14 Yea we will have to bust them out fast when you get back  
Status: Sent  
6/2/2016 8:47:40 PM(UTC-8), - (Shauna Cranford)

15 We need to blast a medi FB ad for your return  
Status: Sent  
6/2/2016 8:48:03 PM(UTC-8), - (Seth Lookhart)

16 Yeah like crazy  
Status: Read  
6/2/2016 8:48:13 PM(UTC-8), - (Shauna Cranford)

17 Fuck  
Status: Sent  
6/2/2016 8:48:49 PM(UTC-8), - (Seth Lookhart)

18 That seriously just took 1-2 million away if not more  
Status: Read  
6/2/2016 8:49:09 PM(UTC-8), - (Seth Lookhart)

19 We need to focus more on 12-18 years old  
Status: Read  
6/2/2016 8:49:23 PM(UTC-8), - (Shauna Cranford)

20 And make partials for them  
Status: Sent  
6/2/2016 8:49:33 PM(UTC-8), - (Shauna Cranford)

21 No auth required  
Status: Sent  
6/2/2016 8:52:12 PM(UTC-8), - (Seth Lookhart)

22 I can't think of many times when we would make a partial for a kid though  
Status: Read  
6/2/2016 8:52:46 PM(UTC-8), - (Seth Lookhart)

23 We are going to burn through new patients at three to four times the normal rate we have been  
Status: Read  
6/2/2016 8:53:25 PM(UTC-8), - (Seth Lookhart)

24 We also need to ask Joan If this is a for sure deal  
Status: Read  
6/2/2016 8:53:32 PM(UTC-8), - (Seth Lookhart)

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1 And I doubt it would go back to the way it was  
Status: Read  
6/2/2016 8:54:35 PM(UTC-8), - (Shauna Cranford)

2 It's for sure. It's published. The only way around it would be if all of the dentists came together and asked for a cap  
increase  
Status: Sent  
3 6/2/2016 8:54:49 PM(UTC-8), - (Shauna Cranford)

4 The cap hasn't been increased since 2007  
Status: Sent  
6/2/2016 8:55:30 PM(UTC-8), - (Seth Lookhart)

5 That's not likely either  
Status: Read  
6/2/2016 8:55:47 PM(UTC-8), - (Seth Lookhart)

6 This sucks  
Status: Read  
6/2/2016 8:56:01 PM(UTC-8), - (Seth Lookhart)

7 How much per year do we do now that wouldn't be covered next year?  
Status: Read  
6/2/2016 8:59:07 PM(UTC-8), - (Shauna Cranford)

8 A lot. We have to figure out how we plan to structure things now. This is also really bad news for patients.  
Status: Sent  
6/2/2016 8:59:44 PM(UTC-8), - (Seth Lookhart)

9 Terrible for them  
Status: Read  
6/2/2016 8:59:53 PM(UTC-8), - (Shauna Cranford)

10 Because if they need 8 fillings and a crown...that's changing to 8 fillings and an ext. or one crown and eight exts  
Status: Sent  
6/2/2016 9:00:49 PM(UTC-8), - (Seth Lookhart)

11 Yeah pretty much.  
Status: Read  
6/2/2016 9:00:59 PM(UTC-8), - (Seth Lookhart)

12 A ton more of extractions  
Status: Read  
6/2/2016 9:01:48 PM(UTC-8), - (Seth Lookhart)

13 But the hard part is. It's easy to point out decay and say, lets take care of that and get acceptance. It's going to be way  
14 harder to point to decay on a tooth that doesn't hurt and say, lets rip it out  
Status: Read  
6/2/2016 9:03:06 PM(UTC-8), - (Shauna Cranford)

15 True  
Status: Sent  
6/2/2016 9:06:52 PM(UTC-8), - (Seth Lookhart)

16 I honestly see it turning into a free quad of fillings with sedation  
Status: Read  
6/2/2016 9:07:43 PM(UTC-8), - (Seth Lookhart)

17 And it will be a good thing we have 3 pumps  
Status: Read  
6/2/2016 9:08:43 PM(UTC-8), - (Seth Lookhart)

18 I'm not excited  
Status: Read  
6/2/2016 9:09:17 PM(UTC-8), - (Shauna Cranford)

19 That's what I figure will have to happen. I'm not excited either. I'm looking through the list trying to find a loophole  
Status: Sent  
6/2/2016 9:10:00 PM(UTC-8), - (Shauna Cranford)

20 Bill the fillings in June  
Status: Sent  
6/2/2016 9:10:16 PM(UTC-8), - (Seth Lookhart)

21 But that only runs so far  
Status: Read  
6/2/2016 9:12:08 PM(UTC-8), - (Seth Lookhart)

22 Looks like vert bite wings are out too  
Status: Read  
6/2/2016 9:12:58 PM(UTC-8), - (Seth Lookhart)

23 That sucks  
Status: Read  
6/2/2016 9:13:38 PM(UTC-8), - (Shauna Cranford)

24 Since 2008 the fee schedule was revised mid fiscal year 3 times  
Status: Sent  
6/2/2016 9:14:00 PM(UTC-8), - (Seth Lookhart)

25 What does that mean

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1 Status: Read  
6/2/2016 9:14:21 PM(UTC-8), - (Shauna Cranford)  
It is possible to get changes with enough support

2 Status: Sent  
6/2/2016 9:15:04 PM(UTC-8), - (Shauna Cranford)  
Alaska received \$150M for the Medicaid expansion

3 Status: Sent  
6/2/2016 9:15:17 PM(UTC-8), - (Shauna Cranford)  
They shouldn't be reducing benefits

4 Status: Sent  
6/2/2016 9:15:34 PM(UTC-8), - (Seth Lookhart)  
Yeah good luck pushing that through

5 Status: Read  
6/2/2016 9:21:54 PM(UTC-8), - (Shauna Cranford)  
Essentially nothing is covered anymore

6 Status: Sent  
6/2/2016 9:22:08 PM(UTC-8), - (Seth Lookhart)  
Correct

7 Status: Read  
6/2/2016 9:22:14 PM(UTC-8), - (Seth Lookhart)  
Just extractions

8 Status: Read  
6/2/2016 9:22:27 PM(UTC-8), - (Seth Lookhart)  
That is a major blow

9 Status: Read  
6/2/2016 9:24:10 PM(UTC-8), - (Seth Lookhart)  
I think we are going to have to shift to the emergency treatment model

10 Status: Read  
6/2/2016 9:24:19 PM(UTC-8), - (Seth Lookhart)  
And then the denture model

11 Status: Read  
6/2/2016 9:24:32 PM(UTC-8), - (Seth Lookhart)  
Or the large family model

12 Status: Read  
6/2/2016 9:25:05 PM(UTC-8), - (Shauna Cranford)  
Yea. More families like the savages

13 Status: Sent  
6/2/2016 9:25:29 PM(UTC-8), - (Seth Lookhart)  
Yeah

14 Status: Read  
6/2/2016 9:29:51 PM(UTC-8), - (Seth Lookhart)  
The only thing I see that went up was complicated suture greater than 5cm went up to 748 from 6 something

15 Status: Read  
6/2/2016 9:30:04 PM(UTC-8), - (Shauna Cranford)  
I saw that too

16 Status: Sent  
6/2/2016 9:30:34 PM(UTC-8), - (Seth Lookhart)  
Intraoral photos are gone

17 Status: Read  
6/2/2016 9:31:00 PM(UTC-8), - (Seth Lookhart)  
**(Note: From January through June 2016, prior to the change, Lookhart was paid for 1528 oral photos, totaling \$83,355. Following the change, he was completely unable to bill for this procedure.)**

18 Status: Read  
6/2/2016 9:31:53 PM(UTC-8), - (Seth Lookhart)  
Off kids too

19 Status: Read  
6/2/2016 9:32:02 PM(UTC-8), - (Seth Lookhart)  
The crappy part is I feel like we are Super tied to Medicaid because of the sedation.

20 Status: Read  
6/2/2016 9:34:18 PM(UTC-8), - (Shauna Cranford)  
I really don't want to practice without it

21 Status: Read  
6/2/2016 9:34:30 PM(UTC-8), - (Shauna Cranford)  
It does suck, but I know we will tweak our model to make up for the change

22 Status: Sent  
6/2/2016 9:36:35 PM(UTC-8), - (Shauna Cranford)  
Now we really could use another op

23 Status: Sent  
6/2/2016 9:36:35 PM(UTC-8), - (Shauna Cranford)

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1 Run 3 Medicaid sedations per day in sedation op. Run a procedure chair. A limited chair. A denture chair  
Status: Sent  
6/2/2016 9:41:21 PM(UTC-8), - (Seth Lookhart)

2 Yeah seriously  
Status: Read  
6/2/2016 9:42:01 PM(UTC-8), - (Shauna Cranford)

3 And then you need 2-3 FT Hyg to keep the fire going  
Status: Sent  
6/2/2016 9:42:31 PM(UTC-8), - (Seth Lookhart)

4 Yup  
Status: Read  
6/2/2016 9:42:46 PM(UTC-8), - (Seth Lookhart)

5 We will have to become know as the denture place  
Status: Read  
6/2/2016 9:42:55 PM(UTC-8), - (Seth Lookhart)

6 Or that toothache place  
Status: Read  
6/2/2016 9:43:22 PM(UTC-8), - (Shauna Cranford)

7 Yea  
Status: Sent  
6/2/2016 9:43:53 PM(UTC-8), - (Shauna Cranford)

8 I broke one of my rules...I asked guy if he knew about all of this  
Status: Sent  
6/2/2016 9:44:07 PM(UTC-8), - (Seth Lookhart)

9 And?  
Status: Read  
6/2/2016 9:44:07 PM(UTC-8), - (Shauna Cranford)

10 He's the only crew member not on my blocked list  
Status: Sent  
6/2/2016 9:44:23 PM(UTC-8), - (Seth Lookhart)

11 You'd think his dad would fight it  
Status: Read  
6/2/2016 9:44:23 PM(UTC-8), - (Shauna Cranford)

12 He said he knew about the changes  
Status: Sent  
6/2/2016 9:44:31 PM(UTC-8), - (Seth Lookhart)

13 And what's his plan  
Status: Read  
6/2/2016 9:46:31 PM(UTC-8), - (Shauna Cranford)

14 Grip n rip and make a denture  
Status: Sent  
6/2/2016 9:48:08 PM(UTC-8), - (Seth Lookhart)

15 I guess so  
Status: Read  
6/2/2016 9:48:30 PM(UTC-8), - (Seth Lookhart)

16 It will be hard to tell the patients look you have 15 teeth but I can't help you in any other way than to rip them out  
Status: Read  
6/2/2016 9:48:50 PM(UTC-8), - (Seth Lookhart)

17 Hygienist are going to flip about it too  
Status: Read  
6/2/2016 9:49:03 PM(UTC-8), - (Shauna Cranford)

18 Yea. No srp  
Status: Sent  
6/2/2016 9:49:23 PM(UTC-8), - (Shauna Cranford)

19 Honestly I don't even want to prophy unless they are sedated  
Status: Sent

20 **(Note: "Prophy" is dental prophylaxis, which is commonly referred to as dental cleaning typically performed by a dental hygienist)**  
6/2/2016 9:49:40 PM(UTC-8), - (Seth Lookhart)

21 Never SRP  
Status: Read  
6/2/2016 9:49:54 PM(UTC-8), - (Seth Lookhart)

22 Makes me want to search after more ppo patients  
Status: Read  
6/2/2016 9:50:11 PM(UTC-8), - (Shauna Cranford)

23 We will have to  
Status: Sent  
6/2/2016 9:50:25 PM(UTC-8), - (Shauna Cranford)

24

25

26

27

1 The would be your second chair patients  
Status: Sent  
6/2/2016 9:55:04 PM(UTC-8), - (Seth Lookhart)

2 Comp ortho got reduced from like 5500 a case to 3000 a case am still limited to orthos only  
Status: Read  
6/2/2016 9:55:17 PM(UTC-8), - (Seth Lookhart)

3 And dr luff just bought a building in wasilla  
Status: Read  
6/2/2016 9:57:29 PM(UTC-8), - (Seth Lookhart)

4 We also need to market wisdom teeth like crazyb  
Status: Read  
6/2/2016 9:57:34 PM(UTC-8), - (Seth Lookhart)

5 Crazy\*  
Status: Read  
6/2/2016 9:58:36 PM(UTC-8), - (Seth Lookhart)

6 Im looking at codes right now, the lady that wants a new upper denture but had one like 2 years ago, [Patient D], is she  
getting one?  
Status: Read  
6/2/2016 10:00:12 PM(UTC-8), - (Seth Lookhart)

8 We also need to get sedation time for [Patient E] from her bleach tray impressions today  
Status: Read

9 **(Note: this is the process associated with teeth whitening)**  
6/2/2016 10:00:13 PM(UTC-8), - (Shauna Cranford)

10 When [ K ] gets back  
Status: Sent  
6/2/2016 10:00:29 PM(UTC-8), - (Shauna Cranford)

11 Sure  
Status: Sent  
6/2/2016 10:00:43 PM(UTC-8), - (Shauna Cranford)

12 Now all medi bleach trays are sedation  
Status: Sent  
6/2/2016 10:01:09 PM(UTC-8), - (Shauna Cranford)

13 Attachments:  
[IMG\\_1765.PNG](#)  
Status: Sent  
6/2/2016 10:01:44 PM(UTC-8), - (Shauna Cranford)

14 I'm trying to get him somewhat worked up because he is politically involved  
Status: Sent  
6/2/2016 10:02:19 PM(UTC-8), - (Seth Lookhart)

15 So basically we need to get in with all the emergency rooms  
Status: Read  
6/2/2016 10:03:27 PM(UTC-8), - (Shauna Cranford)

16 Yes  
Status: Sent  
6/2/2016 10:04:43 PM(UTC-8), - (Seth Lookhart)

18 This blows  
Status: Read  
6/2/2016 10:04:50 PM(UTC-8), - (Seth Lookhart)

19 And good thing I just got a 2M loan  
Status: Read  
6/2/2016 10:05:45 PM(UTC-8), - (Shauna Cranford)

20 It just means we need to do things a little differently. We need to adapt. And we will  
Status: Sent  
6/2/2016 10:07:24 PM(UTC-8), - (Seth Lookhart)

21 A little?  
Status: Read  
6/2/2016 10:08:29 PM(UTC-8), - (Shauna Cranford)

22 Alright so it's more than a little  
Status: Sent  
6/2/2016 10:08:38 PM(UTC-8), - (Seth Lookhart)

23 Almost completely be w  
Status: Read  
6/2/2016 10:08:40 PM(UTC-8), - (Seth Lookhart)

24 New\*  
Status: Read  
6/2/2016 10:08:59 PM(UTC-8), - (Seth Lookhart)

25 How much does a three hour sedation make us?  
Status: Read  
6/2/2016 10:09:27 PM(UTC-8), - (Shauna Cranford)

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2131.07

Status: Sent

(Note: this total is arrived at by combining the 12 units of D9243 for the IV sedation, \$2049.12, with the single unit of D9610 for the therapeutic drug injection, \$81.95.)

6/2/2016 10:11:23 PM(UTC-8), - (Seth Lookhart)

So 6k a day in sedation

Status: Read

6/2/2016 10:11:37 PM(UTC-8), - (Seth Lookhart)

Plus 1050 X3

Status: Read

6/2/2016 10:12:13 PM(UTC-8), - (Shauna Cranford)

3150

Status: Sent

6/2/2016 10:12:13 PM(UTC-8), - (Seth Lookhart)

9500 a day on medi is our max

Status: Read

Read: 6/2/2016 10:12:13 PM(UTC-8)

6/2/2016 10:12:31 PM(UTC-8), - (Seth Lookhart)

Unless it involves extractions

Status: Read

6/2/2016 10:12:33 PM(UTC-8), - (Shauna Cranford)

Unless you're full mouth ext

Status: Sent

The state reviewed the billing practices associated with dental cleanings and found that during the 2016 billing period, Lookhart's clinic billed approximately \$30k worth of services where IV sedation was used in conjunction with billing codes D1110 and D4341 – the codes commonly associated with cleaning procedures. Moreover, MFCU found that there were incidents where IV sedation appeared to be billed associated with underlying procedures that are not covered by Medicaid, such as teeth whitening and implants. The value of the billings associated with non-covered procedures is currently more than \$500 but less than \$25k.

6/2/2016 10:22:59 PM(UTC-8), - (Seth Lookhart)

Can we back date fillings once July 1st hits

Status: Read

6/2/2016 10:24:20 PM(UTC-8), - (Shauna Cranford)

I was thinking we could back date them to a visit or near a visit they had prior to 7/1

Status: Sent

6/2/2016 10:24:43 PM(UTC-8), - (Shauna Cranford)

If they are a comp eval we would have to back date it all

Status: Sent

6/2/2016 10:25:00 PM(UTC-8), - (Shauna Cranford)

And I would have to play dumb with [S] and [R]

Status: Sent

6/2/2016 10:25:07 PM(UTC-8), - (Seth Lookhart)

So we have essentially 2-3 months until the end

Status: Read

6/2/2016 10:25:14 PM(UTC-8), - (Shauna Cranford)

Yes

Status: Sent

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1 This is a practice that would be commonly called “back billing” in order to meet  
2 otherwise unauthorized requirement criteria. The billing records are in the process of  
3 being reviewed, but the state’s accountant has already identified several incidents with  
4 Medicaid patients of back billing associated with this timeframe, and the total billing for  
5 those incidents is currently calculated at \$11,850. As of the drafting of this probable  
6 cause statement, the only actual patient medical records that have been reviewed are the  
7 records associated with the sedation procedures; the medical records are maintained in  
8 electronic format and are in the process of being produced by the Office of the Inspector  
9 General.

10 *The impact of the 2016 change on Clear Creek Dental*

11 In the texts exchange above, Lookhart and Cranford candidly discuss performing  
12 more extractions in lieu of 3 and 4 surface fillings since the fillings will no longer be  
13 covered under emergent care cap exclusion. In order to assess whether that plan was  
14 carried out, the state reviewed two specific periods of time as data sets to analyze the  
15 billing practices of Clear Creek Dental before and after the fee schedule change. The first  
16 data set was total billings for specific procedures for the 6 month period preceding the fee  
17 change, January through June 2016. The second data set was the same figures for the 6  
18 month period that immediately followed the fee change, July through December 2016.

19 In reviewing that data, MFCU found that for the four possible billing codes  
20 associated with 3 and 4 surface fillings (D2332, D2335, D2393, D2394) the billing for  
21 those procedures decreased by up to 92% after the fee change in July 2016. For example,  
22 from January through June 2016, Lookhart was reimbursed for 736 units of D2393  
23 (Composite Resin Posterior – 3 Surface) valued at approximately \$170K, but during the  
24 following period after the fee change, he was reimbursed for 70 units of D2393, valued at  
25 approximately \$16k. This represents approximately a 91% *decrease* in billing for this  
26 filling procedure. Likewise, consistent with the dynamic described by Cranford and



1 Lookhart in the text series, extractions increased greatly over the second period. During  
2 the first part of 2016, Lookhart was reimbursed for 270 extractions (D7210), but over the  
3 second half of 2016, that procedure increased by 74% to 469 reimbursements for  
4 extractions. IV sedation rose slightly, 14%, over the two time frames: 3618 units (\$617k)  
5 over the first term, and 4166 units (\$708k) over the second term.

6 Although this data would strongly suggest that Lookhart was performing  
7 medically unnecessary extraction procedures, the state is not electing to pursue any  
8 charges based on this evidence until a dental expert has had time to review the dental  
9 records for each patient associated with these procedures. That is a process that will  
10 proceed as soon as the state obtains copies of the medical records during the computer  
11 forensic analysis that is currently taking place at the OIG. However, this information is  
12 relevant to demonstrate how IV sedation has been an integral part of the defendant's  
13 billing practices and how they plan to incorporate it into future practices.

14 *Unlawful Dentistry Acts*

15 Under Alaska law, all dentists must be licensed to practice dentistry, and the  
16 professional standards for the practice of dentistry are governed by AS 08.36.315. That  
17 statute states in relevant part that the dental board may take disciplinary action against a  
18 dentist that

19  
20 (6) engaged in the performance of patient care, or permitted  
21 the performance of patient care by persons under the dentist's  
22 supervision, regardless of whether actual injury to the patient  
23 occurred,

24 (A) that did not conform to minimum professional standards  
25 of dentistry; or

26 (B) when the dentist, or a person under the supervision of the  
27 dentist, did not have the permit, registration, or certificate  
required under AS 08.32 or this chapter; . . .

1 (10) permitted a dental hygienist or dental assistant who is  
2 employed by the dentist or working under the dentist's  
3 supervision to perform a dental procedure in violation of AS  
4 08.32.110 or AS 08.36.346;  
5 Furthermore, AS 08.36.340 makes it a B misdemeanor criminal offense to violate the  
6 standards set forth in AS 08.36.315.

6 *Video and texts regarding Hoverboard procedure – Count XI*

7 While searching both Cranford's and Lookhart's phones, MFCU found a video  
8 that appeared to be a tooth extraction being performed by Lookhart while he was riding a  
9 hoverboard. Lookhart sent the video to several people and joked about the procedure  
10 representing a "new standard of care." The patient in the video is a female patient that  
11 appeared to be completely sedated and unaware of the fact that Lookhart extracted her  
12 tooth while riding a hoverboard and filmed it. The texts below are one series of texts  
13 associated with the incident. The first video sent in the texts below, IMG\_7522, is a  
14 general video of Lookhart riding the hoverboard in his office, and the second video,  
15 IMG\_0799, is a video of Lookhart extracting the sedated patient's tooth.

16 7/14/2016 12:24:01 PM(UTC-8), -(Seth Lookhart)  
Do you ever get tired of using your legs?  
Status: Sent  
17 7/14/2016 12:25:24 PM(UTC-8), -(Seth Lookhart)  
I did  
Attachments:  
18 [IMG\\_7522.mov](#)  
Status: Sent  
19 7/14/2016 12:30:59 PM(UTC-8), -[MC]  
Haha do you use that between patients?  
Status: Read  
20 7/14/2016 12:34:30 PM(UTC-8), -(Seth Lookhart)  
I don't really walk any more man  
Status: Sent  
21 7/14/2016 12:34:36 PM(UTC-8), -(Seth Lookhart)  
Takes too much effort  
Status: Sent  
22 7/14/2016 12:41:26 PM(UTC-8), -[MC]  
Haha nice  
Status: Read  
23 7/14/2016 5:39:18 PM(UTC-8), -(Seth Lookhart)  
New standard of care  
Status: Sent  
24 7/14/2016 5:40:58 PM(UTC-8),-(Seth Lookhart)  
Attachments:  
25 [IMG\\_0799.MOV.mov](#)  
Status: Sent  
26 7/14/2016 6:02:38 PM(UTC-8), -[MC]

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That might just be the coolest video I've ever seen  
Status: Read

Based on the information contained in the video, MFCU investigators were able to identify the patient in the video. The patient was contacted and interviewed and she acknowledged that she was the patient in the video and that she was unaware of the fact that the procedure had been done on a hoverboard and filmed. Evidence of this incident was found on both Cranford's and Lockhart's phones.

*Texts regarding Shauna Cranford's Unlawful Medical Practices – Counts XII and XIII*

The following text comes from a chain of texts between Cranford and her mother, who lives in Washington state. The text was sent on a Sunday and refers to activity that took place the Saturday before. One of the services that Clear Creek Dental offers is care during non-business hours for actual emergency care. When that happens, it is not uncommon for Lookhart and Cranford to be the only ones at the clinic providing the services.

10/23/2016 8:13:04 AM(UTC-8), - (Shauna Cranford)  
I pulled out two teeth on a guy yesterday

Status: Sent  
10/23/2016 8:17:33 AM(UTC-8), [DH]  
Did you punch him to knock them loose?

Status: Read  
10/23/2016 8:28:48 AM(UTC-8), - (Shauna Cranford)  
No

Status: Sent  
10/23/2016 8:28:54 AM(UTC-8), - (Shauna Cranford)  
It was a real patient

Status: Sent  
10/23/2016 8:28:59 AM(UTC-8), - (Shauna Cranford)  
Seth let me do it

Status: Sent  
10/23/2016 8:29:18 AM(UTC-8), [DH]  
Dressed in your sports bra?

Status: Read  
10/23/2016 8:29:40 AM(UTC-8), - (Shauna Cranford)  
Yes

Status: Sent  
10/23/2016 8:29:53 AM(UTC-8), - (Shauna Cranford)  
Attachments:

[IMG\\_3110.MOV](#)  
Status: Sent  
10/23/2016 8:29:58 AM(UTC-8), [DH]  
I bet the guy liked that!

Status: Read  
10/23/2016 8:31:36 AM(UTC-8), [DH]  
Kind of interesting but I may not eat breakfast now.

Status: Read  
10/23/2016 8:40:00 AM(UTC-8), - (Shauna Cranford)  
He was asleep. He didn't know I did it

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Status: Sent  
He had a major infection. So we pulled out his two front teeth and drained the abscess  
Status: Sent  
10/23/2016 9:24:56 AM(UTC-8), [DH]  
Will he get implants?  
Status: Read  
10/23/2016 9:25:40 AM(UTC-8), - (Shauna Cranford)  
He will get a partial  
Status: Sent  
10/23/2016 9:26:01 AM(UTC-8), - (Shauna Cranford)  
If he could afford implants he could get some  
Status: Sent

The IMG\_3110.MOV file that was sent in this chain of text messages was a short video of Lookhart draining one of the actual abscesses from the patient. It shows the patient sedated and snoring, two of his teeth have been removed and Lookhart is draining the fluid from his upper gum area. This patient, Patient X, was located and interviewed by Inv. Anderson. The patient made it clear that he never gave anyone permission to film him while he was sedated.

*Texts concerning Prescription Drug Practices – Count XIV*

The following text messages are between Shauna Cranford and another Clear Creek Dental employee concerning a prescription for patients seeking medication for pain and swelling associated with a dental procedure:

12/28/2016 2:05:53 PM(UTC-9), [employee]  
She said Tylenol 3 is fine  
Status: Read  
12/28/2016 2:05:59 PM(UTC-9), [employee]  
Sam can call that in?  
Status: Read  
12/28/2016 2:07:45 PM(UTC-9), [employee]  
Sam is wondering how many ?  
Status: Read  
12/28/2016 2:07:52 PM(UTC-9), - (Shauna Cranford)  
Yes.  
Tylenol 3  
Dispense 18 tabs  
Take 1-2 tabs PO before bedtime  
Status: Sent  
12/28/2016 2:08:03 PM(UTC-9), [employee]  
Thank you :)  
Status: Read  
12/28/2016 2:08:03 PM(UTC-9), - (Shauna Cranford)  
No refills  
Status: Sent  
12/28/2016 2:08:22 PM(UTC-9), - (Shauna Cranford)  
[DEA # provided]  
Status: Sent  
12/28/2016 2:08:47 PM(UTC-9), [employee]  
Lol got it !  
Status: Read

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12/29/2016 1:12:06 PM(UTC-9), [employee]  
I've got two patients that need antibiotics called in. Is it ok?  
Status: Read  
12/29/2016 1:13:31 PM(UTC-9), [employee]  
And Tylenol 3 for both if possible. The girls face is very swollen.  
Status: Read  
12/29/2016 1:57:55 PM(UTC-9), - (Shauna Cranford)  
Yes  
Status: Sent

In these exchanges, Cranford made medical decisions apparently without consulting Lookhart concerning the prescription of a Schedule III controlled substance, Tylenol 3 with codeine.

*Text regarding IV Sedation Practices at Clear Creek Dental – Count XV*

The final series of text messages come from Seth Lookhart’s phone and involve a conversation he had with Drew Solomon, a friend from dental school that Lookhart was in the process of bringing to Alaska to expand his practice. Solomon previously travelled to Alaska to train with Lookhart for a week in 2016, and all the work done by Solomon was billed as though it was performed by Lookhart.

2/7/2017 7:38:52 PM(UTC-9), - (Seth Lookhart)  
I will say this when Medicaid took away unlimited fillings for adults I decreased fillings a lot and crowns too  
Status: Sent  
2/7/2017 7:39:36 PM(UTC-9), - (Seth Lookhart)  
Where I used to be able to take care of everything in a mouth now I can only get 1-2 quads done max  
Status: Sent  
2/7/2017 7:39:55 PM(UTC-9), - (Seth Lookhart)  
Then wait for benefits to renew  
Status: Sent  
2/7/2017 7:40:14 PM(UTC-9), -(Drew Solomon)  
Just gotta adapt  
Status: Read  
2/7/2017 7:40:25 PM(UTC-9), -(Drew Solomon)  
You decreased fillings and crowns ?  
Status: Read  
2/7/2017 7:40:31 PM(UTC-9), - (Seth Lookhart)  
It's was hard for me to leave teeth knowing they would rot out before I could get to them  
Status: Sent  
2/7/2017 7:41:09 PM(UTC-9), - (Seth Lookhart)  
Oh yeah i do way less now. Maybe 1/3 of what i used to do  
Status: Sent  
2/7/2017 7:42:12 PM(UTC-9), - (Seth Lookhart)  
Once I changed my thought process to knowing the teeth would rot before the patient would be willing to pay to get it treated it made it easier  
Status: Sent  
2/7/2017 7:43:10 PM(UTC-9), -(Drew Solomon)  
lol  
Status: Read  
2/7/2017 7:44:38 PM(UTC-9), -(Drew Solomon)  
I don't know what to expect with working up there

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1 Status: Read  
2/7/2017 7:50:00 PM(UTC-9), - (Seth Lookhart)  
Odds and ends mostly

2 Status: Sent  
2/7/2017 7:50:27 PM(UTC-9), - (Seth Lookhart)  
And lots of sitting around

3 Status: Sent  
2/7/2017 7:50:42 PM(UTC-9), - (Seth Lookhart)  
I bet I sit around 2-3 hours a day over the course of the whole thing

4 Status: Sent  
2/7/2017 7:50:51 PM(UTC-9), -(Drew Solomon)  
seriously

5 Status: Read  
2/7/2017 7:50:58 PM(UTC-9), - (Seth Lookhart)  
Yeah probably

6 Status: Sent  
2/7/2017 7:51:12 PM(UTC-9), - (Seth Lookhart)  
Maybe not 3

7 Status: Sent  
2/7/2017 7:51:16 PM(UTC-9), - (Seth Lookhart)  
But a solid 1-2

8 Status: Sent  
2/7/2017 7:53:01 PM(UTC-9), - (Seth Lookhart)  
I spend a decent amount of time waiting for patients to wake up

9 Status: Sent  
2/7/2017 7:55:14 PM(UTC-9), - (Seth Lookhart)  
For example I had my first two sedations today Booked for 2 hours each. Both went on monitors as soon as they are

10 there. By the time they were pre-opd it and I had both IVs started and all drugs given and titrated it was about 30 min in

11 Status: Sent  
2/7/2017 7:55:25 PM(UTC-9), - (Seth Lookhart)  
Then I got one numb then the other.

12 Status: Sent  
Delivered: 2/7/2017 7:55:26 PM(UTC-9)  
2/7/2017 7:55:35 PM(UTC-9), - (Seth Lookhart)  
Let it set in for 5-10 min

13 Status: Sent  
2/7/2017 7:55:43 PM(UTC-9), -(Drew Solomon)  
how strict are you on NPO?

14 Status: Read  
2/7/2017 7:55:44 PM(UTC-9), - (Seth Lookhart)  
Went to do my hygiene exams

15 Status: Sent  
2/7/2017 7:56:16 PM(UTC-9), - (Seth Lookhart)  
So I didn't really start working until about 50 min after they were there

16 Status: Sent  
2/7/2017 7:56:26 PM(UTC-9), - (Seth Lookhart)  
Took it whizzies in about 5 min

17 Status: Sent  
2/7/2017 7:56:55 PM(UTC-9), - (Seth Lookhart)  
Then took the other 8 teeth in about 15 min and sat and taught the girl to stitch

18 Status: Sent  
2/7/2017 7:57:06 PM(UTC-9), - (Seth Lookhart)  
Then I just let their diprivan run out

19 Status: Sent  
2/7/2017 7:57:19 PM(UTC-9), -(Drew Solomon)  
you are so fast. that would take me 3 hours

20 Status: Read  
2/7/2017 7:57:24 PM(UTC-9), - (Seth Lookhart)  
And give Toradol and wait for them to wake up

21 Status: Sent  
2/7/2017 7:57:51 PM(UTC-9), - (Seth Lookhart)  
That's the beauty of sedation man. You're paid to be slow

22 Status: Sent  
2/7/2017 7:58:01 PM(UTC-9), -(Drew Solomon)  
well then watch out

23 Status: Read  
2/7/2017 7:58:09 PM(UTC-9), -(Drew Solomon)  
imma be the top dog in alaska

24 Status: Read

25

26

27

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**Department of Law, Criminal Division**

310 K Street Suite 601, Anchorage, AK 99501

Phone: (907) 269-6250 Fax: (907) 269-7939

Email: LawOSP@alaska.gov

1 2/7/2017 7:58:23 PM(UTC-9), - (Seth Lookhart)  
At the start I booked all sedations for 2.5 or 3 hours  
Status: Sent  
2 2/7/2017 7:58:36 PM(UTC-9), - (Seth Lookhart)  
And I would just get what we I could done in that time  
Status: Sent  
3 2/7/2017 7:59:37 PM(UTC-9), - (Seth Lookhart)  
Or sometimes when the Schedule isn't full at all. I'll make a deal with patients saying I'll do the rct and crown both for  
free  
4 Status: Sent  
2/7/2017 7:59:44 PM(UTC-9), - (Seth Lookhart)  
5 But you have to be sedated for 3 hours  
Status: Sent  
6 2/7/2017 7:59:49 PM(UTC-9), - (Seth Lookhart)  
And it had to be two appointments  
Status: Sent  
7 2/7/2017 8:00:17 PM(UTC-9), - (Seth Lookhart)  
So 6 hours of sedation. They get a free rct and crown and I get 4200 spread over two days  
Status: Sent  
8 2/7/2017 8:00:34 PM(UTC-9), -(Drew Solomon)  
lol  
Status: Read  
9 2/7/2017 8:00:52 PM(UTC-9), -(Drew Solomon)  
its crazy that medicaid will pay for sedation for whatever  
Status: Read  
10 2/7/2017 8:01:18 PM(UTC-9), -(Drew Solomon)  
how do you split up the 6 hours?  
Status: Read  
11 2/7/2017 8:01:27 PM(UTC-9), -(Drew Solomon)  
just do two stage endo for everyone?  
Status: Read  
12 2/7/2017 8:01:32 PM(UTC-9), - (Seth Lookhart)  
At the start I wouldn't be surprised if I drift back to that more simple to fill chairs  
Status: Sent  
13 2/7/2017 8:01:42 PM(UTC-9), - (Seth Lookhart)  
No I'd do the endo for 3 hours  
Status: Sent  
14 2/7/2017 8:01:50 PM(UTC-9), - (Seth Lookhart)  
Then do the crown the next day  
Status: Sent  
15 2/7/2017 8:02:42 PM(UTC-9), -(Drew Solomon)  
how do you make the crown procedure take that long?  
Status: Read  
16 2/7/2017 8:02:50 PM(UTC-9), - (Seth Lookhart)  
I don't  
Status: Sent  
17 2/7/2017 8:02:51 PM(UTC-9), -(Drew Solomon)  
seems like the assistants should be making the best temps ever  
Status: Read  
18 2/7/2017 8:03:00 PM(UTC-9), - (Seth Lookhart)  
I just keep them on the pump  
Status: Sent  
19 2/7/2017 8:03:16 PM(UTC-9), - (Seth Lookhart)  
They have a crazy long recovery  
Status: Sent  
20 2/7/2017 8:04:00 PM(UTC-9), - (Seth Lookhart)  
It is good time to train for sure  
Status: Sent  
21 2/7/2017 8:04:25 PM(UTC-9), -(Drew Solomon)  
so i can book someone for 3 hours for 2 wisdom teeth  
Status: Read  
22 2/7/2017 8:04:29 PM(UTC-9), -(Drew Solomon)  
then 3 hours for the other two  
Status: Read  
23 2/7/2017 8:05:56 PM(UTC-9), - (Seth Lookhart)  
Sure  
Status: Sent  
24 2/7/2017 8:06:12 PM(UTC-9), - (Seth Lookhart)  
But extracts I try to condense so you don't deal with limited opening and swelling

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1 Status: Sent  
2/7/2017 8:06:40 PM(UTC-9), -(Drew Solomon)  
why not book them a month apart  
2 Status: Read  
2/7/2017 8:06:52 PM(UTC-9), - (Seth Lookhart)  
You can  
3 Status: Sent  
2/7/2017 8:07:12 PM(UTC-9), - (Seth Lookhart)  
But wisdom teeth aren't the most pleasurable experience so you might have a bunch that don't come back  
4 Status: Sent  
2/7/2017 8:07:28 PM(UTC-9), - (Seth Lookhart)  
You're better off doing it with fillings  
5 Status: Sent  
2/7/2017 8:07:29 PM(UTC-9), -(Drew Solomon)  
true  
6 Status: Read  
2/7/2017 8:07:33 PM(UTC-9), - (Seth Lookhart)  
Or crowns  
7 Status: Sent  
2/7/2017 8:07:38 PM(UTC-9), -(Drew Solomon)  
i'm just not good at them  
8 Status: Read  
2/7/2017 8:07:42 PM(UTC-9), - (Seth Lookhart)  
Some avelo I take a long time  
9 Status: Sent  
2/7/2017 8:08:24 PM(UTC-9), -(Drew Solomon)  
so it sounds like you have time to take your time on procedures  
10 Status: Read  
2/7/2017 8:08:30 PM(UTC-9), -(Drew Solomon)  
but when i look at your schedule it looks slammed  
11 Status: Read  
2/7/2017 8:08:38 PM(UTC-9), -(Drew Solomon)  
i guess when everyone is asleep they dont care  
12 Status: Read  
2/7/2017 8:10:51 PM(UTC-9), - (Seth Lookhart)  
It's both man  
13 Status: Sent  
2/7/2017 8:11:34 PM(UTC-9), - (Seth Lookhart)  
It's slammed but I can take my time  
14 Status: Sent

16 The texts above came less than a month prior to the state executing the search  
17 warrant on Clear Creek Dental. Drew Solomon had already secured his license to  
18 practice dentistry in Alaska and is currently an enrolled provider for Alaska Medicaid.  
19 He arrived in Alaska and began practicing dentistry at Seth Lookhart's Muldoon location.  
20 As of the drafting of this probable cause statement, Seth Lookhart has been suspended  
21 from being a provider in the Alaska Medicaid program.

22  
23 *False Records – XVII*

24 Finally, in addition to some of the medical records that were falsified as described  
25 above, MFCU investigators have also found scenarios where recipients were not eligible  
26 to receive Medicaid services during the time frame when Lookhart performed dental

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1 services. In order to overcome the patient’s ineligibility, Lookhart’s clinic determined  
2 when the patient was actually eligible (in some cases it was an earlier date, in others it  
3 was a later date) and then they submitted the billing with a false date that fell within the  
4 term of the patient’s eligibility.

5  
6 **BAIL INFORMATION**

7 Neither Ms. Cranford nor Dr. Lookhart has any prior criminal convictions. The  
8 state is seeking a summons for Ms. Cranford’s appearance and bail may be set at that  
9 time. The state is seeking an arrest warrant for Dr. Lookhart because he has significant  
10 financial resources, has only been a resident of Alaska for 3 years, has significant family  
11 ties out of state, has a passport and contacts in Brazil and has traveled to Brazil in the  
12 previous two years, is believed to speak Portuguese, has business contacts in Dublin,  
13 Ireland and is facing very significant felony charges associated with fraud, deceit and  
14 conspiratorial conduct. Therefore, the state believes Dr. Lookhart poses a risk of flight  
15 and is requesting an arrest warrant setting significant cash bail amount and requiring Dr.  
16 Lookhart to surrender his passport, sign a waiver of extradition and remain in the state of  
17 Alaska. Also, the state requests a “no contact” order for Dr. Lookhart and Ms. Cranford  
18 and an order for both parties to not discuss the case with any of the potential witnesses –  
19 including all employees.

20 Dated at Anchorage, Alaska, this \_\_\_\_ day of April, 2017.

21 JAHNA LINDEMUTH  
22 ATTORNEY GENERAL

23 By: \_\_\_\_\_  
24 Paul J. Miovas  
25 Assistant Attorney General  
26 Alaska Bar No. 0808051