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

STATE OF ALASKA,

Plaintiff,

vs.

KATHY BATES
DOB: 10/28/1962
APSIN ID: 6859283
DMV NO.: 6859283 AK
ATN:

Defendant.

No. 3AN-19-_____CR (Kathy Bates)

INFORMATION

I certify this document and its attachments do not contain the (1) name of a victim of a sexual offense listed in AS 12.61.140 or (2) residence or business address or telephone number of a victim of or witness to any offense unless it is an address identifying the place of a crime or an address or telephone number in a transcript of a court proceeding and disclosure of the information was ordered by the court. The following counts charge a crime involving DOMESTIC VIOLENCE as defined in AS 18.66.990:

Count I - AS 47.05.210(a)(1)
Medical Assistance Fraud
Kathy Bates - 001

Count II - AS 47.05.210(a)(5)
Medical Assistance Fraud
Kathy Bates - 002

THE DISTRICT ATTORNEY CHARGES:

COUNT I

That in the Third Judicial District, State of Alaska, on or about October 2015 to January 2017, at or near Anchorage, KATHY BATES, knowingly submitted or authorized the submission of a claim to a medical assistance agency for property, services, or a benefit with

1 reckless disregard that the claimant is not entitled to the property, services, or benefit, and the
2 property, services or benefit was greater than \$500.

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 II**

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8 That in the Third Judicial District, State of Alaska, on or about October 2015 to January
9 2017, at or near Anchorage, KATHY BATES, knowingly made a false entry or falsely altered a
10 medical assistance record.

11 All of which is a Misdemeanor class A offense being contrary to and in violation of
12 47.05.210(a)(5) and against the peace and dignity of the State of Alaska.

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14 The undersigned swears under oath this Information is based upon a review of police
15 report 0685399 submitted to date.

16
17 This PCA fraud case arose from a tip given to the Medicaid Fraud Control Unit
18 (MFCU) on or about May 15th, 2018. PCAs, or Personal Care Assistants, are enrolled in
19 Medicaid as home- or community-based healthcare providers. The Alaska Medicaid Program
20 pays PCA agencies to provide services of daily living to senior or disabled Medicaid recipients,
21 which will allow Medicaid recipients to stay in their home rather than be placed in an assisted
22 living home type setting or other long-term care facility. Medicaid recipients are evaluated for
23 medical needs by an employee of the Department of Health and Social Services. The DHSS
24 evaluator decides on an appropriate number of hours and the types of services for the recipient to
25 receive home healthcare based on the recipient's individualized needs. The Medicaid recipient is
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1 then authorized to hire a PCA provider through a PCA agency to provide those home- or
2 community-based based healthcare services. The PCA provider, as an employee of the PCA
3 agency, fills out a timesheet for the work done over the course of specific day or week and both
4 the PCA provider and the recipient (or guardian/power of attorney) signs the timesheet. On the
5 timesheet, the PCA provider lists the specific activities they did that day, such as “dressing,”
6 “bathing,” “exercise,” etc. along with an associated number of hours that activity took to
7 complete. The PCA provider then submits the timesheet to the PCA agency. The PCA agency
8 in turn bills Medicaid for the work reflected on the PCA provider’s timesheet under a particular
9 code – typically code T1019. Medicaid pays approximately \$24 an hour to the PCA agency and
10 the agency must pay the PCA provider at least half of that amount.

12 Similarly, a Medicaid recipient can also be approved for chore and respite services,
13 with similar approval of hours and third party agencies coordinating those services. A PCA may
14 provide both PCA services and chore services for the recipient, often back-to-back in the same
15 day, and may fill out similar timesheets. The chore services timesheet includes services such as
16 “vacuum,” “laundry,” etc. The agency then uses those timesheets to bill Medicaid, typically
17 under code S5120. Medicaid pays approximately \$20 an hour to the PCA agency and the agency
18 in turn pays the PCA provider a portion of that amount.

20 This case arose when a member of the Department of Health and Social Services
21 (DHSS) reported to the MFCU that PCA Kathy Bates was claiming to work at several different
22 agencies doing several different jobs. Bates would file time sheets through the different agencies
23 wherein she claimed to work for the different agencies, doing different work at different
24 locations and for different patients around Anchorage, at the same time. This type of fraud is
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1 referred to as “overlap” fraud, because one timesheet will have timeframes that overlap with the
2 timeframes on other timesheets or other appointments.

3 The case was assigned to Inv. Christie Loughton with the MFCU. Inv. Loughton and
4 the tipster conferred and discovered that Bates was claiming to work for, other otherwise be
5 associated with, Consumer Direct, Alzheimer’s Resource of Alaska, the Arc of Anchorage,
6 Hearts and Hands of Care, Trinion Care Services, and the Child Care Assistance Program. There
7 were several days that showed overlap between the services Bates claimed to provide for
8 different clients at the different agencies located in different parts of Anchorage.
9

10 For example, on Dec. 10th, 2015, Bates completed a weekly signed and handwritten in-
11 home service/respice time sheet through Alzheimer’s Disease Resource Agency of Alaska for the
12 care of Patient 1, a handwritten chore/respice timesheet through Consumer Direct for care of
13 Patient 2, and a signed and handwritten time sheet through Consumer Direct for the PCA
14 services provided to Patient 3. Bates claims that she took care of Patient 3 from 3:00am-6:00am
15 and then from 5:00pm-7:00pm. That same day she claimed to have completed chore/respice for
16 Patient 2 from 7:30-9:30pm. She also wrote her in-home service/respice for Patient 1 through the
17 Alzheimer’s Disease Resource Agency for that same day from 4:30pm-8:30pm. Bates claimed
18 an overlap of time from 5:00-7:00pm from her hours between the patients. Another overlap
19 occurs between from 7:30-8:30pm between the patients. This is a calculated overlap of 3 hours.
20

21 As another example, on January 15th, 2017 Bates completed a weekly PCA timesheet
22 for her care of Patient 3 through Consumer Direct in addition to an electronic time sheet through
23 the Arc of Anchorage for Patient 4. Bates wrote that she provided PCA services to Patient 3
24 from 3:00am-11:00am and signed the timesheet. That same day, Bates inputted her time through
25 the electronic time software at the Arc of Anchorage. She entered that she provided services to
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1 recipient Patient 4 from 6:00am-2:00pm. Bates has an overlap of time from 6:00am-11:00am on
2 January 15th, 2017, for a total of 5 hours between the Arc of Anchorage and Consumer Direct.

3 Inv. Loughton observed that this pattern was consistent during the time period that she
4 focused on for this investigation, from October 2015 to January 2017. In total, Loughton
5 observed approximately 80 hours of overlap where Bates claimed to be in at least two places in
6 separate parts of Anchorage at the same time.

7
8 Bates billed, and was paid, well over \$500 for services that could not have physically
9 been provided because she could not have been in two places at the same time. Bates also made
10 false entry in medical assistance records by claiming to provide work in one or more of the
11 timesheets involved in each overlap occurrence.

12
13 BAIL INFORMATION

14 Per the Alaska Public Safety Information Network, the defendant has the following
15 convictions in Alaska:

16 No relevant criminal history.

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19 Dated at Anchorage, Alaska, this ____ day of February, 2019.

20
21 KEVIN G. CLARKSON
22 ATTORNEY GENERAL

23
24 By: _____
25 Eric Senta
26 Assistant Attorney General
27 Alaska Bar No. 1011091