



Missouri Attorney General  
**ERIC SCHMITT**

# Missouri Medicaid Fraud Control Unit

## MFCU TEAM

- 5 Attorneys
- 12 Investigators
  - Chief Investigator
  - Senior Investigator
  - Chief Auditor
- 2 Nurse Investigators
- 4 Support Staff
  - Evidence and Litigation Coordinator
  - IT Personnel
  - Administrative Secretary



# MISSION STATEMENT

The Mission of the Missouri Medicaid Fraud Control Unit (MFCU) is to serve the people of the State of Missouri by:

- Investigating and prosecuting **fraud by Medicaid providers**. This includes the identification and recovery of monies paid to providers as the result of fraudulent activities.
- Investigating and prosecuting persons who **physically or financially abuse, neglect or exploit** those persons who reside at nursing homes or board and care facilities.
- Identifying and pursuing **civil remedies** against Medicaid providers who engage in conduct which results in loss to the Medicaid program through deceptive practices which violate federal and state laws and/or regulations. This includes participation with other state MFCUs, the National Association of Medicaid Fraud Control Units (NAMFCU) and other entities in investigating and bringing civil action against Medicaid providers who engage in such practices.
- Cooperating and assisting federal investigatory agencies and prosecutors who are investigating and/or prosecuting providers who have committed health care fraud.

# MEDICAL PROVIDERS

- Doctors
- Nurses
- CNAs
- Dentists
- Counselors
- Therapists
- Facilities
- Anyone paid by Medicaid



# GENERAL REFERRALS

Offenses investigated and prosecuted (or referred for prosecution) by the MFCU include:

- Fraud in the administration of the Medicaid Program
- Fraud in the provision of medical assistance
- Fraudulent activities of providers under the program
- Patient abuse or neglect in health care facilities or programs receiving Medicaid funding
- Exploitation of Medicaid recipient funds

# MFCU PROCESS

- Once the referral is submitted, MFCU decides if it is appropriate to open into a case OR if it needs to be referred to another entity OR **BOTH**.
- Once a case is opened, it is assigned to at least one investigator and attorney within MFCU. The investigator(s) and attorney(s) work as a team to decide how best to work the case.
- Investigators collect necessary records and conduct interviews, to build the case.
- Case filing/Plea deal/Trial (if necessary)



## ABUSE, NEGLECT & EXPLOITATION

- Abuse: the infliction of **physical, sexual or emotional harm or injury**. “Abuse” includes the taking, obtaining, using, transferring, concealing, appropriating or taking possession of property of another person without such person's consent
- Neglect: the **failure to provide**, by those responsible for the care, custody, and control of a resident in a facility, the **services which are reasonable and necessary** to maintain the physical and mental health of the resident, when such failure presents either an imminent danger to the health, safety or welfare of the resident or a substantial probability that death or serious physical harm would result
- Financial exploitation: a person **obtains control over the property** of an elderly or disabled person with the intent to permanently deprive the elderly or disabled person of it thereby benefiting the offender or detrimentally affecting the victim

## METCALF CASE

- Kristi Metcalf was in charge of petty cash in a nursing home
- An audit discovered that many non-cognitive residents were withdrawing cash



# METCALF CASE

DATE	DESCRIPTION	AMOUNT	ACCOUNT	UNIT	TRUST
02/01/12	INTEREST PAID	0.00	0.39 8E351P 14569	1	2000032033027 2026
02/03/12	US TRSRY 110XXSOC SE	587.00	0.39 40201	0	
02/03/12	CARE COST AUTO WDL	547.00	587.39 20203	0	
02/09/12	rent rebete	581.00	40.39 20203	0	2000027729025
02/10/12	PERSONAL NEEDS ITEMS	25.00	621.39 3A0788 564	5	
02/14/12	PERSONAL NEEDS ITEMS	25.00	596.39 8D855P 14579	17	2000032033027 2039
02/14/12	PERSONAL NEEDS ITEMS	25.00	571.39 8D825P 14580	4	2000032033027 2042
02/15/12	PERSONAL NEEDS ITEMS	25.00	546.39 8D825P 14580	7	2000032033027 2042
02/15/12	PERSONAL NEEDS ITEMS	25.00	521.39 8D711P 14581	10	2000032033027 2044
02/21/12	INTEREST PAID	0.00	496.39 8D711P 14581	12	2000032033027 2044
02/21/12	PERSONAL NEEDS ITEMS	25.00	496.39 40221	0	
02/22/12	PERSONAL NEEDS ITEMS	25.00	471.39 8G750P 14583	22	2000032033027 2046
02/23/12	PERSONAL NEEDS ITEMS	25.00	446.39 8D494P 14584	8	2000032033027 2047
02/24/12	PERSONAL NEEDS ITEMS	25.00	421.39 8C956P 14585	2	2000032033027 2048
02/27/12	PERSONAL NEEDS ITEMS	25.00	396.39 8D239P 14586	9	2000032033027 2049
02/28/12	PERSONAL NEEDS ITEMS	25.00	371.39 8D232P 14587	4	2000032033027 2050
03/01/12	INTEREST PAID	0.01	346.39 8C949P 14588	18	2000032033027 2052

**RESIDENT TRUST TRANSACTION SLIP**

DATE: 2-9-10      PC: [REDACTED]

RECORD NUMBER: [REDACTED]

Resident Number: [REDACTED]      COMPUTER:

Resident's Name (please print): [REDACTED]

Description: Personal      Amount: 25

Resident's Signature: [REDACTED]

Custodian: [REDACTED]      Witness: [REDACTED]

*K. Metcalf*

\*Additional Witness Signature required if resident signs with "X"  
NH-AR-10004-1.1

# METCALF CASE

- Prison Sentence
- Receiving Stolen Property: 10 years
- Abuse of a Health Care Recipient >\$500: 7 years
- Restitution: \$44,561.00
- Costs: \$15,370.68

# HALTER CASE

- The Halters ran an RCF.
- Convinced a disabled veteran to pay in advance for rent so they would have the money to build a new facility.
- Submitted claims for nurse visits that didn't happen.



# HALTER CASE

**FEDERAL FIDUCIARY AGREEMENT**

STATEMENT OF UNDERSTANDING

1. I UNDERSTAND THE "INFORMATION FOR FIDUCIARY" ON PAGE 4 OF THIS FORM.

2. I UNDERSTAND THAT FUNDS ARE TO BE USED FOR THE BENEFICIARY AND HIS/HER RECOGNIZED DEPENDENT, IF APPLICABLE. I UNDERSTAND THAT I CANNOT BORROW, LOAN, OR GIFT FUNDS BELONGING TO THE BENEFICIARY.

3. CHANGE IN INCOME OR DEPENDENTS

4. REHABILITATION OR HOSPITALIZATION IN A VA OR STATE FACILITY

5. DEATH OF THE BENEFICIARY OR DEPENDENT OF THE BENEFICIARY

6. I UNDERSTAND THAT I MUST FURNISH TO A PROPERLY TITLED BANK ACCOUNT ALL FUTURE BENEFICIARY'S WAGES BY YOUR NAME, FEDERAL SOCIAL SECURITY

7. I UNDERSTAND THAT ANY DEBIT/CHECKS SHALL BE THE BENEFICIARY'S FUNDS BE COMMINGLED WITH EITHER MY OR ANYONE ELSE'S FUNDS

8. I UNDERSTAND THAT ALL CHECKS/DEBITS ARE TO BE MADE BY CHECK OR ELECTRONIC PAYMENT FROM THE CUSTOMER BANK ACCOUNT. NO CHECKS ARE TO BE WRITTEN FOR SIGHT-PAYING CHECKS/PAYMENTS, NO DEBIT/CHECKS.

9. I UNDERSTAND THAT I MUST KEEP ACCURATE, COMPLETE RECORDS AND RECEIPTS RESPONSIBLE IF I AM REQUIRED TO SUBMIT PERIODIC ACCOUNTING.

10. I UNDERSTAND THAT I AM REQUIRED TO COMPLETE PERIODIC ACCOUNTING. THE FIRST ACCOUNTING IS DUE ON \_\_\_\_\_

11. I UNDERSTAND THAT I MUST STRICTLY ADHERE TO THE "TRUST UNDER AGREEMENT" ON PAGE 4 OF THIS FORM. ANY VIOLATION MUST BE APPROVED IN WRITING BY THE FIDUCIARY.

12. I UNDERSTAND THAT IF I RECEIVE A ONE-TIME OR RETROACTIVE PAYMENT OF \$1,000 OR GREATER ON BEHALF OF THE BENEFICIARY, I MUST CONSIDER THE PAYMENT UNLESS I OBTAIN PRIOR APPROVAL FROM THE FIDUCIARY.

13. I UNDERSTAND THAT I AM NOT REQUIRED TO PROVIDE A SURETY BOND IN THE AMOUNT OF \$ \_\_\_\_\_

14. I UNDERSTAND THAT I WILL BE FULLY RESPONSIBLE FOR VIOLATION OF THE BENEFICIARY'S FIDUCIARY (I DO NOT ADMITTING TO THESE REQUIREMENTS)

15. I UNDERSTAND THAT I AM NOT GUARANTY OF ANY TIME FOR WHICH I AM FIDUCIARY. ASSET INFORMATION FROM THE FINANCIAL INSTITUTIONS FOR ALL ACCOUNTS ON BEHALF OF THE BENEFICIARY.

Donal E. Halter 9-18-12  
Christina Halter 11/19/12

**1 Year Rent Contract**

Park Hills Manor LLC

I, [Redacted], agree to pay one year in advance for my room at Park Hills Manor LLC in the amount of \$60,000. I understand that if I decide to move out or receive a 30 day notice (due to my behavior) before my year is up that I [Redacted] will not receive a refund. By signing this contract I am stating that I am my own guardian and I fully understand the contract that I am signing.

Print: [Redacted] Signature: [Redacted]

Witness: Amy G. Wilson Date: 11/19/2012

Owners of Park Hills Manor LLC:  
Donald E. Halter Owner  
Christina Halter Owner

# HALTER CASE

- Prison Sentence: 30 Years
  - Medicaid Fraud: 7 years
  - Obstruction of a Medicaid Fraud Investigation: 1 year
  - Financial Exploitation: 30 years
  - Financial Exploitation: 30 years
  - Failure to file Income Taxes: 5 years
  - Failure to pay Income Taxes: 5 years
  - Attempting to Evade Income Taxes: 5 years

# HALTER CASE

– Financial Penalties:	
– Medicaid Fraud Restitution:	\$28,273.70
– Medicaid Fraud Damages:	\$84,821.10
– Medicaid Fraud Penalties:	\$5,195,000.00
– Income Tax:	\$19,152.00
– <b>TOTAL PENALTIES:</b>	
	<b>\$5,327,606.80</b>

## Other Examples

- Drug Diversion: Nurse stole medications from a resident in a facility.
- Adult Day Care: Facility billed Medicaid for services that were not provided.
- Individual Specialized Living: Staff allowed resident to get a stage IV pressure ulcer and did not properly treat or report it. Staff did not provide proper hygiene, allowing resident to suffer physically and emotionally.
- Group Homes: Staff struck a resident. Staff stole resident's money or belongings.
- Skilled Nursing Facility: Nurse did not follow physician's orders or care plans, overmedicating resident and improperly restraining them, resulting in harm.

## IF YOU'RE ALREADY REPORTING TO ONE AGENCY, WHAT IS ONE MORE CALL?

- Missouri Medicaid Fraud Control Unit
- MFCU Hotline

**1-800-286-3932 or 573-751-0710**

<https://ago.mo.gov> - search Medicaid Fraud

*Let Us Help!*



