State of Alaska
Department of Law

Press Release

1.2 Million Dollars in Restitution Ordered in Medicaid Case against Good Faith Services

December 1, 2014

The State of Alaska, Department of Law, Medicaid Fraud Control Unit (MFCU) announced today that Good Faith Services, LLC (Good Faith) entered a plea of guilty to a single count of Medical Assistance Fraud on Friday, November 28, 2014.

Good Faith was a personal care agency that provided Medicaid personal care, transportation and care coordination services to eligible Medicaid recipients. In July 2013, the MFCU announced the filing of criminal charges against twenty-five Anchorage based personal care attendants (PCA) and Medicaid recipients as part of an ongoing state and federal investigation into Medicaid fraud by the employees, PCAs and recipients associated with Good Faith. Since July 2013, the state filed criminal charges for medical assistance fraud on 53 individuals associated with Good Faith, including thirteen of the sixteen office staff. The MFCU investigation revealed that ten full time office employees billed Medicaid $394,257 for services they claimed to be providing while simultaneously working in the office. The information filed further alleges that Good Faith billed Medicaid a total of $1,033,673.83 for Medicaid services provided by PCAs prior to the PCA receiving a valid background check in violation of Alaska Administrative Regulations.

The plea agreement calls for Good Faith to be sentenced to a single count of medical assistance fraud, a class B felony offense, and to pay a fine of $300,000 and restitution in the amount of $1.2 million dollars. The corporation must be permanently dissolved and provide a declaration to the federal Department of Health and Human Services, Office of Inspector General, that the corporation will no longer be providing Medicaid services.

Agnes Francisco, 55, of Anchorage, Alaska and one of the owners of Good Faith also entered a plea of guilty to a single count of attempted medical assistance fraud, a class C felony. The plea agreement provides that the court will determine Francisco's sentence, but the court must find the aggravator that Francisco's conduct was designed to obtain a substantial pecuniary gain with a low risk of prosecution and punishment. This aggravator will allow the court to impose a period of incarceration up to five years, which is above the presumptive range of 0-2 years. The court may also impose a fine of up to $50,000. Francisco's sentencing is scheduled for March 31, 2015.

Anchorage Adult Day Services also entered a plea of guilty at the same time to a single count of medical assistance fraud, a class B misdemeanor. The entity was charged with medical assistance fraud for allowing Francisco's son, Philip Francisco, to work for the business without a valid background check. The entity will pay a fine of $20,000 and will be permanently suspended from providing Medicaid services.

The case against Good Faith was initiated by a citizen complaint and jointly investigated by the Alaska Department of Law, Medicaid Fraud Control Unit, the Department of Health and Social Services, the federal Department of Health and Human Services, Office of Inspector General, the FBI and Immigration and Customs Enforcement.

The Alaska MFCU is part of the Attorney General's Office. The MFCU is responsible for investigating and prosecuting Medicaid fraud and abuse, neglect or financial exploitations of patients in any facility that accepts Medicaid funds. The information filed by the Department of Law can be found on the MFCU website.

CONTACT: Assistant Attorney General Andrew Peterson at 907-269-6292. For more information about these cases or other cases handled by the Alaska MFCU, go to the MFCU website.

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Alaska Dispatch News

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Home > Four months in jail for Mat-Su center owner charged with Medicaid fraud

Zaz Hollander [1]
April 8, 2015

WASILLA -- The owner of a Wasilla center for the disabled was sentenced Thursday to four months in jail and more than $1.6 million in restitution for criminal Medicaid fraud charges linked to altered medical records.

The hefty sentence comes as the Alaska Legislature grapples with Gov. Bill Walker's proposal to expand Medicaid in the state.

Laura Sasseen, 58, was sentenced as part of a plea deal approved Thursday afternoon in Anchorage District Court.

Sasseen owns Mat-Su Activity and Respite Center LLC, a now-shuttered facility known as "MARC" along the Palmer-Wasilla Highway. The center served 29 developmentally disabled clients with jobs, day activities and caregiver support.

It employed more than 100 people before it closed in June 2014 amid the state investigation.

In September, the state's Medicaid Fraud Control Unit charged Sasseen and the center with felony charges of falsifying business records and misdemeanor charges of medical assistance fraud.

Sasseen is scheduled to start her jail time in May. Her sentence was actually for 360 days, but with 240 suspended.

The agreement calls for Sasseen to pay more than $1.628 million in restitution to the state Medicaid program, according to assistant attorney general Andrew Peterson, who directs the state's Medicaid Fraud Control Unit. The figure represents a state estimate of MARC's improper billing to Medicaid for services without proper documentation to back it up.

The plea agreement also requires Sasseen pay a $5,000 fine and do 160 hours of community service. She'll be banned from billing Medicaid for 10 years, and the commissioner of health and social services could extend that period for another 10 years.

The restitution is "one of the larger" amounts a judge has ordered for Medicaid fraud, Peterson said, adding the sentence for the misdemeanor plea deal matched that of a felony conviction.

Records were primarily altered to show an increase in the services the agency claimed to have provided, the state says.

"Instead of taking responsibility, she chose to alter medical records to financially better herself," he said Thursday by phone. "She hurt a lot of people. The business shut down. All the recipients went to other locations. There were significant consequences based on her financial actions."

Sasseen's attorney, Richard Payne in Wasilla, couldn't immediately be reached for comment.

Interviewed briefly the day she closed the center last summer, Sasseen said the state owed her $300,000 in Medicaid payments and blamed her financial woes on the glitch-plagued Medicaid payment system.

The problems at the Mat-Su center came to light after the state notified Sasseen in 2012 that her business had been selected for a Medicaid audit. Peterson said the state audits about 75 providers a year.

Auditors noted modified documents; one former employee told investigators about "white-out changes" to case notes and timesheets.

The audit ultimately turned up $37,000 in alterations to selected medical records from 2009 and 2010, Peterson said. That amounted to $280,000 in overpayment when extrapolated to all the cases the center handled in that two-year period.

Sasseen also agreed to give up her right to administratively challenge the audit findings in the plea deal.

The case was investigated jointly by the Alaska Department of Law, Alaska State Troopers and the Department of Health and Social Services.

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