



March 9, 2017

Assisted Living Home Owner, Three Managers and Corporation Indicted for Defrauding the Alaska Medicaid Program

Yesterday, a grand jury in Anchorage indicted 75 year old Margret Williams of Anchorage, owner of Flamingo Eye, LLC Assisted Living Home on three felony counts of Medical Assistance Fraud, one count of Scheme to Defraud, and one count of Evidence Tampering. The grand jury also indicted 45 year old Donald Kallon of England, 34 year old Princess Turay of Anchorage, and Flamingo Eye, LLC on the same five counts. Fifty-eight year old Wilson Esapa of Anchorage was indicted on a single count of evidence tampering. The above individuals were also alleged to have committed numerous misdemeanor offenses for knowingly falsifying medical records.

Williams and Flamingo Eye, LLC owned and operated an agency certified and enrolled by the Department of Health and Social Services (DHSS) to provide services under the Alaska Medicaid Program. The business owned by Williams had several Assisted Living Homes in the Anchorage area and was approved to provide services designed to assist individuals to gain or maintain skills to continue living in the community as independently as possible. DHSS determines a recipient's needs and then authorizes the certified agency to provide these services through a plan of care. Services are provided in an assisted living home, a private residence, or in the community depending on the service type. Since 2012, Williams billed the Alaska Medicaid program over \$8 million dollars for Home and Community Based Waiver services.

Williams and the above individuals are alleged to have billed the Alaska Medicaid Program for providing individual one on one services to Medicaid recipients when the services were actually provided in a group setting or not at all. Services authorized in the plans of care included Day Habilitation and Supported Living. Home and Community Based Waiver service providers such as Flamingo Eye, LLC are responsible for assisting individuals with skill development according to the plan of care, documenting progress towards habilitation goals, and submitting claims to Medicaid for services as authorized and rendered. Rates for the services pay at a higher rate when delivered one to one as opposed to a group setting. In total, Williams and the above individuals are alleged to have billed Medicaid approximately \$1,159,962.45 for services not rendered in the manner required under the recipient's individual plan of care.

The medical assistance fraud and scheme to defraud charges carry a possible sentence of up to 10 years in prison, a fine of up to \$100,000 and restitution to the State of Alaska Medicaid

program for the individual defendants and a fine of up to \$2,500,000 for Flamingo Eye, LLC. The evidence tampering charge carries a possible sentence of up to 5 years in prison, a \$50,000 fine and restitution to the State of Alaska Medicaid program for the individuals and a fine of up to \$2,500,000 for Flamingo Eye, LLC. The misdemeanor medical assistance fraud offenses carry a possible sentence of up to 30 days in jail, a fine of up to \$25,000 and restitution to the Alaska Medicaid program for the individuals and a possible fine of up to \$500,000 for Flamingo Eye, LLC.

All of the charges discussed herein are merely allegations and are not evidence of guilt. All of the defendants are presumed innocent. All of the defendants are entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

CONTACT: Assistant Attorney General Eric Senta at (907) 269-6462 or eric.senta@alaska.gov at the Office of Special Prosecutions. Copies of the information filed in this case and other matters handled by the Alaska Medicaid Fraud Control Unit can be found at <http://www.law.state.ak.us/departments/criminal/mfcu.html>

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