

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

STATE OF ALASKA, )  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 BARBARA JEAN KANEHAILUA, )  
 DOB: 2/17/1958 )  
 APSIN ID: 7210760 )  
 DMV NO. 7134304 AK )  
 ATN: 107-504-685 )  
 )  
 Defendant. )  
 )  
 \_\_\_\_\_ )  
 Case No. 3AN-13- CR.

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)Fel B  
Medical Assistance Fraud  
Barbara Jean Kanehailua - 001

Count II - AS 47.05.210(a)(5) Misd A  
Medical Assistance Fraud  
Barbara Jean Kanehailua - 002

THE OFFICE OF SPECIAL PROSECUTIONS AND APPEALS CHARGES:

**Count I**

That on or about January 2011 through April 2013, at or near Anchorage in the Third Judicial District, State of Alaska, BARBARA JEAN KANEHAILUA, knowingly submitted or authorized the submission of a claim to a medical assistance

agency for property, services, or a benefit with reckless disregard that the claimant is not entitled to the property, services, or benefit.

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

### **Count II**

That on or about January 2011 through April 2013, at or near Anchorage in the Third Judicial District, State of Alaska, BARBARA JEAN KANEHAILUA, knowingly made a false entry or falsely altered a medical assistance record.

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

### **Probable Cause Statement:**

The undersigned swears under oath this Information is based upon a review of the Medicaid Fraud Control Unit (MFCU) investigative report submitted to date. In February 2013, MFCU received a fraud referral from Lynne Keilman-Cruz, RN of the Division of Senior and Disability Services (DSDS) with the Department of Health and Social Services (DHSS). The referral provided that residents of Chugach Manor and Chugach View apartments located in Anchorage reported being solicited for and pressured to accept personal care attendant (PCA) services by a Good Faith Services, LLC (Good Faith) employee.

PCAs are home based healthcare providers that the Alaska Medicaid Program pays to provide services which will allow Medicaid recipients to stay in their home rather than be placed in a nursing home type setting. Medicaid recipients are evaluated for their healthcare needs and a PCA is then hired by the recipient to provide those needs in the recipient's home. The PCA fills out a timesheet for the work done and submits it to a PCA agency that in turn bills Medicaid. Medicaid pays approximately \$24 an hour to the agency and the agency must pay the PCA at least half of that amount.

In February and March of 2013, DHSS employees identified a number of individual PCAs that were standouts with respect to the amount of money billed to Medicaid for providing PCA services. A review of Kanehailua's Department of Labor and Workforce Development record revealed that she was working for seven different companies between January 2011 and December 2012 and was paid a total of \$275,229.78 in wages over a two year period for providing PCA services.

MFCU investigators interviewed Kanehailua regarding her work as a PCA. Initially Kanehailua stated that she only cared for three recipients. Kanehailua admitted to working hard, but stated that she always took Thursday and Friday off, normally worked only 16 hours per day and rested from 4-6 hours nightly.

Medicaid data indicated that Kanehailua was providing care for a total of nine different Medicaid recipients including one recipient at four different companies. An audit of Kanehailua's billing revealed that in 2011 she billed Medicaid for working in excess of 24 hours in a single day on 18 different days for a total of \$423.30. Kanehailua accelerated her billing practices in 2012 by billing Medicaid for working in excess of 24 hours on 259 different days, with the most egregious amount totaling 42 hours in a single day on May 7, 2012. Kanehailua billed Medicaid for working 311 days in 2012 with an average of 29 hours per day. In total, Kanehailua billed Medicaid \$34,731 in 2012 for hours in excess of 24 hours in a single day. In 2013, Kanehailua billed Medicaid for a total of 104 days between January 1, 2013 and May 15, 2015. Kanehailua billed Medicaid for working in excess of 24 hours on 13 days resulting in her billing Medicaid \$1,546.89 for hours she never worked.

The MFCU audit of Kanehailua's timesheets also revealed that she had significant overlapping time for hours billed. A total of 40% of Kanehailua's billing from January 2011 through April 2013 consisted of overlapping hours resulting in Medicaid paying \$94,339.44 for services not provided based upon the lowest published PCA billing rate. The overlapping hours include the time that Kanehailua billed in excess of 24 hours in a day.

Kanehailua was asked during her interview to explain how she was able to work in excess of 24 hours in a single day. Kanehailua was initially unable to explain how she could bill so many hours in a single day, but did admit that she was not providing all the services that she was billing Medicaid for providing. Kanehailua later admitted that she would bill for multiple recipients simultaneously or bill the maximum allowed time even if she did not work all the hours. Kanehailua admitted to splitting her pay with one recipient as opposed to actually providing the recipient with services. Kanehailua also claimed that she hired another person to work some of her shifts, but she was unable to provide investigators with the other person's name.

Dated at Anchorage, Alaska, this \_\_\_\_ day of October, 2013.

MICHAEL C. GERAGHTY  
ATTORNEY GENERAL

By: \_\_\_\_\_  
A. Andrew Peterson  
Assistant Attorney General  
Alaska Bar No. 0601002

SUBSCRIBED AND SWORN TO before me this \_\_\_\_ day of  
October 2013, at Anchorage, Alaska.

Notary Public in and for Alaska  
My Commission Expires: End of Hire