

Department of Law, Criminal Division
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1 IN THE DISTRICT COURT FOR THE STATE OF ALASKA
2 THIRD JUDICIAL DISTRICT AT ANCHORAGE

3 STATE OF ALASKA,

4 Plaintiff,

5 vs.

6 DANIEL HO HYUN BAEK

7 DOB: 05/05/1929

8 APSIN ID: 7635149

9 DMV NO.: 7398340

10 ATN: 114356808

11 KYOUNG YOI LEE

12 DOB: 04/19/1960

13 APSIN ID: 7119854

14 DMV NO.: 7068519 AK

15 ATN: 114356799

16 Defendants.

FILED in the TRIAL COURTS
STATE OF ALASKA, THIRD DISTRICT

JUN 10 2015

Deputy

Deputy

COPY

Case No. 3AN-15-5095 CR.

Case No. 3AN-15-5096 CR.

17 COMPLAINT

18 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)
19 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:

20 Count I - 47.05.210(a)(1)

21 Medical Assistance Fraud

22 Kyoung Yoi Lee - 001, Daniel Ho Hyun Baek - 001

23 Count II - 47.05.210(a)(5)

24 Medical Assistance Fraud

25 Kyoung Yoi Lee - 002, Daniel Ho Hyun Baek - 002

26 Count III - 11.46.150

27 Theft In The Fourth Degree

Daniel Ho Hyun Baek - 003

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15-5096CR

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Count IV - 11.46.150
Theft In The Fourth Degree
Daniel Ho Hyun Baek - 004

Count V - 11.46.150
Theft In The Fourth Degree
Daniel Ho Hyun Baek - 005

THE COMPLAINANT CHARGES:

COUNT I:

That in the Third Judicial District, State of Alaska, on or between February 4, 2013 and July 14, 2014, at or near Anchorage, KYOUNG YOI LEE and DANIEL HO HYUN BAEK, 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 Felony class C offense being contrary to and in violation of 47.05.210(a)(1) and against the peace and dignity of the State of Alaska.

COUNT II:

That in the Third Judicial District, State of Alaska, on or between February 4, 2013 and July 14, 2014, at or near Anchorage, KYOUNG YOI LEE and DANIEL HO HYUN BAEK, knowingly made a false entry or falsely altered a medical assistance record.

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

COUNT III:

That in the Third Judicial District, State of Alaska, on or about July 16, 2014, at or near Anchorage, DANIEL HO HYUN BAEK, with intent to deprive another of property or to appropriate property of another to oneself or a third person, the person obtained the property of another and the value of the property is less than \$50.

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1 All of which is a Misdemeanor class B offense being contrary to and in violation of
2 11.46.150 and against the peace and dignity of the State of Alaska.

3
4 COUNT IV:

5 That in the Third Judicial District, State of Alaska, on or about August 1, 2014, at
6 or near Anchorage, DANIEL HO HYUN BAEK, with intent to deprive another of property or to
7 appropriate property of another to oneself or a third person, the person obtained the property of
8 another and the value of the property is less than \$50.

9 All of which is a Misdemeanor class B offense being contrary to and in violation of
10 11.46.150 and against the peace and dignity of the State of Alaska.

11 COUNT V:

12 That in the Third Judicial District, State of Alaska, on or about August 1, 2014, at
13 or near Anchorage, DANIEL HO HYUN BAEK, with intent to deprive another of property or to
14 appropriate property of another to oneself or a third person, the person obtained the property of
15 another and the value of the property is less than \$50.

16 All of which is a Misdemeanor class B offense being contrary to and in violation of
17 11.46.150 and against the peace and dignity of the State of Alaska.

18
19 The undersigned swears under oath this complaint is based upon the following
20 probable cause statement:

21 **Probable Cause Statement:**

22 1. Your affiant, Investigator Lance Anderson is an investigator with the Alaska
23 Medicaid Fraud Control Unit (MFCU), Office of Special Prosecutions, of the State of
24 Alaska, Department of Law, in Anchorage, Alaska state on oath that this complaint is based
25 upon Affiant's review of Medicaid billing documentation, Affiant's own investigation and
26 the review of investigative reports by Lynne Keilman-Cruz, Chief of Quality Assurance
27 with the Department of Health and Social Services (DHSS) Senior and Disabilities Services

1 (SDS) Investigator James Drayton with SDS, Investigator Theresa Rosso with SDS, Office
2 of Inspector General (OIG) Agent Therese Kim Vu and Investigator Richard Mays with the
3 Oregon MFCU. Your affiant is a criminal investigator with the Alaska MFCU since August
4 2012. I am assigned to conduct criminal investigations of health care providers enrolled in
5 the Alaska Medicaid Program, which is managed by DHSS. Such investigations may
6 pertain to property crimes ranging from medical assistance fraud, falsification of business
7 records, forgery, theft and schemes to defraud; crimes against persons such as endangering
8 the welfare of a vulnerable adult, reckless endangerment, assault and complaints of abuse or
9 neglect against patients residing in health care facilities which receive Medicaid funding;
10 and complaints of theft or embezzlement of patient's private funds in these facilities. The
11 MFCU is also charged, by law, with investigating fraud at any level in the administration of
12 the program. Prior to this employment, your affiant was a police officer for approximately
13 32 years with Boise Police Department serving the last 27 years in detectives.

14 2. The MFCU is conducting a joint State and Federal investigation into
15 fraudulent Medicaid billing by Personal Care Attendants (PCA) associated with PCA
16 Agency C Care Services. PCAs are enrolled in Medicaid as home based healthcare
17 providers. The Alaska Medicaid Program pays PCAs to provide services of daily living to
18 Medicaid recipients, which will allow Medicaid recipients to stay in their home rather
19 than be placed in an assisted living home type setting. Medicaid recipients are evaluated
20 for medical needs by an employee of DHSS and the recipient is then authorized to hire a
21 PCA to provide home based healthcare services. The PCA fills out a timesheet for the
22 work done and submits it to a PCA agency that in turn bills Medicaid. Medicaid pays
23 approximately \$24 an hour to the agency and the agency must pay the PCA at least half
24 of that amount.

25 3. On June 30, 2014, DHSS received information that several Medicaid
26 recipients living in the same building were receiving Medicaid services that they did not
27 need and involved in a scam to bill Medicaid for services never rendered. The informant

1 told investigators that Medicaid recipient Baek told the informant that receiving PCA
2 services was a good way to make extra money and that Baek claimed to receive money
3 for getting PCA services. The informant also alleged that Baek was healthy and strong
4 and did not need PCA services. SDS investigators initiated an investigation into recipient
5 D.B. based upon the information received. Baek resides in a Senior Housing Community
6 that maintains security videos of all of the entrances and floors.

7 4. SDS investigators reviewed Baek's most recent assessment which was
8 conducted on November 5, 2013. Baek was observed to move slowly with a cane for
9 assistance and reported left joint shoulder pain and a poor range of motion. Baek claimed
10 to need assistance dressing, using the toilet, bathing and hygiene. Based upon his
11 assessment, Baek was authorized to receive 16.75 hours of weekly assistance with
12 transferring, dressing, toileting, bathing, light and main meal preparation, shopping,
13 housework and laundry.

14 5. On July 14, 2014, Investigators Rosso and Drayton observed Baek walk
15 independently without assistance, board a bus and make a transfer by reaching his hand
16 above his head to pull the cord and carry a backpack over his left shoulder all without
17 assistance. On July 16, 2014, Investigators Keilman-Cruz, Rosso and Drayton observed
18 Baek board a bus for the Dimond Center, make a transfer and then walk from the Dimond
19 Center to Value Village located across the street all without assistance. Video
20 surveillance shows Baek entering the store and shopping, trying on clothing and pushing
21 a shopping cart all without assistance. Investigator Rosso then observed Baek putting a
22 pair of soccer shoes and several t-shirts into his backpack and then exit the store without
23 paying for the items.

24 6. On July 29, 2014, Investigators Keilman-Cruz and Kurth interviewed Baek
25 for a quality control check with his PCA client manager and translator Frank Woo
26 present. Baek was in his pajamas, seated on the couch with a cane next to him. Baek
27 claimed he could only raise his left arm to his shoulder level due to pain and weakness.

1 Baek told investigators that he could not go outside of his apartment unassisted without
2 his PCA and he uses his walker or cane. Baek said he had only left his apartment twice
3 in the last two weeks. Baek also asked the investigators for an increase in his PCA hours.

4 7. On August 1, 2014, Investigator Rosso again observed Baek take the bus
5 from the downtown transit center to the Dimond Center. Rosso observed Baek walk
6 across the street unassisted from the Dimond Center to Value Village on Dimond
7 Boulevard. Rosso observed Baek take an electric rice cooker off of the shelf, test the
8 buttons and then put the cooker into his backpack. Baek then began trying on clothing by
9 reaching to upper racks to grab items with no observed limitations. Rosso then observed
10 Baek leave the store without paying for the rice cooker. Baek then walked next door to
11 the Salvation Army where he tried on a hooded jacket. Baek walked around the store
12 with the jacket on for about 10 minutes and then left the store without paying for the
13 jacket.

14 8. Medicaid records revealed that Baek was receiving PCA services from
15 Kyoung Yi Lee. Investigator Drayton secured a copy of the security video with footage
16 of the hallway outside the door leading to Baek's residence. A review of the footage
17 from June 8, 2014 through July 14, 2014 showed Baek coming and going from his
18 apartment carrying groceries, laundry and garbage without assistance. The video
19 surveillance also showed that Lee did not visit Baek's residence during the dates
20 reviewed.

21 9. A review of timesheets submitted to Medicaid by Lee for the time period
22 June 8, 2014 through July 14, 2014 revealed that Baek and Lee both signed the
23 timesheets attesting that Lee was providing daily Medicaid services to Baek. The
24 submitted timesheets stipulated that Lee was providing daily services to Baek in his
25 residence to include bathing, dressing, transfer, meal preparation, toileting, shopping,
26 meal preparation and light housework.

27

1 10. Baek was interviewed regarding the services Lee alleged to be providing
2 him and he indicated that he thought Lee was on vacation during this time. Baek also
3 indicated that Frank Woo, came to his residence during the time in question and asked
4 him to sign timesheets and gave D.B. \$200 in cash. A review of the surveillance video
5 revealed that Frank Woo did in fact come to the residence. A review of Xerox Medicaid
6 billing data revealed that Lee billed Medicaid a total of \$1,799.48 for PCA services she
7 claimed to provide to Baek from June 8, 2014 through July 14, 2014. Baek was also
8 confronted with the video evidence of his theft of the rice cooker. Baek admitted to
9 stealing from stores and said "it was only a used store." Baek also admitted to using the
10 rice cooker.

11 11. OIG conducted an audit of PCA Lee's domestic travel records from 2011
12 through 2014 which revealed that Lee traveled from Alaska to Portland, Oregon on
13 February 4, 2013 and returned on February 13, 2013. A review of Medicaid billing
14 information revealed that Lee billed Medicaid for providing services to four different
15 PCAs during the time she was in Oregon. A check of the timesheets revealed that Lee
16 and each of the four recipients (including Baek) attesting that Lee was providing
17 Medicaid services during her trip. In total, Lee billed Medicaid \$1,667.38 for PCA
18 services she claimed to be providing while actually she was in Oregon.

19 12. Lee was interviewed at her place of business on May 27, 2015 in
20 Beaverton, Oregon by OIG Agent Vu and MFCU Investigator Mays. Lee initially stated
21 that she left Alaska in June 2014 for her permanent residence in Oregon. Lee reviewed
22 copies of the timesheets in question and acknowledged her signature on D.B.'s timesheets
23 as well as recipient P.C.'s timesheets. Lee stated that the narrative writing on the
24 timesheets was done by her son Frank Woo as soon as Lee told him what happened each
25 day. Lee claimed that she would take the timesheets to Frank Woo's office or he would
26 come to her home to collect the timesheets.

27

1 13. In response to being confronted with the video evidence showing that she
2 was not providing Baek Medicaid services, Lee changed her story and said she was in
3 Alaska and provided the services. Lee claimed that she would call Baek and meet him
4 outside the apartment. Lee alleged that they would leave the area, but that she would still
5 do the work. Similarly, when questioned about the timesheets showing that she dressed,
6 cooked, toileted and bathed Baek, Lee would only respond that she provided the services.
7 Medicaid regulations provide that PCA services are to be provided only to a recipient that
8 is living in the recipient's personal residence. See Alaska Admin. Code
9 7AAC125.050(a).

10 14. Frank Woo as a client manager for C Care Services was responsible for
11 acting as an intermediary between Medicaid recipients and PCAs and verifying that PCA
12 services are provided. MFCU executed a search warrant on the business premises of C
13 Care Services in October 2014. During the search, investigators discovered a document
14 titled "Missing Timesheets 12.29.13-08.09.14." This document identified the recipient,
15 PCA, date of services and scheduled hours. Lee was identified as having missing
16 timesheets for dates in July/August 2014, including the dates associated with the July
17 dates of service that Lee claimed to be providing PCA services to Baek.

18 15. Lee billed Medicaid a total of \$3,426.05 for services that were never
19 provided. A review of timesheets also revealed that Lee was in fact paid by C Care
20 Services for the PCA hours she alleged to have performed. Alaska law provides that a
21 person commits medical assistance fraud by knowingly submitting or authorizing the
22 submission of a claim to a medical assistance agency for a benefit with a reckless
23 disregard that the claimant is not entitled to the benefit. See AS 47.05.210(a)(1). Lee is
24 currently living in Oregon and this Investigator is unaware of any plan by Lee to return to
25 Alaska.

26 16. Baek signed timesheets as the recipient of services attesting to having
27 received in excess of \$1,800 in PCA services that were never provided. Alaska law

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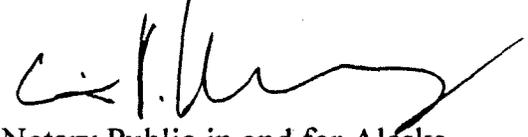
1 provides that a person commits medical assistance fraud by knowingly assisting another
2 person to prepare a claim for submission to a medical assistance agency for property,
3 services or a benefit with a reckless disregard that the claimant is not entitled to the
4 property, services or benefit. See AS 47.05.210(a)(2).

5
6 DATED at Anchorage, Alaska this 10 day of June, 2015.

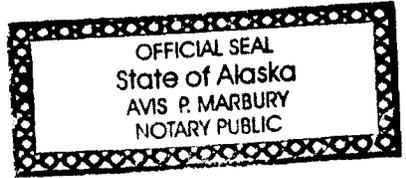
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9 Investigator Lance Anderson
10 Office of Special Prosecutions
11 Medicaid Fraud Control Unit

12 SUBSCRIBED AND SWORN TO before me this 10th day of June 2015, at Anchorage,
13 Alaska.

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



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