



MEDICAID FRAUD CONTROL UNIT

OFFICE OF THE ATTORNEY GENERAL OF VIRGINIA



PROTECTING VIRGINIA SENIORS AND ENSURING QUALITY CARE VOLUME 15 ■ ISSUE 4 ■ WINTER 2024

Medicaid Fraud

If you suspect that Medicaid fraud or elder abuse and neglect has occurred in a Medicaid facility or has been committed by someone working for a Medicaid provider, immediately contact Adult Protective Services and your local law enforcement. Then, report the incident to the Medicaid Fraud Control Unit (MFCU) of the Office of the Virginia Attorney General at (800) 371-0824 or (804) 371-0779.

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VIRGINIA OFFICE OF THE ATTORNEY GENERAL

\$1.3 Million Fraud

Richlands Druggist Defrauded Medicaid, Medicare, Tricare



On October 15, 2024, Randy Dale Yost (Yost) was sentenced on one count of Health Care Fraud, one count of Conspiracy to Commit Health Care Fraud, and one count of Knowingly, Intentionally, and Unlawfully Distributing and Dispensing and Causing the Intentional and Unlawful Distribution and Dispensing of Oxycodone, a Schedule II Controlled Substance.

Yost was sentenced to 18 months' incarceration and three years' supervised release. He was also ordered to pay \$1,309,515.22 in restitution (\$1,035,279.44 to Medicare, \$271,274.03 to Medicaid, and \$2,961 to TriCare).

Yost was a licensed Pharmacist and owned or co-owned Randy's Gateway Drug, Inc. (Randy's Gateway Drug), a

pharmacy. Investigation established that Yost dispensed generic medications but billed Government Healthcare Benefit Programs for the more expensive brand name medications.

He also billed Government Health Care Benefit Programs for prescription medications that were never dispensed to patients. Further investigation revealed that Yost billed the Government Health Care Benefit Programs for prescriptions that were dispensed to patients and then returned to the pharmacy.

Thereafter, the returned prescription medications were dispensed a second time and billed to the Government Health Care Benefit Programs for the

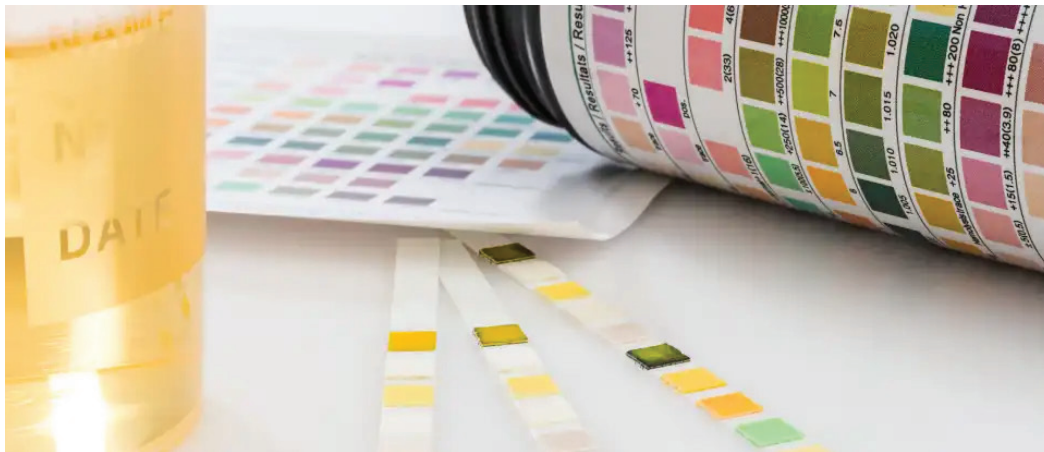
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\$1.3 Million Fraud CONTINUED FROM PAGE 1

same prescription medications. In addition, Yost dispensed Oxycodone, a Schedule II controlled substance, to a patient without a current valid prescription.

Lastly, the investigation established that Yost billed Government Healthcare Benefit Programs for a full dispensing of a prescription when, in fact, the prescription was only partially filled. In many instances, patients never returned to the pharmacy to receive the unfilled remainder of their prescription, but Yost did not reverse the charge to the Government Healthcare Benefit Programs. As a result, Government Health Care Benefit Programs were billed for medications that were never dispensed to a patient. Pursuant to the plea agreement, Yost has agreed to pay \$1,309,515.22 in restitution to Medicare, Medicaid, and Tricare.

False Claim Drug Testing Case Settled



The National Association of Medicaid Fraud Control Units' ("NAMFCU") Precision Diagnostics-944 Settlement Team ("Team"), working with the United States Department of Justice ("United States"), has reached an agreement with Precision Toxicology, LLC d/b/a Precision Diagnostics, Inc. (Precision Diagnostics), Precision Toxicology Holdings, Inc. and PT Intermediate Holdings, Inc. (collectively "Precision" or "Defendants") to settle allegations that Precision submitted false claims for medically unnecessary urine drug tests and that it submitted or caused to be submitted based on urine drug test referrals from physicians who received free point-of-care drug testing cups in violation of state and federal anti-kickback laws.

The settlement resolves allegations that from January 1, 2013, until December 31, 2022, Defendants knowingly submitted or caused the submission of false claims to Federal Healthcare Programs for urine drug testing ("UDT") that were not medically reasonable and necessary for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member. Specifically, the United States and Plaintiff States contend that Defendants developed and implemented a policy and practice of utilizing non-allowable blanket orders for UDT without any physician making an individualized determination that the UDT was medically necessary or reasonable for the particular patients for whom the tests were ordered. In addition, Precision provided free point-of-care UDT cups to physicians in exchange for UDT referrals, in violation of the Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b).

The total amount that Defendants will pay to the United States and Participating Medicaid States is \$27,000,000.00. Virginia's federal and state Medicaid share of the settlement is \$77,179.24.

Serving the Northern Virginia Melting Pot *by Harold Pyon*



I am from Northern Virginia, a particularly busy and diverse region. Northern Virginia is distinct from the rest of the state, with nearly half of its population consisting of multicultural communities. I was appointed by Attorney General Jason Miyares to serve in the Medicaid Fraud Control Unit, specifically focusing on the Northern Virginia region. My role primarily involves serving the senior citizens in these multicultural communities.

One incident that stood out recently was a visit to a retirement community with a large Asian population. Most of the residents were Asian Americans or of Asian origin, and I found it surprising that many were unaware of the issue of Medicaid Fraud. We held an event where we explained what Medicaid Fraud is, and I quickly realized the unique challenges this community faces due to cultural and language differences. They were unfamiliar with many aspects of the issue, which was a shocking realization for me. It became clear that this community had never been properly served or informed about Medicaid fraud. Many of the seniors were eager to learn and asked me questions.

As a Korean American immigrant myself, this experience was particularly meaningful. It reinforced for me how different Northern Virginia is from the rest of the state and how underserved these multicultural populations have been. Many seniors in this community are vulnerable to Medicaid Fraud and scams and have little idea of how to protect themselves. This was a learning experience for me, and it highlighted the urgent need to serve this community more effectively.

My role involves not only mainstream responsibilities but also focusing on educating multicultural senior citizens about fraud and scams. This work is incredibly rewarding, as it provides an opportunity to protect a vulnerable community that has been overlooked. The beauty of this job is that it is the first time outreach like this has been done in these communities in Northern Virginia, and we are making significant strides in educating these seniors about important issues like fraud. I am deeply moved by this program and the opportunity to serve such a diverse group of seniors, including many in the Asian community. I am grateful to Attorney General Miyares for initiating this outreach, and I am honored to be part of the first effort to serve this multicultural area. I take great pride in my role and look forward to continuing this important work.

Harold may be reached at (703) 995-7079 or HPyon@oag.state.va.us.

Publications Help Spread the Word about Medicaid Fraud

Fourteen years of MFCU Annual Reports and Quarterly Newsletters now available online at:

<https://www.oag.state.va.us/programs-outreach/medicaid-fraud>



Noteworthy Virginia MFCU Cases

Commonwealth v. Ida Marie Medley (Halifax County Circuit Court) - On September 26, 2024, Ida Marie Medley (Medley) pled guilty to two counts of Misdemeanor Obtaining Money by False Pretenses. She was sentenced to 12 months with 12 months suspended on each count, all time to run concurrently. Prior to the hearing, she paid \$1,772.00 in restitution. She will be on good behavior for 24 months and will not serve as a Medicaid provider in any capacity for 24 months. Medley was a personal care aide for a Medicaid recipient receiving services under a Medicaid waiver program.

Medley submitted timesheets while the Medicaid recipient was hospitalized. When interviewed, Medley admitted to submitting timesheets for providing services while the recipient was in the hospital. She also admitted she knew it was wrong. Between January 6, 2011, and March 9, 2011, timesheets were submitted in Medley's name for 200 attendant care hours that Medley never provided. As a result of these falsified timesheets, Medicaid paid \$1,772.00 for services that were not provided. Medley was a fugitive until May 16, 2024.

This case is significant because the strength of our investigation and the persistence of our investigator supported a guilty finding on a 13-year-old case.

Commonwealth v. Mary Hancock - (City of Richmond Circuit Court) - On September 11, 2024, Mary Hancock (Hancock) pled guilty to one count of Medicaid Fraud. She was sentenced to five years with five years suspended. She was also ordered to pay \$4,654.79 in restitution. Hancock was a personal care aide for her father, who was a Medicaid recipient under the consumer-directed program. The MFCU received a complaint alleging that Hancock billed for Medicaid services not provided to her father. Hancock's father made the allegation to a forensic nurse that Hancock was not working the hours she was submitting.

Investigation established Hancock was submitting timesheets for providing care to her father while also working at a second job during the same hours. Hancock submitted timesheets for 452.6 hours of service not provided, resulting in a loss to Medicaid of \$4,654.79.

Commonwealth v. Kristina Branch - (City of Chesapeake Circuit Court) - On August 12, 2024, Kristina Branch (Branch) pled guilty to two counts of Medicaid Fraud and two counts of Obtaining Money by False Pretenses. She was sentenced to two years on each count and placed on three years' active probation. All time was suspended. She was also ordered to pay \$24,954.73 in restitution. Investigation established that from April 16, 2016, through November 16, 2021, Branch was employed as a licensed practical nurse (LPN) with Continuum Pediatric Nursing (Continuum). She worked private duty nursing as an LPN for a minor Medicaid recipient. During her employment, Continuum discovered that Branch submitted charts/timesheets for care that she did not provide.

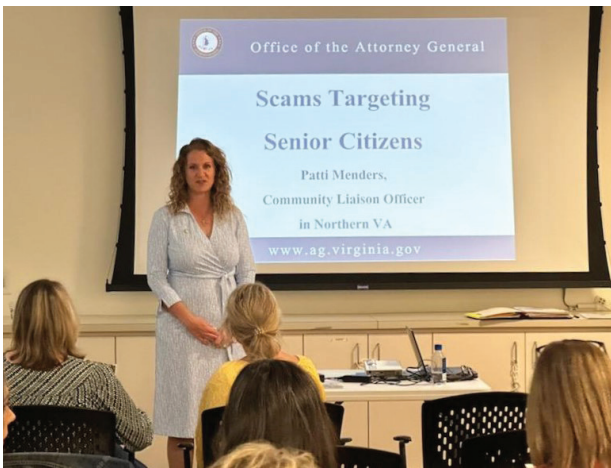
Further investigation by Continuum and MFCU investigators uncovered the following false time submissions: Branch submitted respite timesheets for weekend hours she was not authorized or approved to work, resulting in Medicaid overpayment of \$12,369.64; she submitted respite timesheets for holidays that she did not work totaling 234.5 hours, resulting in Medicaid overpayment of \$6,183.77; she submitted timesheets for days that she showed up late or left early, totaling 47.25 unworked hours, resulting in Medicaid overpayment of \$1,245.98; she submitted respite timesheets for hours not worked while the recipient was at doctors' appointments that she did not attend, totaling 24.75 hours resulting in Medicaid overpayment of \$652.66; and she submitted respite timesheets for recipient family vacation time that she did not attend, totaling 170.75 hours resulting in Medicaid overpayment of \$4,502.68.

In total, Branch submitted 946.33 hours not worked resulting in a loss to Medicaid of \$24,954.73.

Out and About in Virginia



Petersburg TRIAD held their Thanksgiving Celebration on November 21st. MFCU Community Liaison Officer Ben Bickel is shown above presenting Petersburg Sheriff Vanessa Crawford with the Attorney General's Choice award. He said, "The Petersburg TRIAD has been honored with the prestigious Attorney General's Choice Award, recognizing its exceptional commitment to serving the community."



Our Northern Virginia Community Liaison Officer, Patti Menders (above), addressed the State of Virginia Senior Center Managers with the Department of Parks, Recreation & Community Services on November 7th. There were 30-50 attendees at the Leesburg Senior Center in Leesburg, VA, for a full day of training for the managers.

The Virginia MFCU is funded through a grant totaling \$19,509,524 for Federal Fiscal Year 2025, from the U.S. Department of Health and Human Services-Office of Inspector General. The Federal Share of these funds is 75% totaling \$14,632,143. The State Matching Share of these funds is 25% totaling \$4,877,381 and funded by Virginia.

How to Contact your MFCU Community Liaison Officers

Central Virginia Region Senior
Randy Davis
804-786-7750
RDavis@oag.state.va.us

Central Virginia Region
Benjamin Bickel
(804) 482-2268
BBickel@oag.state.va.us

Northern Virginia West Region
Patti Menders
703-359-1121
pmenders@oag.state.va.us

Senior Advisor for Outreach
Harold Pyon
(703) 995-7079
Hpyon@oag.state.va.us

Southwest Virginia and
New River Valley Region
Olivia Bailey
(276) 628-1799
OBailey@oag.state.va.us

Tidewater Virginia Region
Nicholas Proffitt
804-221-0954
NProffitt@oag.state.va.us

Western Virginia Region
Matt Hall
540-588-2379
MHall@oag.state.va.us

Click on or snap a photo of this QR (Quick Response) code to visit our MFCU webpage:

