



December 1, 2014

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

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. At the same hearing, Good Faith's owner, Agnes Francisco, and another entity, Anchorage Adult Day Services, also entered guilty pleas. The convictions stem from a citizen complaint that led to a joint investigation by MFCU, 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.

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 filed criminal charges against 25 Anchorage-based personal care attendants (PCA) and Medicaid recipients as part of an ongoing state and federal investigation into Medicaid fraud associated with services provided through Good Faith. Since July 2013, the state has filed criminal charges for medical assistance fraud against 53 individuals associated with Good Faith, including 13 of the 16 office staff.

The MFCU investigation revealed that 10 full-time office employees billed Medicaid \$394,257 for services they claimed to be providing to recipients of Medicaid 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 Department of Health and Social Services 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 zero to two years. The court may also impose a fine of up to \$50,000. Francisco's sentencing is scheduled for March 31, 2015.

In addition to Good Faith, Anchorage Adult Day Services also entered a plea of guilty 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 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 at <http://www.law.alaska.gov/department/criminal/mfcu.html>.

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 <http://www.law.alaska.gov/department/criminal/mfcu.html>.

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