

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA

* CRIMINAL NO. 15-61

VERSUS

* SECTION: "E" (5)

ERICA EDWARDS

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FACTUAL BASIS

1. If this matter were to proceed to trial, the United States would introduce the following facts with relevant and admissible testimony and exhibits:
 2. Wendy Naquin from AdvanceMed, the Zone Integrity Contractor (ZPIC) over home health claims in this states, would testify that during all times mentioned in this indictment, Abide Home Care Services, Inc. (Abide) was enrolled as a provider able to bill Medicare for providing home health services to qualified beneficiaries.

3. Lee Ann Dodson would testify that she is a registered nurse (RN) employed by ZPIC AdvanceMed as a team leader for the Home Health Agency Review Team. Dodson, who has testified as an expert witness in the field of home health, would testify that the home health benefit generally is for elderly or disabled beneficiaries who are acutely ill and for whom it is a taxing or considerable effort to get out of the home to receive medical care by going to a physician or an outpatient facility. Dodson would testify that a physician's order initiates home health and that home health services cannot begin without such a referral. When a home health agency gets an order from a physician for home health services for a patient that physician sees, the agency sends out a registered nurse to do an assessment, known as an Outcome and

Assessment Information Set (OASIS) to determine what type of skilled nursing the patient needs. The OASIS is very specific and consists mostly of objective multiple choice questions. The first thing the RN would determine is whether the patient is home bound. If the patient was not homebound, the RN would discontinue the assessment because the patient did not meet the first criteria of home health. Dodson would also testify that some diagnoses result in higher reimbursements to the provider than other diagnoses. Other factors that are determined in the OASIS are whether the patient can perform certain activities of daily living, such as self-toileting. Generally, the sicker and the more disabled a patient was, the more the agency was reimbursed for providing services.

4. Dodson would testify that after the RN completes an OASIS for a patient, a plan of care (POC), also known as the CMS 485, is created. The POC contains the patient's diagnoses and medications, orders, what will be done for the patient, the goals and the discharge plan. The home health agency is supposed to send the POC to the patient's primary care physician, who is familiar with the patient's history and who ordered the home health services, for his signature. After the agency obtains the physician's signature, only then can the 60-day period of home health begin.

5. Dodson will finally testify that the national average for length of stay for Medicare beneficiaries in home health is two episodes, or 120 days of home health.

6. Federal Bureau of Investigation Special Agent Krista Bradford would testify that on March 25, 2014, a search warrant was executed at Abide. Documentation obtained at that search, including the employee file of **ERICA EDWARDS (EDWARDS)**, would establish that **EDWARDS** began her employment at Abide as a RN on about August 27, 2011. **EDWARDS'** job description obtained in the search of Abide would establish that RNs at Abide were required

to assess and evaluate patient's status by writing and initiating a plan of care, regularly re-evaluating patient/client needs, revising plans of care as necessary, evaluate patients, families and home environment for admission to and continued service from the Agency on the day that is assigned, provide comprehensive nursing care through the utilization of the home assessment, nursing diagnosis and care plans, and complete, maintain, and submit accurate and relevant clinical notes regarding patient's condition and care given.

7. A representative from AdvanceMed would testify that Abide billed Medicare for providing thirty (30) episodes of home health to Medicare beneficiary ArGi. The representative would also testify that co-defendant, Dr. Shelton Barnes (Barnes) certified ArGi for home health from May 19, 2010, until January 2, 2013. Evidence would show that Barnes never had any knowledge of ArGi's medical condition and never treated ArGi. Agent Bradford would testify that on March 25, 2014, a search warrant was executed at Barnes' office and there was no patient file maintained for ArGi.

8. ArGi would testify that he/she was born in 1956 and received home health services from Abide for about three years. ArGi would testify that he/she has never suffered from or been diagnosed with muscle spasms, stomach function disorder, pernicious anemia, myasthenia, rheumatoid arthritis, arthropathy, or low vision. ArGi would state that he/she wears reading glasses. ArGi would testify that he/she was discharged from Abide because he/she did not want them coming to his/her home.

9. ArGi would testify that, while he/she was receiving home health services from Abide, a nurse came to his/her home twice per month to take his/her blood pressure. ArGi would testify that the visits lasted about ten or fifteen minutes. ArGi would testify that he/she did not have a driver's license because he/she needed new glasses but that his/her sisters drove him/her

where he/she needed to go. ArGi would state that he/she was not confined to his/her home because he/she went out with friends or family at least weekly and walked his/her dog daily.

10. Records would establish that **EDWRDS** was the RN who completed the OASIS for ArGi from November 15, 2010, until September 10, 2011 – five home health episodes over ten months. Despite months of recorded normal blood pressures, **EDWARDS** falsely documented on the OASIS that ArGi had abnormal blood pressure for four of the five episodes. Records from Abide would establish **EDWARDS** documented on the OASIS numerous diagnoses from which ArGi did not suffer, including muscle spasms, pernicious anemia, stomach function disorder, myasthenia, low vision, arthropathy, and rheumatoid arthritis. AdvanceMed records would show, and ArGi would testify, that he/she was never diagnosed with or suffered from these illnesses.

11. Billing data provided by AdvanceMed would show a payment to Abide in the amount of \$2,199.28 for a home health episode dated November 15, 2010, through January 13, 2011. The OASIS **EDWARDS** fraudulently completed to justify ArGi's home health episode charged in Count 10 of the indictment would be introduced into evidence.

12. Testimony from numerous Abide employees would establish that if the OASIS did not reflect a change in the medical status of a beneficiary being assessed for recertification of home health services, such as exacerbation of an illness, the onset of pain, or rearranging the diagnosis codes to make it appear that one illness had an exacerbation over another, or conditions documenting homebound status for the patient, the OASIS was altered and recoded by the Abide Case Managers. The POC **EDWARDS** later signed, whether it reflected her medically unsupported findings or any changes made by the Abide Managers, falsified the conditions justifying homebound status and medical necessity for home health services billed by Abide.

Evidence would show **EDWARDS** was aware that if she did not falsify home health documentation as required by Abide's and **EDWARDS'** supervisors, she would be fired.

13. Testimony by co-defendants and other Abide employees would establish that **EDWARDS** deliberately closed her eyes to what would otherwise have been obvious to her, as she was subjectively aware of a high probability that her actions were illegal and purposely tried to avoid learning more about the illegal conduct. She intentionally turned a blind eye to the ever-changing falsified diagnoses she included on OASIS assessments and falsely documented the need for home health services based upon these fraudulent diagnoses. The Government would establish **EDWARDS'** subjective awareness that her actions were illegal, in part, through the admission of medical records of ArGi that never showed support for the diagnoses **EDWARDS** fraudulently documented for five episodes of home health, in addition to her personal observation of ArGi – that he/she was clearly not homebound – on at least five different occasions.

14. Payroll records would demonstrate that, between September 30, 2010 and October 22, 2012, Abide paid **EDWARDS** approximately \$56,065.03 for performing false and fraudulent home health certifications for episodes of home health which were largely medically unnecessary.

15. Billing data provided by AdvanceMed would show payments to Abide for the episode of home health charged in Count 13 of the indictment. Abide billed \$1,000 for the episode supported by the falsified OASIS prepared by **EDWARDS**, and was paid \$2,199.28. **EDWARDS** admits and agrees that this was her part in the overall health care fraud scheme, in that she knowingly and intentionally aided and abetted Abide and others in creating materially false documents Medicare required and relied upon in reimbursing Abide for health care claims.

KENNETH ALLEN POLITE, JR.
UNITED STATES ATTORNEY

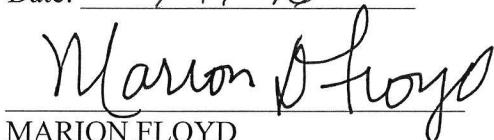


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ERICA EDWARDS
Defendant

Date: 7-19-14



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Date: 7/19/14