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STATE OF WASHINGTON
SPOKANE COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

DEA ANN WAGNER,
DOB: 6/25/1955

Defendant.

NO.

10100843-9
CERTIFICATION FOR
DETERMINATION OF PROBABLE
CAUSE

I, Larry Carrier am an investigator with the Washington State Attorney General's Office (AGO), Medicaid Fraud Control Unit (MFCU), and I am familiar with the investigation conducted in this case. As a result of my investigation, set forth below, I believe the probable cause exists that Defendant, Dea Wagner, has committed the following crimes: First Degree Theft, RCW 9A.56.030, Second Degree Theft, RCW 9A.56.040(a), and Medicaid False Statement, RCW 74.09.230(1).

The MFCU's specialized function is to investigate and prosecute provider fraud in the Medicaid system. Under various programs, Title XIX (Medicaid) funds are used to provide medical care services for eligible, qualifying clients. Medicaid is a medical care program authorized under RCW 74.09. The programs are administered through the Washington State Department of Social and Health Services, Health and Recovery Services Administration

1 (DSHS/HRSA), which establishes the rules and procedures pertaining to billing for provided
2 services. The Community Options Program Entry System (COPES) is one such program, in
3 which DSHS contracts with individual providers and healthcare agencies to provide in home
4 medical care services for authorized clients. DSHS contracts with Aging and Long Term Care
5 of Eastern Washington (ALTCEW) for case management of qualified and approved COPES
6 recipients.
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8 ALTCEW contracts with home health care agencies to provide in home care. When
9 this occurs, the home health care agency bills DSHS for services utilizing an invoice form that
10 reflects the service hours for which payment is claimed based on time sheets submitted by its
11 employees. Addus Healthcare is one of the home healthcare companies that contract to
12 provide in-home personal care services, including COPES, to Medicaid clients.
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14 The MFCU received a complaint postmarked August 12, 2009 from Addus Healthcare
15 reporting that their employee, Dea Ann Wagner, had not worked the hours for Michael and
16 Patrice Glasser claimed on her time sheets. When confronted by Addus Healthcare managers,
17 Wagner admitted that she had been leaving daily between 10:30 or 11:00 A.M., but had been
18 claiming that she had worked until 12:00 or 12:30 P.M. each day. Copies of the time sheets
19 submitted by Wagner to Addus for care services allegedly provided to Michael and Patrice
20 Glasser for the period of time from March 13, 2006 through March 4, 2009, were provided
21 with the complaint.
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23 I obtained assessments and other documents from (ALTCEW) showing that Michael
24 and Patrice Glasser were authorized Medicaid COPES recipients. I also confirmed that Addus
25 was their contracted provider.
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1 I interviewed Travis Glasser, who holds Power of Attorney for Michael and Patrice
2 Glasser and Dorothy Glasser, mother of Michael and Patrice. Mr. Glasser reported that he
3 became suspicious of Michael and Patrice's caregiver, Wagner, after she asked him to sign a
4 blank time sheet and told him that Dorothy Glasser had signed blank time sheets for her in the
5 past. Mr. Glasser confirmed that Dorothy had been signing blank time sheets and contacted
6 Addus Healthcare to request a different care provider. Mr. Glasser and Dorothy state that
7 Wagner always left between 10:30 and 11:00 A.M when she worked the morning shift and
8 never stayed after 5:00 P.M. when she worked the afternoon shift. Wagner was supposed to
9 provide care Monday through Friday between approximately 8:00 (8:30) a.m.-12:00
10 (12:30)(with ½ hour leeway in starting and ending) each day splitting her time between both
11 clients proportionately, based on a schedule prepared by her supervisor allocating the total
12 authorized hours. Afternoon care was to be provided from approximately 3:00 to 6:00 p.m. on
13 scheduled days.
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16 Dorothy Glasser stated that she saw completed time sheets for the first time when she
17 and Travis met with Addus supervisors on March 3, 2009. Dorothy stated that she complained
18 that Michael was not getting a bath regularly and she and Travis were shown time sheets
19 indicating that he had been bathed. Dorothy stated that she was shocked and angered when she
20 saw the completed time sheets as she realized, for the first time, that Wagner was claiming that
21 she had performed chores that were not accomplished; that hours were claimed that were not
22 worked; and she felt as if she had been used and Wagner had violated her trust. Dorothy stated
23 that she did not realize that Wagner could commit fraud by gaining her signature on blank time
24 sheets until the matter was brought to her attention by Travis.
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1 I reviewed the time sheets Wagner submitted to Addus for alleged care service hours
2 provided to Michael and Patrice Glasser from March 13, 2006 through March 4, 2009.
3 Consistent with Wagner's statements to Addus' managers, the time sheets indicate that Wagner
4 reported working beyond 11:00 A.M. when she did not do so. Based on Wagner's and
5 Dorothy's statements about hours Wagner actually worked, I determined that Wagner had
6 caused Addus to over bill the State of Washington for nine hundred fifty-four (954) hours, or
7 fifteen thousand seven hundred seventy-one dollars and sixty-two cents (\$15,771.62). These
8 hours included hours claimed past 11:00 A.M., past 5:00 P.M, and for overlapping hours where
9 care hours were claimed for both Michael and Patrice Glasser. The review showed that
10 Wagner was paid nine thousand three hundred one dollars and twenty-six cents (\$9301.26) by
11 Addus that she was not entitled to receive for care services allegedly provided to Michael and
12 Patrice Glasser.
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15 Additional documents, including personnel records, billing records, payroll records,
16 copies of payroll checks, and invoices were obtained from Addus Healthcare. I reviewed the
17 payroll checks issued by Addus, drawn against their Fifth Third Bank Account, and paid to
18 Dea A. Wagner between February 16, 2006 and April 16, 2009. Many of the checks bear Wells
19 Fargo Bank markings indicating that the check was cashed or deposited at Wells Fargo Bank.
20

21 Addus records showed that Wagner was also assigned to provide care services to client
22 Traci Nelson. Traci Nelson was a Medicaid COPES recipient. I obtained time sheets from
23 Addus that Wagner had submitted for care service hours allegedly provided to Nelson between
24 July 3, 2008 and March 5, 2009.
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1 I learned that Nelson was residing in the Carlyle Residential Care Facility. I contacted
2 the Carlyle Facility and arranged an interview. At the time of the scheduled interview,
3 Resident Social Worker Ken Mitchell provided assistance with the use of an interview room
4 and making introductions. Prior to the interview, Mitchell advised that Nelson is mentally ill
5 and may have some difficulty accurately relaying facts. Mitchell witnessed the interview.
6

7 Nelson stated that Wagner did not work all the hours that were shown on the time
8 sheets. Ms. Nelson stated that Wagner worked no Sundays between approximately September,
9 2008 and March, 2009 (described as about six months). Ms. Nelson stated that she was
10 supposed to receive "week long service." Ms. Nelson stated that Wagner would call on "snow
11 days" and then ask her to initial the time sheets for days that Wagner did not work. Ms.
12 Nelson stated that she initialed the time sheet for three days that Wagner did not work during
13 the winter of 2008 to 2009 due to snow difficulties. Nelson stated that she initialed other days
14 not worked by Wagner because Wagner told her that she would lose the hours if they were not
15 claimed.
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17 I later questioned Mitchell as to whether he believed Nelson was able to relate
18 information in a meaningful way during the interview. Mitchell stated that he believes that
19 Nelson did a good job of relating events related to the care services provided by Addus
20 Healthcare employee Dea Wagner. Mr. Mitchell stated that Nelson appeared to be stable
21 during the interview and was at "baseline", then and now. Mr. Mitchell described "baseline"
22 as being as stable as the client can be or "as good as it gets," given the mental health condition
23 of the client. Mr. Mitchell stated that baseline describes a condition where no further
24 improvement is expected.
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1 I reviewed the time sheets submitted by Wagner to Addus allegedly documenting the
2 care service hours provided to Traci Nelson between September 1, 2008 and March 1, 2009,
3 and used the information supplied by Nelson to conclude that Wagner caused Addus to overbill
4 the State of Washington eight hundred and three dollars and sixty five cents (\$803.65) and was
5 paid four hundred seventy two dollars and eighty three cents (\$472.83) by Addus that she was
6 not entitled to receive.
7

8 I interviewed Dea Ann Wagner on November 3, 2009, after she waived her Miranda
9 rights by signing the Miranda rights form and indicating that she wished to make a statement.
10 Ms. Wagner was asked if she was aware of the complaint from Addus. Wagner stated that she
11 was called into Addus and accused of "marking down hours that she had not worked." Wagner
12 stated, "I did it, but there were circumstances behind it." When asked to explain, Wagner
13 stated that Dorothy Glasser did not want a care provider in her home past 11:00 A.M. and
14 when the assessment increased the authorized hours, Dorothy Glasser did not want the hours.
15 Wagner stated that she reported Dorothy Glasser's opposition to her supervisor, "Patty," who
16 told her that the authorized hours could not be changed by Addus Healthcare. Wagner stated
17 that "Patty" told her to claim the hours whether or not they were worked. Wagner stated that it
18 did not seem wrong at the time, but she now knows that it was not right, and that it was a
19 "thing of ignorance" that she would not do again. Wagner admitted that she had been paid for
20 hours that she did not work. Wagner claimed that she could not remember whether she had
21 Dorothy Glasser sign blank time sheets. Wagner viewed the over billing calculation for the
22 Glassers (\$15,771.62) and had no comment.
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1 I asked Wagner if she had claimed hours that she did not work for other clients.
2 Wagner stated that she had not. I informed her that Traci Nelson had reported that Wagner had
3 not worked Sundays for a six month period, and that Wagner had not worked three snow days
4 during the winter of 2009. I also informed her that I had observed overlapping times on time
5 sheets for Patrice Glasser and Traci Nelson on February 5 and 9, 2009. Dea Wagner then
6 stated that she did not work Sundays for an extended period of time due to an arrangement
7 with Nelson and admitted that she had missed "snow" days. Wagner claimed that she had
8 made up the hours for the Sundays and snow days on other days. Wagner admitted that not
9 working Sundays was a departure from her Addus schedule and Addus management was not
10 aware of the arrangement. Wagner stated that all time overlaps were probably clerical errors.
11 Wagner was shown an over billing calculation for Traci Nelson (\$868.82) and had no
12 comment. (A subsequent review of the records resulted in a recalculation of the actual loss as
13 \$803.65).
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16 I asked Wagner if "Patty" would support her story concerning the instructions to claim
17 hours not worked for the Glassers. Wagner stated that she did not believe that "Patty" would
18 support her. When asked when the conversation with "Patty" occurred, Wagner stated that it
19 was in close proximity to the increase in hours for Patrice Glasser. The SERS list notes show
20 an increase in hours from 55 hours to 84 hours in October, 2008. Wagner was asked if this
21 was when the conversation occurred and she stated that it was. I advised Wagner that most of
22 the hours claimed, but not worked precede the date of the alleged conversation. Wagner had
23 no explanation. When asked to describe her situation regarding the hours claimed, but not
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1 worked, Wagner stated that it was "not good." Wagner stated that she deposited most of her
2 Addus Healthcare pay checks into her Wells Fargo Bank account, no. XXXXXX7037.

3 A search warrant was obtained from the Thurston County Superior Court (Cause No.
4 10-041) for Wagner's bank account records (account no. XXXXXX7037) after Wells Fargo
5 Bank declined to accept the release form signed by Wagner. The search warrant was served on
6 Wells Fargo Bank on January 29, 2010. The records were provided on February 16, 2010. A
7 review of the bank records showed that sixty-nine of seventy-seven identified Addus payroll
8 checks issued to Wagner between March 16, 2006 and April 1, 2009 were processed through
9 Wagner's account.
10

11 I contacted Addus and identified "Patty" as Patricia Fitzsimmons. I interviewed
12 Patricia Fitzsimmons on November 5, 2009. Ms. Fitzsimmons stated that she does not
13 remember any conversation with Wagner regarding Michael or Patrice Glasser and did not
14 instruct Wagner to claim hours that she did not work. When informed that the conversation
15 with Wagner was alleged to occur during October 2008, Fitzsimmons stated that she was no
16 longer a supervisor then, having given up the position in March 2007 to care for an ailing
17 mother and returning in August 2008 as a staff aide.
18

19 I obtained written statements from Addus Agency Director Teresa Michielli, Assistant
20 Agency Director Joyce Bass, Supervisor Kassandra Green, and Supervisor Debbie Hotchkiss,
21 who state that they met with Dea Wagner on March 5, 2009, and Wagner admitted claiming
22 hours not worked while assigned to care for Michael and Patrice Glasser. Michielli terminated
23 Wagner's employment at Addus as this was a clear violation of Addus Healthcare policy which
24 is provided to each employee in the form of an employee handbook. I also obtained statements
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1 from Patricia Fitzsimmons and Ronald Slama who state that they supervised Wagner during
2 her employment with Addus and that they never told her to claim hours that she did not work.

3 Slama became Wagner's supervisor in March 2007. Slama stated that he spent time
4 training Wagner in proper time sheet preparation and provided her with a detailed schedule of
5 the specific hours that were to be worked each day at the beginning of each month. Slama
6 provided Wagner with a detailed time sheet, because she had difficulty reporting the total
7 hours worked each day as she did not understand the decimal system used for reporting quarter
8 hours on the time sheets (i.e., fifteen minutes equals .25 hours). A computer change in March
9 2009, resulted in the schedules being unavailable for me to review. Slama explained that each
10 monthly schedule was prepared by prorating the authorized hours for each client over the work
11 days for each month. I noted that Dea Wagner's Addus personnel file contains an
12 "Agreement" form signed by Wagner on January 25, 2006, which states, in part, "I understand
13 that submitting time sheets signed by someone other than the client or submitting time sheets
14 for work not completed constitutes fraud, and I am subject to prosecution."
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16 I reviewed ALTCEW and Addus records and determined that Michael and Patrice
17 Glasser were scheduled for care services five days each week, Monday through Friday, while
18 Nelson was scheduled for care services on all seven days of the week. Nelson was authorized
19 52 hours of care services each month for the time period from July 1, 2008 through February
20 2009. The authorized hours for Michael and Patrice Glasser were amended several times
21 during the period of time from March 2006 through February 2009, as is shown in the
22 following chart:
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Time Period	Authorized Hours for Michael Glasser	Authorized Hours for Patrice Glasser
April 2006 – July 2006	25	37
Aug. 2006 – Nov. 2006	37	52
Dec. 2006 - Oct. 2007	39	54
Nov. 2007 – Oct. 2008	39	55
Nov. 2008 – Feb. 2009	39	84

I certify (or declare) under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct. (9A 72.085).

Date: 3/24/2010

Place: Spokane, WA

SIGNATURE: *Larry D. Corbett*