

THREE PLEAD GUILTY TO MEDICAID FRAUD, FORGERY AND THEFT CHARGES

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Timothy Schwartz, a former employee of LifeSkills, Inc., pled guilty in Warren Circuit Court Monday to complicity to theft by unlawful taking over \$10,000, devising or engaging in a scheme to defraud the Kentucky Medicaid Program and five counts of forgery third degree. Schwartz faces up to five years in prison when he is sentenced on March 25, 2013.

Schwartz's accomplices, Mark and Mandy Huff, also pled guilty Monday to charges of complicity to theft by unlawful taking over \$500 and devising or engaging in a scheme to defraud the Kentucky Medicaid Program.

Between October 8, 2010 and October 7, 2011, Schwartz worked as a consumer broker at LifeSkills, while Mark and Mandy Huff were documented by Schwartz as working in the SCL program. During this time, Schwartz organized a scheme to defraud the Medicaid program by submitting false time sheets and service notes to the LifeSkills program claiming that services were performed by employees of LifeSkills that were never performed. Schwartz recruited Mark and Mandy Huff to participate in the scheme and forged information on the timesheets and service notes resulting in a total loss for the program of more than \$35,000.

Mark Huff was sentenced to five years in prison, to be diverted for a period of five years and 180 days of home incarceration.

Mandy Huff received a sentence of two years in prison, diverted for five years. Both were also ordered to have no contact with LifeSkills or the families impacted by the fraud and will be excluded as Medicaid providers for the next five years. They also paid a combined restitution of \$25,156 to LifeSkills to pay back their portion of the proceeds from the theft.