



## PRESS RELEASE

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### **Attorney General Frosh: Florida Woman Pleads Guilty to Felony Medicaid Fraud for Altering Medical Records**

**BALTIMORE, MD (August 26, 2016)** -Maryland Attorney General Brian E. Frosh announced today that Inca Elfriede Schultz, 61, of Cudjoe Key, Florida pleaded guilty to one count of Felony Medicaid Fraud for altering medical records that caused Medicaid to pay more than \$850,000 in incentive payments to her former employer, Priority Partners, a Maryland Medicaid Managed Care Organization.

Anne Arundel County Circuit Court Judge Michael Wachs sentenced Schultz to five years of incarceration, suspending all but 18 months to be served in home detention. Judge Wachs placed Schultz on three years of supervised probation and ordered that Schultz not work as or with any provider in a federally funded health care program for five years.

Schultz is a registered nurse who was contracted as a senior project manager to review medical records for the compliance department at Priority Partners. Priority Partners is owned by Johns Hopkins HealthCare LLC. Priority Partners was eligible for incentive payments from Medicaid when it met specified health care benchmarks. Within Priority Partners, Schultz was part of a compliance group whose responsibility was to review medical records to determine compliance and to prepare the documentation that was then submitted to the Medicaid program.

In May 2014, three nurse reviewers in Priority Partners' compliance group discovered a significant number of records altered by Schultz. At the time, Schultz was teleworking from her home in Florida and was electronically submitting her reviews to Johns Hopkins Healthcare in Anne Arundel County. From 2011 to 2014 Schultz electronically accessed 792 medical records and altered either the paper medical record or the electronic data submission in 52 records. This resulted in \$875,279.20 in improper incentive payments from the Medicaid program to Priority Partners. Priority Partners has returned all of the funds to the Medicaid program.

Attorney General Frosh would like to thank Medicaid Fraud Control Unit Fraud Analyst Shannon Beatty, Assistant Attorney General Catherine Schuster Pascale, the Department of Health and Mental Hygiene Office of Inspector General and Johns Hopkins HealthCare for their work on this case.