



April 23, 2015

**Contact:** Jane Kennedy  
Communications  
651-431-2113  
[Jane.Kennedy@state.mn.us](mailto:Jane.Kennedy@state.mn.us)

### **Duluth woman sentenced for defrauding Medical Assistance** *Restitution hearing set for June*

The owner of two home care agencies in Duluth who was convicted of health care fraud in February was sentenced April 22, 2015, in St. Louis County District Court to five years of probation and ordered to pay restitution to DHS. Lisa Marie Huffman was charged with billing for qualified professional services that were not provided and billing for personal care assistant services that were not properly supervised totaling \$164,234. The improper billing occurred between July 3 and Dec. 18, 2012.

Huffman can be discharged from probation after one year if she meets all conditions, including repaying restitution in full. A restitution hearing is scheduled for early June.

Huffman owns Peace of Mind Health Services Inc. and PCA Services North in Duluth. Minnesota Department of Human Services (DHS) Inspector General Jerry Kerber described Huffman's actions as putting vulnerable Medical Assistance clients at risk.

"The defendant's activities impact a number of people, from clients who are put at risk to taxpayers whose money is obtained fraudulently," Kerber said. "The department is rigorously pursuing every fraud tip we receive. This case should put providers on notice that we are committed to putting an end to this misuse of health care dollars that should rightfully go to Minnesota's neediest individuals."

DHS was first notified about the provider's possible fraudulent activity after two Medical Assistance (MA) recipients transferred to another provider. DHS Surveillance and Integrity Review Section (SIRS) staff initiated an investigation in the fall of 2012 and referred the case to the Minnesota Attorney General's Office in February 2013. On May 3, 2013, SIRS ordered MA payments to stop for both home care agencies. Medicaid in Minnesota is referred to as Medical Assistance.

Minnesota has long been a national leader in fraud prevention and in 2011 DHS created the Office of Inspector General (OIG) to even more effectively combat waste and abuse in its human services programs. This change enabled Minnesota to take a decentralized and fragmented system and streamline operations and find ways to better protect the integrity of government programs. Since then recoveries from Medical Assistance providers (just one of the programs the OIG reviews) have increased from \$878,000 in 2011 to \$7.2 million in 2014.