

## **Medical Fraud Brought to Light**

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Owner of Prairie View Hospice is sentenced to three years in prison for medical fraud

Prairie View Hospice, Inc. is located in Oklahoma, United States. Prairie View Hospice was supposed to provide different services to Medicare companies. These services include, “providing healthcare, medication, medical equipment, and other goods and services to terminally ill patients.” (United States Department of Justice, 2015). In 2014, the owner of Prairie View, Paula Kluding, was found guilty on “39 separate counts relating to Medicare fraud, conspiracy, obstruction of a federal audit, and making false statements in health care matter.” (United States Department of Justice, 2014). According to Antonio (2014), Kluding had been committing fraud for three years, starting in 2010 and ending in 2013. Paula Kluding was not working alone, the general manager, Patricia Carter was also found guilty in this case. Both Kluding and Carter had worked side by side in order to falsify documents related to their Medicare services. According to the United States Department of Justice (2014), for three years Kluding had worked with others to fake the conditions of medical patients and change the quantity and quality of health care services provided to Medicare beneficiaries. By Kluding changes these documents, it helped Prairie View Hospice pass their Medicare audits. Not only did they falsify important documents, changes were made to have the patients appear in worse health condition than they were truly in, this was done to justify the patient’s long hospital care (United States Department of Justice, 2014). When the news came out in 2014 of Paula Kluding’s wrongdoings, she was facing a potential 5 years in prison and a fine of \$250,000 for each one of the 29 counts of fraud. In 2015, Kluding’s sentence was released to the public. Kluding was sentenced to three years in prison, three years of supervision after prison, and she has to pay a fine of \$2,519,813.33 to Medicare (United States Department of Justice, 2015).

Paula Kluding committed a corporate crime. Kluding worked with others in order to change documents in hopes of saving Prairie View Hospice and making the company more money. Kluding's actions were undertaken with the interest of the company in mind, not for personal benefit. According to an article written by Iwata (2005), these types of crimes are very hard to prosecute. All of the evidence must be gathered together in order to begin a case. These cases are usually easier if a witness is able to testify. If the defendant is sentenced with criminal time, they usually do not receive their maximum sentence due to lack of information. Paula Kluding was facing up to five years in prison but in the end was only sentenced to three. Prairie View Hospice is an example of an unjust punishment. Paula Kluding not only committed fraud by faking documents, but she put the patients at risk by faking records to make it appear as if nurses checked on the patients when they had not done so. The faked documents made their Medicare beneficiaries trust in the company and continue to use them. Prairie View Hospice also made more money from beneficiaries because they tricked them into believing that patients had to stay in the hospice for a longer period of time. Kluding had been involved in this criminal activity for three years and although she was charged of 39 counts of fraud, Kluding received the minimum prison sentence.

Paula Kluding used her ownership and power of Prairie View Hospice in order to con the company's Medicare beneficiaries. All of the falsified documents meant Prairie View Hospice would receive more money and pass their Medicare audits. Since these crimes were ongoing for three years, Prairie View made millions of dollars based off of these lies. Prairie View was supposed to be a trustworthy company, providing medical assistance to those in need but Kluding had other visions for the company. Although these cases are hard to prosecute, Paula Kluding should have been sentenced her maximum prison time. Paula Kluding lied to the government, the patients, and her beneficiaries. Kluding also put the patients at risk by fixing documents to make it seem as if nurses had visited a patient when they in fact never did so.

Prairie View Hospice, Inc. had a corporate social responsibility to follow their business plan and behave in a just manner. Paula Kluding decided to use the help of others to create a scam. Kluding began her three year prison sentence in August of 2015, (United States Department of Justice, 2015). Although justice was served, the sentence seems inadequate, considering the seriousness of the crime. Paula Kluding and everyone else involved should have been sentenced to the maximum time in prison. Huge fines have to be paid which should help give back to the Medicare Beneficiaries that have been scammed but money does not solve every problem. Prairie View Hospice has lost its reputation due to the wrongdoings of two people and it will be impossible to receive a trusting name again. Prairie View Hospice broke the trust of many Medicare Beneficiaries and they are now forced to pay the price. Paula Kluding will be forced to learn from her terrible mistake in these next six years to come.

## Bibliography

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