



KENTUCKY

General News



October 2013

Attorney General Conway and Gov. Beshear Warn Consumers of Scams During Health Care Coverage Rollout



Attorney General Jack Conway and Gov. Steve Beshear are warning consumers of potential scams claiming to be associated with Kentucky's rollout of the Affordable Care Act.

During the month of October, thousands of people across the Commonwealth without health insurance began seeking out information and shopping for insurance coverage through the federal and state exchanges. At an Oct. 29 press conference, General Conway and Gov. Beshear encouraged Kentuckians to protect themselves from scam artists, who will use this opportunity to try and collect their personal and financial information.

"Let me be clear, the only websites Kentuckians should visit to enroll for health care coverage are kynect.ky.gov or healthcare.gov," General Conway said. "These are secure websites operated by the state and federal governments, and call center staff members are professionally trained to answer your questions and help you with your concerns."

General Conway noted that any website trying to mimic an exchange that has a .com or .net at the end is a scam and said two websites are currently under investigation by the Office of the Attorney General. The websites were reported to the Cabinet for Health and Family Services by consumers who said they entered data into the sites and immediately started receiving non-stop phone calls seeking their information. The OAG has since sent cease and desist notices and civil subpoenas to the operators of both websites.

General Conway's Office of Consumer Protection has also put together a list of valuable tips that can help keep consumers safe from scammers. You can find the list here: <http://migration.kentucky.gov/Newsroom/ag/healthcarescams.htm>

"My office is committed to protecting Kentuckians from these types of crimes," General Conway said. "If something seems suspicious or you suspect fraud as you search for health care coverage, report it immediately by calling our Consumer Protection Hotline at 888-432-9257."

General Conway Takes Prescription Drug Abuse Awareness Message to Barren & Warren Counties



General Conway took his Keep Kentucky Kids Safe program to Barren and Warren counties during the month of October, warning more than 2,000 students about the dangers of prescription drug abuse.

“Prescription painkillers are some of the most addictive substances on the planet,” General Conway told students at Barren County and Warren East high schools. “If taken in the wrong combination or with alcohol, you may not wake up.”

A report released in October by Trust for America’s Health lists Kentucky as having the third-highest rate of fatal overdoses – the vast majority from prescription pills – in the country. Last year, there were about 220 million doses of the highly addictive painkiller hydrocodone dispensed in Kentucky. That’s 51 doses of the drug for every man, woman and child in the Commonwealth.

“With the increasing recreational use of prescription drugs by our youth, we feel General Conway’s message will help students realize the dangers associated with them,” said Mark Wallace, assistant superintendent of Barren County Schools.

“We want to educate our students on how to be healthy and make good choices. This includes being drug free,” added Nicole Clark, principal at Warren East High School. “We have to share with them not only that they should say no to drugs, but we also have to make sure they know why they should say no and what the consequences are if they don’t.”

Attorney General Conway was joined in Barren County by Jeff Scruggs, director of the Barren County Drug Task Force, and Mike Donta, a concerned parent from Ashland, Ky. who lost his son after a long battle with prescription drug abuse. Donta and Warren County Attorney Amy Milliken joined General Conway to deliver the Keep Kentucky Kids Safe message at Warren East High School.



Mike Donta and Attorney General Conway

Since launching the Keep Kentucky Kids Safe program in 2010 with the Kentucky Office of Drug Control Policy, Kentucky Pharmacists Association, National Association of Drug Diversion Investigators (NADDI), Operation UNITE and concerned parents, General Conway and his partners have alerted more than 30,000 students, teachers and parents to the dangers of abusing prescription drugs.

General Conway Announces 2013 Prescription Drug Abuse Prevention PSA Contest



Middle and high school students across the Commonwealth have the opportunity to compete for an iPad and other prizes as part of the Office of the Attorney General’s annual prescription drug abuse prevention PSA contest. The competition is part of General Conway’s statewide public awareness initiative to warn Kentucky kids about the devastating consequences of prescription drug abuse.

“I have heard the heartbreaking stories from students across Kentucky who have lost loved ones to this scourge, and I have grieved with far too many parents who’ve lost children to overdoses,” General Conway said. “I want our young people to know that it is never okay to take a prescription pill that was not prescribed to them by their doctor.”

As part of the competition, Kentucky middle and high school students produce a 30-second video that shows the perils of prescription drug abuse. The first place winner will receive an Apple iPad generously donated by the National Association of Drug Diversion Investigators (NADDI). The runner-up will receive a \$100 Amazon.com gift card donated by the Kentucky Pharmacists Association.

Attorney General Conway’s video PSA competition is held in partnership with the Kentucky Office of Drug Control Policy, the Kentucky Pharmacists Association, NADDI, Operation UNITE and concerned parents Dr. Karen Shay and Mike Donta.

The deadline for submitting a video is Dec. 6, 2013. Winners will be announced on Dec. 13, 2013. Students may find out how to submit a PSA for consideration by visiting the Attorney General’s Prescription Drug Abuse Prevention Page at <http://ag.ky.gov/rxabuse>.

General Conway Announces Continuation of Keep Kentucky Kids Safe Billboard Campaign

General Conway is using more than a dozen billboards across the Commonwealth to help drive home the important message of prescription drug abuse prevention.

Thanks to the donation of billboard space provided by Lamar Outdoor Advertising, Keep Kentucky Kids Safe billboards, which were created to warn Kentuckians about the dangers of prescription drug abuse and remind the public of the importance of monitoring, securing and safely disposing of unneeded prescription pills, are going up across Kentucky for a second year.

“Prescription painkillers are the number one cause of accidental death in the United States,” General Conway said. “Raising awareness about this issue through our billboard campaign is just one way we can help save lives. I appreciate Lamar Outdoor Advertising recognizing our efforts, and I am grateful for their assistance as we continue this important initiative.”



The signs feature Karen Shay and Lynn Kissick, two mothers from Morehead, Ky. who lost their daughters to prescription drug abuse. Shay and Kissick joined General Conway when he launched the first and only statewide Prescription Drug Diversion Task Force in 2009 and they have travelled with him to schools to help educate 30,000 students, parents and teachers about the dangers of prescription drug abuse. The billboards note that prescription pill abuse kills more Kentuckians than motor vehicle crashes.

“Lamar Advertising is very happy to partner with General Conway once again on this effort,” said Mike Gibson, sales manager for Lamar Lexington. “We are thankful for the opportunity and proud to help display the important message of prescription drug abuse prevention on billboards across the Commonwealth.”

Keep Kentucky Kids Safe billboards are already on display at multiple locations in Lexington and will appear in cities across Kentucky in the coming weeks.

Four Tons of Medications Collected During Drug “Take-Back” Event

More than four tons of unused and unwanted prescription drugs are out of homes and off the streets across the Commonwealth, thanks to the participation of Kentucky residents during a prescription drug “Take-Back” day in October. According to the U.S. Department of Justice Drug Enforcement Agency, 9,135 pounds of medication were collected statewide during the Oct. 26 event.



Last month’s initiative marked the seventh nationwide prescription drug “Take-Back” day with collection sites in local communities across the country. More than 70 prescription drug collection sites were designated across the Commonwealth as part of this initiative, including a site hosted by the Office of the Attorney General at its office in Prestonsburg.

Today, there are more overdose deaths in the Commonwealth than traffic fatalities. A report released in October by Trust for America’s Health underlines the prescription drug abuse epidemic with a staggering statistic: Kentucky has the third-highest rate of fatal overdoses – the vast majority from prescription pills – in the United States. However, the report also recognizes Kentucky for its prescription drug abuse prevention efforts. The state achieved a score of nine, on a scale of zero to 10, for its strategies to help curb the epidemic.

“We have taken action to pass comprehensive legislation to shut down pill mills and require doctors to check KASPER reports,” General Conway said. “In the Attorney General’s Office, we launched an education campaign for Kentucky middle and high school students to educate them about the dangers of prescription drug abuse. To date, we’ve presented our message to 30,000 students, teachers and parents. We know our efforts are working and helping save lives.”

In fact, a new survey has found that the percentage of Kentucky teens misusing prescription drugs has dropped dramatically over the past four years. According to the 2012 Kentucky Incentives for Prevention School Survey, the use of prescription drugs among students without a doctor’s order has decreased steadily among sixth-, eighth-, 10th- and 12th-graders since 2004. The declines have been the most significant since 2008, when the Attorney General’s Office, along with state lawmakers and other agencies across the Commonwealth, began intensifying efforts to fight prescription drug abuse.

The “Take-Back” initiative is a collaborative effort between local, state and federal law enforcement and government agencies to prevent increased prescription drug abuse and theft by collecting potentially dangerous expired, unused or unwanted medications for destruction. The service is free and anonymous.

General Conway Announces \$30 Million Multi-State Settlement with Affinion

Attorney General Jack Conway, along with the Attorneys General of 46 other states and the District of Columbia, announced on Oct. 10 that Connecticut-based Affinion and its subsidiaries, Trilegiant and Webloyalty, will pay more than \$30 million to settle allegations that they misled consumers into signing up and paying for discount clubs and memberships. Kentucky's share of the settlement is \$160,000.

Affinion and its subsidiaries operate multiple discount clubs and membership programs offering a variety of services such as credit monitoring, roadside assistance, and discounted travel. Many Kentucky consumers have alleged that Affinion charged them for services without their knowledge, and once consumers learned they were being charged, some had trouble cancelling or getting a refund. Other consumers were confused about who Affinion even was because the offers looked like they came from the company's marketing partners, which were typically banks or retailers that consumers did business with.

The judgment now prohibits two of Affinion's marketing practices – live check solicitations and online data pass offers.

In a live check solicitation, consumers were sent an offer via direct mail that appeared to be a check, but when they endorsed and deposited the checks, they unknowingly authorized Affinion to enroll them in membership programs and bill them monthly.

In an online data pass offer, consumers were presented an Affinion offer immediately after an online purchase from a retailer. Affinion would then enroll and bill consumers without obtaining any of their account information because the business would send the information to Affinion.

Additionally, the judgment requires Affinion to clearly provide information to its consumers regarding their membership after enrolling. The company must also issue routine reminders of their enrollment and changes to cancellation practices.

Affinion will provide \$19 million for refunds to some consumers who received unauthorized charges for programs.

"I am pleased that we were able to stop these deceptive marketing practices," General Conway said. "Consumers who believe they were improperly charged by Affinion or its subsidiaries can file a complaint with my office online or by calling 502-696-5300."

When filing a complaint, consumers should explicitly mention that it pertains to the "Affinion Settlement." All complaints must be received by the Attorney General's Office by Feb. 14, 2014.

General Conway Announces Settlement with Kmart Over False Claims Act Allegations

On Oct. 22, Attorney General Jack Conway announced that Kentucky joined with other states, territories, and the federal government to reach a settlement agreement with Kmart Corporation ("Kmart") over allegations that the company submitted false claims and false statements through its Kmart Pharmacy Centers to the federal government, state governments and territories for payments relating to partial fills of prescriptions.

Kmart will pay 30 states, Puerto Rico, the Virgin Islands, and the federal government a total of \$2.55 million in civil damages and penalties to compensate Medicaid, Medicare and various federal healthcare programs for harm suffered as a result of its conduct.

The lawsuit asserts that Kmart violated the federal False Claims Act by returning to stock and failing to delete or re-adjudicate prescriptions that were billed to federal health insurance programs, but were not picked up by customers.

This settlement is based on a whistleblower complaint against Kmart. The case was filed in the United States District Court for the Eastern District of Michigan by a private individual who filed the action under the federal false claims statute. As part of the settlement, Kentucky will receive \$36,892 in restitution and other recovery.

"I am pleased that we have reached this settlement and are recovering thousands of dollars for a vital state program and for taxpayers," General Conway said.

A National Association of Medicaid Fraud Control Units team participated in the settlement negotiations with Kmart on behalf of the settling states. Team members included representatives from the Offices of the Attorneys General for the states of Florida, Indiana, New York and North Carolina.



Four Former City Officials Indicted in Martin, KY

A former Martin, Ky. mayor, her daughter, and two other city employees were indicted by a federal grand jury on Oct. 23 for allegedly engaging in a scheme to defraud the Social Security Administration (SSA) to misapply federal funds.

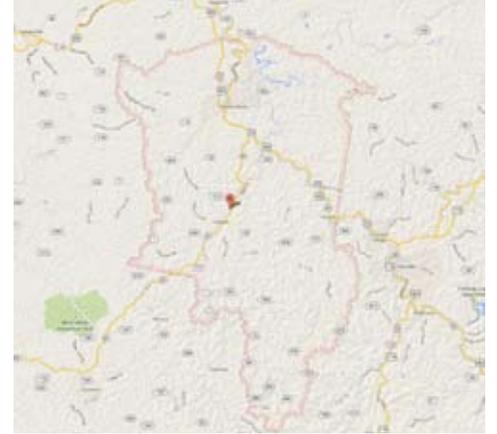
General Conway, along with Kerry B. Harvey, United States Attorney for the Eastern District of Kentucky, the Federal Bureau of Investigations, Social Security Administration, Office of the Inspector General, and Office of Investigations jointly made the announcement last month. The investigation was handled by General Conway's Department of Criminal Investigations, Federal Bureau of Investigations, and Social Security Administration.

The federal indictment names former Martin Mayor Ruth Thomasine Robinson, 69; her daughter, Rita Christine Whicker, 42, who formerly directed the Martin Community Center; Ginger Michelle Halbert, 42, a volunteer city employee who worked closely with Robinson; and Ethel Lee Clouse, 68, the bookkeeper for the city.

All four defendants have been charged with conspiracy to defraud the SSA, theft of social security disability benefits, and aggravated identity theft. Robinson, Whicker, and Halbert were also charged with misappropriating money from a federal program. The final count of the indictment charges Halbert with knowingly failing to report her employment and earnings to the SSA.

According to the indictment, from 2006 until January 2013, Halbert, who purportedly worked on a volunteer basis, was secretly being paid with federal funds that were primarily intended for the Martin Community Center and the Martin Housing Authority. To conceal the scheme, the defendants allegedly arranged for the checks to be made payable to Halbert's son.

The indictment further alleges that Halbert, who was receiving social security disability benefits, intentionally failed to notify SSA of her earned income from the city of Martin. Under federal law, anyone who receives disability benefits is limited in the amount of money he or she can receive from another source, and all income must be reported to the SSA so it can properly determine eligibility for benefits.



State Worker, Welfare Recipient Indicted on Felony Fraud Charges

A state employee and a welfare recipient were indicted on Oct. 2 by a Franklin County grand jury for assistance program fraud.

34-year-old Angela Weatherington, who is employed by the Cabinet for Health and Family Services in Campbell County, is charged with two counts of assistance program fraud by an employee. Weatherington is accused of helping 41-year-old Fort Thomas resident Nicholas Wilson fraudulently obtain more than \$10,000 in Medicaid and food stamp benefits.

Wilson is charged with two counts of scheming to defraud an assistance program.

The charges are the result of investigations by the Office of the Attorney General's Department of Criminal Investigations. Prosecution is being handled by the Office of the Attorney General's Division of Special Prosecutions.

Caretaker Arrested for Patient Neglect

A caretaker in south-central Kentucky has been arrested for wanton neglect of an adult.

24-year-old Danielle West, of Science Hill, Ky., was arrested on Oct. 25 at her home by investigators from General Conway's Department of Criminal Investigations, who were acting on a warrant obtained by the OAG Medicaid Fraud and Abuse Control Division.

West worked as a caretaker for Independent Opportunities, which oversees small group homes where people needing individualized medical attention live. West is accused of pouring breathing treatment medication, which was intended for a patient suffering from COPD, down a sink rather than administering it to the patient.

Another Independent Opportunities employee noticed West's actions and notified company officials who conducted an internal investigation and contacted law enforcement.

"Our office took immediate action after learning of this incident," General Conway said. "I appreciate the work of my investigators and local law enforcement, and I applaud the employee who brought this matter to our attention."

The Pulaski County Attorney's Office is handling the initial prosecution of this case.



Lawrence County Man Sentenced on Child Porn Charges

A Lawrence County man has been sentenced for possession and distribution of child pornography.

The Lawrence County Sheriff's Department arrested 52-year-old Thomas Meade, of Blaine, Ky., last year following his indictment by a Lawrence County grand jury on Dec. 14, 2012. Meade was charged with one count of distribution of child pornography and four counts of possession of child pornography. Meade pleaded guilty to the charges on July 12, 2013 and was sentenced on Oct. 25.



Meade was sentenced to five years in prison; however, his sentence was probated for five years. Meade must register as a sex offender for 20 years and successfully complete a sex offender treatment program.

General Conway's Office of Special Prosecutions handled this case at the request of, and in cooperation with, the Lawrence County Commonwealth's Attorney.

"I appreciate the hard work of my Cybercrimes Unit, Office of Special Prosecutions and all of the agencies involved in this case," General Conway said. "Working together, we are helping make the Internet a safer place for Kentucky kids."

Since its creation in June of 2008, General Conway's Cybercrimes Unit has launched approximately 300 child pornography investigations and seized more than 400,000 child pornographic images and videos from the Internet. The unit is also a member of the Internet Crimes Against Children (ICAC) Task Force.

For additional information on cybersafety in Kentucky, visit General Conway's Cybersafety Page at <http://ag.ky.gov/cybersafety> . To report cyber abuse, call the CyberTipline at 1-800-843-5678.