

STATE OF OKLAHOMA)
) SS.
COUNTY OF CREEK)

CF - 2018-288 1

FILED IN DISTRICT COURT
CREEK COUNTY SAPULPA OK

OCT 18 2018

TIME 11:10 am
Amanda VanOrsdol, COURT CLERK

AFFIDAVIT OF PROBABLE CAUSE

FOR ARREST WARRANT FOR

TINA LEE PEARSON

21 O.S. § 843.1(A)(1) FINANCIAL EXPLOITATION BY CARETAKER

Beth Medford, being of lawful age and after having affirmed upon her oath to tell the truth, states the following:

I am a certified Peace Officer in Oklahoma, currently employed as an Agent in the Oklahoma Attorney General's Office (OAG) Medicaid Fraud Control Unit (MFCU). My duties include investigating allegations of Medicaid fraud as well as abuse, neglect and financial exploitation by providers and nursing facilities receiving Medicaid funds.

On February 19, 2016, the OAG MFCU received from Sandra Kay, the then-Administrator of the Drumright Nursing Home (DNH), an allegation of financial exploitation committed by Tina Lee Pearson, the former Administrator of Drumright Nursing Home. Drumright Nursing Home (DNH) is a nursing facility located at 701 N. Bristow Avenue, Drumright, in Creek County, Oklahoma, which receives some of its funding through the Oklahoma Medicaid program.

Your affiant was assigned to investigate the allegations regarding financial exploitation of residents of DNH. As part of this investigation, facility documents, resident interviews, current and former employee interviews, facility bank records and employee bank records were analyzed. Subpoenas Duces Tecum were used to obtain and review banking records from Spirit Bank, RCB Bank and Bank of Cushing relating to banking records including the DNH Operating account, the Resident Trust Account (RTA) maintained by DNH on behalf of its residents and the personal bank accounts of Tina Lee Pearson, former Administrator of DNH.

A review of DNH & RTA banking records for the period between January 1, 2012 and the date Pearson terminated her employment with the facility on October 23, 2015 revealed that at least thirty-three (33) residents had personal property/funds diverted from them by Tina Lee Pearson totaling \$217,758.13. These residents were vulnerable adults under the care of the DNH due to needing assistance with their activities of daily living (ADLs). Pearson was the Administrator of DNH and in a position of trust over the Residents' funds at the time of the financial exploitation.

Medicaid recipients living in nursing homes typically receive a monthly stipend from Medicaid of \$50 (or \$30 for Supplemental Security Income (SSI) recipients) for use as discretionary spending money. Any other money such residents receive from family, pensions, social security or retirement is paid to the facility as the resident's share of their monthly living expenses, known as their Care Cost Payment a/k/a Vendor Payment. The State of Oklahoma Medicaid Program then pays any remaining balance to the facility for the care of the resident.

Pearson was employed at DNH off and on for approximately 27 years. She was the Administrator at DNH from approximately 2005 to October 23, 2015. Part of her duties as Administrator included DNH's bookkeeping and financial operations, including receiving payments from various sources such as residents, residents' families, residents' retirements, social security disability, pensions, other income, and the State of Oklahoma Funds sent to the residents were placed into the Resident Trust Account (RTA) for each resident in the RTA. She was also responsible for ensuring facility residents received their discretionary funds from the RTA as needed.

As part of the bookkeeping process, Pearson was responsible for ensuring the appropriate amount of money was transferred from the RTA to the DNH Operations Account each month for each resident, as each resident's Care Cost Payment. Each month, the residents' retirement and disability checks from social security, pensions and other income would arrive at the facility to be deposited into the RTA. Pearson was supposed to deposit these funds into the RTA and then write a check for the amount, less \$50 (or \$30) discretionary funds, from the RTA to the DNH Operations account for each resident's Care Cost Payment. At no point would it be appropriate accounting or financial methodology for a resident's Cost Care Payment to be withdrawn as cash from the RTA, instead of being transferred from one account (residents' RTA) to the other account (DNH's Operations Account) via check.

Checks for DNH residents' Care Cost Payments were supposed to be written from the RTA to "DNH" (Operations Account) with each resident's name listed in the memo line to indicate which check belonged to which resident. However, analysis of bank records for the period revealed that nearly every month Pearson wrote checks from the RTA to "Spirit Bank", "RCB Bank", "Tina Pearson" or "CASH" rather than to "DNH" Operations Account in various amounts that did not correspond with the residents' individual Care Cost Payments. Often, these checks would be cashed at the RCB Bank counter, and on the same day Pearson would deposit cash into her personal bank account which was also located at RCB Bank. These checks all bear Pearson's signature.

There is no evidence that the cash withdrawn from the RTA was ever given to any of the residents for whom the funds were withdrawn. There are no resident receipts to support any of these cash transactions and residents never received amounts of cash from Pearson

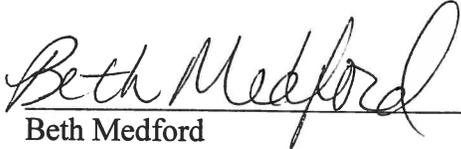
corresponding with Pearson's many large withdrawals of cash from the RTA. Pearson was the only individual who had check-writing access on the RTA account during that time.

Between January 1, 2012 and October 23, 2015, a total of \$217,758.13 was withdrawn from at least thirty-three (33) residents' RTA account as cash by Pearson.

On February 16, 2018, your affiant interviewed Pearson. During that interview, Pearson admitted cashing the RTA checks and diverting the cash to her own use. She initially stated she didn't know why she took it, then later admitted it was to support her gambling problem. She stated she was alone in taking the money, and no one else knew she did it. She stated she couldn't remember when she started taking the money, but thought it was around 2011. She offered to give up her Administrator's license and pay the money back. At the end of the interview, she said "I'm glad it's over" and agreed she has been carrying a big burden for the last few years.

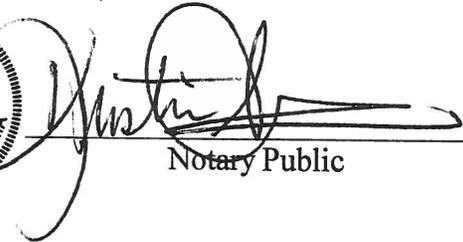
I request upon probable cause, the Court issue a warrant for the arrest of Tina Lee Pearson on the felony charge of Financial Exploitation by Caretaker, 21 O.S. § 843.1(A)(1).

Further, your affiant sayeth not.


Beth Medford

Subscribed and affirmed before me this 14th day of October, 2018.




Notary Public

My commission expires: 2/9/19

FINDING OF PROBABLE CAUSE

On this 16 day of Oct, 2018, the above-styled and numbered cause came on for hearing before me, the undersigned Judge of the District Court, and upon the Affidavit of Beth Medford, requesting that a warrant of arrest be issued for the within named Defendant, that s/he might be arrested and held to answer for the offense of FINANCIAL EXPLOITATION BY CARETAKER.

The Court finds that the offense of FINANCIAL EXPLOITATION BY CARETAKER has been committed and there is probable cause to believe that the within Defendant has committed said offense and that a warrant of arrest should be issued.

Dated this 16 day of Oct, 2018.

Pam Hammers

JUDGE OF THE DISTRICT COURT