



DEPARTMENT OF THE ATTORNEY GENERAL

DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
ATTORNEY GENERAL

For Immediate Release
March 10, 2016

News Release 2016-10

**MOTHER AND DAUGHTER SENTENCED FOR DEFRAUDING
STATE MEDICAID PROGRAM**

HONOLULU – Attorney General Doug Chin announced that Susan Escobar (Escobar) and her daughter, Yolanda Cristina Escobar Hiro (Hiro), pled guilty yesterday to Theft in the Second Degree for committing Medicaid fraud. The defendants were sentenced by Judge Glenn Hara in the Third Circuit Court.

Escobar, the former office manager of Mastercare, a home health care services company that was contracted by the State to provide home care services to Medicaid recipients in their home, created false progress notes and time sheets. The notes and time sheets were for work that was never actually performed by Hiro. The fraudulently billed services were for Escobar's former mother-in-law, a Medicaid recipient, living with Escobar. The investigation, conducted by the Medicaid Fraud Control Unit, Department of the Attorney General with assistance from the Hawaii Police Department, revealed that it was impossible for Hiro to provide any services in Hilo since she resided, operated a child care business, and held a part-time job at a hotel in Kona.

Attorney General Chin said "Medicaid funds received by the State of Hawaii from the federal government provide services to people in need and are diminished whenever a provider commits this type of fraud. The Medicaid Fraud Control Unit will continue to vigorously investigate and prosecute these types of cases to the fullest extent of the law."

Under the terms of a plea agreement, Judge Hara granted the defendants' request for a deferral and ordered the defendants to pay \$7,000 as partial repayment for investigative costs to the Medicaid Special Fund, restitution in the amount of \$7,068 and 200 hours of community service work. The defendants paid for the full amount owed for investigative costs and restitution at the time of sentencing.

#

Department of the Attorney General
News Release 2016-10
Page 2

For more information, contact:

Joshua A. Wisch
Special Assistant to the Attorney General
(808) 586-1284
Joshua.A.Wisch@hawaii.gov
<http://ag.hawaii.gov>