



**VIRGIN ISLANDS DEPARTMENT OF JUSTICE**  
**OFFICE OF THE ATTORNEY GENERAL**

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

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**ATTORNEY GENERAL DENISE GEORGE ANNOUNCES ARREST OF A DHS  
MEDICAID PROGRAM ELIGIBILITY SPECIALIST FOR FRAUD**

(U.S. Virgin Islands)- V.I. Attorney General Denise George announces the arrest of Department of Human Services employee, Edith Brathwaite of St. Thomas by the Medicaid Fraud Control Unit (MFCU) of the V.I. Dept. of Justice (VIDOJ) for allegedly defrauding the Virgin Islands Medicaid program. The arrest arose from a joint fraud investigation by the MFCU, the V.I. Inspector General's Office and the federal Department of Health and Human Services Office of the Inspector General (HHS-OIG). The Virgin Islands Medicaid Fraud Control Unit is 100% federally funded and one of 53 Medicaid Fraud Control Units created by Congress specifically to investigate fraud, waste, and abuse in the local Medicaid programs. At the time of the alleged crime, Brathwaite was employed as an Eligibility Specialist I with the Virgin Islands Medicaid Program, under the Virgin Islands Department of Human Services (DHS) and received government employee health insurance benefits.

Brathwaite was arrested on a Superior Court warrant charging her with violations of the V.I. Medicaid Fraud statute, fraudulent claims upon the government, conversion of government property, embezzlement, or falsification of public records, obtaining money by false pretenses, and grand larceny, for allegedly falsifying her income information on a hospital document to a lower amount in order to qualify for presumptive Medicaid benefits of which she knew was not lawfully eligible.

The investigation began in February of 2020 when the MFCU received an anonymous complaint alleging that several employees of the Virgin Islands Medicaid Program were defrauding the Medicaid program by fraudulently granting Medicaid benefits to themselves, family members, persons living outside of the United States, and their friends.

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**St. Thomas**

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**St. Croix**

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The investigation revealed that some employees of the Virgin Islands Medicaid Program were underreporting their income in order to obtain Medicaid benefits. In some instances, the employees worked on each other's Medicaid case and failed to report income when the income, if reported, would have disqualified the employees/applicants for benefits. In other cases, employees attempted several income levels until they arrived at the levels that would qualify their co-workers for benefits. Employees enrolled undocumented persons, who are not entitled to Medicaid benefits, in the Medicaid program and continued to grant Medicaid benefits to family and friends living outside of the United States. And, in other instances, employees were issued forced eligibility in order for their co-workers whose income exceeded the Medicaid income level, to qualify for benefits. Brathwaite is one of three employees that have been arrested thus far. The investigation revealed that all employees were covered under the Government Health Insurance and were using Medicaid to pay for their co-pay.

It is alleged that on January 19, 2019, Brathwaite went to the emergency room at the Schneider Regional Medical Center in St. Thomas for medical attention. Braithwaite was subsequently admitted to the hospital for medical treatment. At some point during her stay at the hospital, Brathwaite was approached by hospital Employee #1 about filling out a Hospital Presumptive Eligibility (HPE) for medical benefits under the Virgin Islands Medicaid program. Based on their conversation, Brathwaite and the hospital Employee #1 knew then that Brathwaite would not be eligible for Medicaid benefits due to her income. So, she did not complete an HPE application.

The Virgin Islands Medicaid program allows an individual who is being seen at the emergency room at a local hospital to complete a HPE application to obtain Medicaid benefits. The applicant is not required to sign the application nor to provide any verification of income. Once the HPE application process is completed, the applicant is determined to be "presumptively eligible" for Medicaid benefits. Consequently, the hospital may invoice the Medicaid program for services provided to the individual and the hospital will receive payments for services provided to the individual during the 60-day period. Once the HPE expires, the individual is required to submit further documentation including income to the Medicaid program to obtain Medicaid benefits.

It is alleged that Brathwaite was released from the hospital on January 22, 2019. And, on February 1, 2019, Brathwaite went to SRMC and requested to speak with hospital Employee #1. Brathwaite completed an HPE application for submittal. Brathwaite stated an income level that would have made her ineligible for Medicaid benefits. However, hospital Employee #1 informed Brathwaite that at that income level she would not qualify for Medicaid benefits. Brathwaite crossed out the income level and entered a lower amount that was false. Based on that amount, she was qualified for benefits and the hospital was able to invoice the Virgin Islands Medicaid program for the services that Brathwaite received during her stay at SRMC.

Medicaid is a multi-billion-dollar joint state and federal program that provides health coverage for the economically disadvantaged. It provides essential medical care to low-income Virgin Islanders including children. Medicaid fraud impacts the most vulnerable in our community and can place millions of dollars in federal funds to VI in jeopardy. It costs American taxpayers an incalculable amount of money and hinders the integrity of the Medicaid program. Medicaid Fraud Control Units have long been the vehicle used to enforce health care fraud. However, in 1995, Congress enacted legislation that requires each state to have a Medicaid Fraud Control Unit or submit a waiver to the Secretary of the US Department of Health and Human Services.

The Virgin Islands Medicaid Fraud Control Unit is 100% federally funded and one of 53 Medicaid Fraud Control Units created by Congress specifically to investigate fraud, waste, and abuse in the Medicaid programs. The Virgin Islands Medicaid Fraud Control Unit is 100% funded by a grant

from the DHH-OIG. and works cooperatively with the Virgin Islands Department of Human Services and other territorial and federal partners to prosecute fraud in the Virgin Islands Medicaid program.

“My office remains dedicated to protecting taxpayers’ dollars and pursuing potential instances of Medicaid fraud and corruption,” said AG Denise George. Through our Medicaid Fraud Control Unit, we work diligently to meet our mandate and uphold the integrity of the Virgin Islands Medicaid program and hold those accountable who would abuse the public trust.

AG George cautions the public that in a court of law, any person charged with a crime in the Virgin Islands is innocent until proven guilty.





TERRITORY OF THE UNITED STATES VIRGIN ISLANDS )

DIVISION OF ST. THOMAS-ST. JOHN )

Misc. # 8 / 2022

**AFFIDAVIT IN SUPPORT OF ARREST WARRANT**

I, Nicholas Peru, being duly sworn depose and state the following:

1. I have been employed by the Office of the Virgin Islands Inspector General for approximately 20 years and currently the Chief of Investigations. Prior to employment with the Office of the Virgin Islands Inspector General, I was employed as a Special Agent with the Virgin Islands Department of Justice, Office of the Virgin Islands Attorney General. In my capacity as a law enforcement officer, over twenty (20) years, I have personally taken part in countless criminal investigations in the Territory of the U.S. Virgin Islands.
2. The facts and information contained in this affidavit are based upon my personal knowledge of the investigation and from the observations of other officers and witnesses involved in the investigation. All information gathered as part of this investigation is not included in this affidavit, which is presented for the limited purpose of establishing *probable cause* for arrest.
3. This investigation was undertaken by a task force consisting of members of the Medicaid Fraud Control Unit, (MFCU) as established within the Office of the Virgin Islands Attorney General to investigate suspected cases of Medicaid fraud and Medicaid program administration fraud, the Department of Health and Human Services, Office of Inspector General (HHS/OIG) and the Office of the Virgin Islands Inspector General (OVIIG), represented by Affiant.

**FACTS ESTABLISHING PROBABLE CAUSE**

4. The Virgin Islands Department of Human Services (DHS) is responsible for administering the Virgin Islands Medicaid Program (MAP) which was established to provide financial assistance for medical expenses to individuals, families and children. In addition, MAP assists aged and special needs

individuals whose incomes are insufficient to meet their medical expenses. One of the requirements for eligibility for MAP is the applicant's income.

5. Information obtained from the DHS indicated that as part of the Medicaid application process, an individual can visit a medical facility such as an emergency room at a local hospital and fill out what is referred to as a Hospital Presumptive Eligibility (HPE) for Medicaid benefits. Under HPE, hospitals can immediately enroll patients for Medicaid benefits for a period of sixty days. The applicant is not required to sign the application nor to provide any verification of income. Once the HPE application process is completed, the applicant is then determined to be "presumptively eligible" for Medicaid benefits. The hospital will receive payments for services provided to the individual during the sixty-day period. Once the HPE has expired, the applicant must then visit the DHS Medicaid Office to submit further documentation to continue the application and verification process to obtain full Medicaid benefits.
6. As part of this investigation, investigators learned that on January 19, 2019, Edith A. Brathwaite, a DHS employee, arrived at the emergency room at the Schneider Regional Medical Center (SRMC) in St. Thomas, Virgin Islands for medical attention. Ms. Brathwaite was subsequently admitted to the hospital for medical treatment.
7. A copy of the Hospital Presumptive Eligibility (HPE) for Medicaid benefits for Patient Number E12011409 was obtained. Patient Number E12011409 refers to all SRMC records for Edith Brathwaite. The HPE form was filled out in the name of Edith Brathwaite and dated January 19, 2019. A review of the HPE for Brathwaite reflects her personal information such as name, social security number and physical address.
8. The HPE application has an entry in Section 2 which reflects that Brathwaite has a family household size of one.

9. Page 2, Section 4 of the HPE application asks for information under family income. This section specifically requested to "write the total income before taxes are taken out." The entry under this section was made in what appears to be an amount of \$600+ which is not completely legible. Written over that amount was entered the amount of \$585.70 (twice) along with the initials "EB". It also bears the initials of Hospital representative who has been identified as [REDACTED]
10. Edith Brathwaite was interviewed on both May 18, 2021 and again on November 5, 2021, at which time she agreed to answer questions relative to the aforementioned HPE application.
11. Brathwaite stated that on January 19, 2019, she was admitted to the SRMC for medical treatment. At some point during her hospital stay, a SRMC employee came to her hospital room to discuss information about HPE. Brathwaite knew that she would not be eligible for HPE due to her income at DHS, therefore no HPE application was done.
12. On or about February 1, 2019, subsequent to her January 22, 2019, release from SRMC, Brathwaite returned to SRMC and went to the [REDACTED] Office where she met [REDACTED] the same employee who had spoken to her in her hospital room. Brathwaite then proceeded to complete an HPE application (knowing that she would not qualify due to her income level).
13. Information was obtained that identified the hospital representative whose name appeared on Brathwaite's HPE as [REDACTED] [REDACTED] has been employed at SRMC [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
14. [REDACTED] was interviewed on January 20, 2022 and again on January 26, 2022. At that time, she stated that she was the employee who spoke to Brathwaite on January 22, 2019, prior to Brathwaite being discharged from the hospital.
15. [REDACTED] further stated that both she and Brathwaite had a conversation regarding HPE benefits and it was determined that Brathwaite was not eligible for HPE due to her income.

16. [REDACTED] [REDACTED] provided a copy of her patient notes as it relates to Brathwaite. A review of these patient notes shows an entry dated January 22, 2019, which states "*PT NOT APPLICABLE FOR MEDICAID PE DUE TO INCOME.*"
17. [REDACTED] stated further that, on February 1, 2019, Brathwaite came to the SRMC [REDACTED] Office and asked for her [REDACTED] specifically, telling her that she wanted to fill out an HPE application.
18. During the process of Brathwaite filling out the HPE, Brathwaite entered an amount of six hundred dollars (\$600) which is not completely legible. [REDACTED] stated that she told Brathwaite that if she entered an amount of six hundred dollars or over, she would not qualify. At that time, Brathwaite entered an amount of \$585.70, as reflected on her HPE application. [REDACTED] further stated that she told Brathwaite to initial the change which Brathwaite did. Subsequently, Brathwaite's (fraudulent) HPE application was processed through normal means.
19. As part of this investigation, investigators obtained documents from the Virgin Islands Division of Personnel (DOP) which shows that a Notice of Personnel Action (NOPA) was issued to Edith A. Brathwaite, which reflects that Brathwaite was employed by the Department of Human Services, Division of Health Insurance and Medical Assistance on or about September 28, 2009 in the position of Eligibility Specialist I, with a salary of thirty one thousand seven hundred and ninety five dollars. (\$31,795). A review of subsequent NOPAs for Brathwaite reflect that on or about January 19, 2019, Brathwaite's annual salary was thirty-eight thousand four hundred thirty nine dollars, (\$38,439).
20. As part of this investigation, investigators obtained copies of payroll check stubs issued to Brathwaite which covered the time period of her completing the HPE application. The stubs show that her "gross" bi-weekly income was one thousand two hundred eighty eight dollars and twenty six cents (\$1,288.26). **This amount is above the required income threshold which would have made her ineligible for benefits.** Further, payroll check stubs also reflect a "net" pay of five hundred eighty six dollars and fifty eight cents (\$586.58). This is the amount similar to what Brathwaite entered on her HPE application.

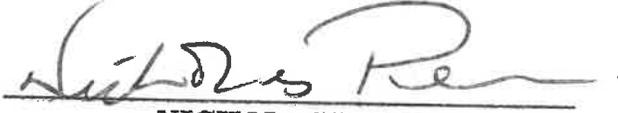
21. As part of the application process for full Medicaid benefits, a Notice of Decision (NOD) is issued which notifies an applicant whether they are eligible for benefits or denied benefits. A NOD dated February 5, 2019, was issued in the name of Edith Brathwaite which stated that she was eligible for benefits covering the period January 18, 2019 to February 28, 2019. Based on the "net income" in the amount of \$585.70, which Brathwaite fraudulently entered on her HPE application, this NOD would have automatically deemed her eligible for Medicaid benefits.
22. A review of claims submitted by SRMC for services rendered to Brathwaite reflects that a hospital bill in the amount of \$7,472.08 was submitted for payment for services rendered to her by SRMC as part of her HPE Medicaid benefits obligation.
23. During her interview, Brathwaite was asked to explain the HPE process which she did, along with explaining the process of applying for permanent Medicaid benefits once the HPE had expired.
24. Brathwaite was shown the aforementioned HPE application. Brathwaite admitted that the handwriting on the application was hers along with the initials "EB". Brathwaite stated that she wrote the illegible amount of \$600 and subsequently changed it to \$585.70. Brathwaite stated that the amount of \$585.70 was her net income.
25. Brathwaite was asked about Item 4 on her HPE application relative to providing income information. The area in question states "*write the total income before taxes.*" Brathwaite stated that she did not see that area when filling out the form. She stated further that the reference of "*total income before taxes*" refers to gross income. Additionally, she stated that the amount of \$585.70 which she entered was her net income.
26. Brathwaite has worked as an Eligibility Specialist I for approximately 12 years. She stated that (despite her position as an Eligibility Specialist I) she was not familiar with the DHS system used to process applications for Medicaid benefits. Brathwaite also stated that during an in-house training session which she attended, the instructor told the attendees to use the net income when processing a Medicaid application. She further stated some employees used the net income and other employees used gross income when processing Medicaid application.

27. The DHS uses a computer program called the Virgin Islands Benefit and Eligibility Enrollment System (VIBES) which is utilized by employees of the DHS Medicaid Program when processing applications for Medicaid benefits. According to the DHS policies and procedures regarding verification of income, an Eligibility Specialist must enter the gross income amount in the applicant's VIBES profile.
28. As part of the VIBES application process, MAP uses what is referred to as a "Proposed Income Threshold" to determine eligibility for Medicaid benefits. This "Proposed Income Threshold" is where an applicant's income is entered as part of the criteria used to establish eligibility. As part of the policies and procedures for processing a Medicaid application, the Eligibility Specialist must apply the gross income and not the net income to determine eligibility. The program calculates and makes the determination, and not any employee, based on the information entered.
29. A review of Brathwaite's VIBES profile (entry to gain Medicaid benefits), shows that on or about October 4, 2019, an application for permanent benefits was entered into the VIBES on behalf of Brathwaite. Copies of payroll check stubs issued to Brathwaite which covered the time period of her application shows that her "gross" bi-weekly income was one thousand two hundred eighty eight dollars and twenty six cents (\$1,288.26). This amount is above the required income threshold which made her ineligible for benefits. As a result, a Notice of Decision dated October 4, 2019 was processed in the name of Edith Brathwaite notifying her that she was ineligible for Medicaid benefits due to her income exceeding the required level.
30. On October 5, 2021, Brathwaite visited the SRMC Business Office and informed the staff that she was there to make a payment on her hospital bill. Documentation obtained from the Business Office shows that Brathwaite made a payment in the amount of \$1,548.60. Brathwaite further requested that the amount of six hundred twenty-two dollars and thirty two cents (\$622.32) which was paid by Medicaid to SRMC for services rendered to her be reimbursed. A credit card transaction receipt dated October 5, 2021, shows that a payment was made by Edith Brathwaite to SRMC.

31. Based upon the foregoing, Affiant believes that probable cause exists to believe that EDITH A. BRATHWAITE did commit the following violations of Virgin Islands Criminal Code:

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| 1) 34 VIC § 686(b) (1) (A); (2) (A)      | MEDICAID FRAUD                                   |
| 2) 14 VIC § 843(1) (3)                   | FRAUDULENT CLAIMS UPON THE GOVERNMENT            |
| 3) 14 VIC § 895 (a) (b)                  | CONVERSION OF GOVERNMENT PROPERTY                |
| 4) 14 VIC § 1662 (6) (7); 14 VIC § 11(a) | EMBEZZLEMENT OR FALSIFICATION OF PUBLIC ACCOUNTS |
| 5) 14 VIC § 834 (2)                      | OBTAINING MONEY BY FALSE PRETENSE                |
| 6) 14 VIC § 1083 (a) (1)                 | GRAND LARCENY                                    |

FURTHER AFFIANT SAYETH NOT

  
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**NICHOLAS PERU**  
Chief of Investigations  
Office of the Virgin Islands Inspector General

SUBSCRIBED and SWORN to before me this 22 day of February, 2022.

  
\_\_\_\_\_  
Magistrate  
Superior Court of the Virgin Islands

CERTIFIED TO BE A TRUE COPY  
This 22 day of February, 2022  
TAMARA CHARLES  
CLERK OF THE COURT  
By  Court Clerk