



IN THE NEVADA COUNTY CIRCUIT COURT, ARKANSAS
BENCH WARRANT

BENCH WARRANT

Case Number: 50BW-20-21

Warrant No.: 50BW-20-21

Total Bond to Collect:

Date Printed: July 24, 2020

The State of Arkansas, To Any Law Enforcement Officer in the State:

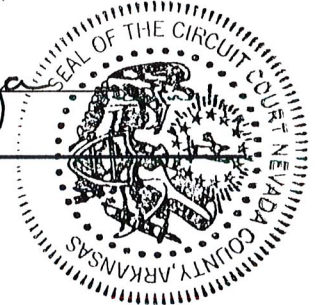
IT APPEARING that there are reasonable grounds for believing that **KEITH ALAN HEAD** has committed the following offenses:

Counts	Violations
1	5-36-103(b)(1)(A) THEFT OF PROPERTY > \$25,000 A(AN) CLASS B FELONY VIOLATION DATE: 01-APR-19 - -

in the County of NEVADA, you are hereby commanded to arrest and bring the above named person before the NEVADA COUNTY CIRCUIT COURT.

Given under my hand and seal of said court this July 24, 2020.

RITA REYENGA, CIRCUIT CLERK
BY: *Rita Reyenga*



Defendant's Last Known Address:
KEITH ALAN HEAD
1505 DOGWOOD TRL
CONWAY AR 720328044

Sex: M	Race: WHITE
Height: 5'10"	
Weight: 270 lbs.	
Eye color: BLUE	Hair color: GREY
D.L. State: AR	D.L. Number: 926329531
Date of Birth: 07/09/1951	
System ID: 926329531	
Social Security:	

WARRANT RETURN

BOND POSTED: \$ _____ CASH RECOGNIZANCE PROF 10%

I certify that I have served the within warrant of arrest on the _____ day of _____, 20_____, at _____

- by: taking into my custody the within named **KEITH ALAN HEAD** .
- delivering a copy of this warrant of arrest to the within named **KEITH ALAN HEAD** personally and releasing the accused upon promise to appear in the NEVADA COUNTY CIRCUIT COURT on the court date stated herein.
- Warrant returned unexecuted
- Warrant recalled

Arresting Officer and Agency _____

SID Number: _____

Arrest Tracking Number: _____

IN THE CIRCUIT COURT OF NEVADA COUNTY, ARKANSAS
CRIMINAL DIVISION

AFFIDAVIT FOR ARREST

Defendant's Name: **KEITH ALAN HEAD** Type/Class: **FELONY/B**

DOB/SEX: **07/09/1951** **M**

Address: **1505 DOGWOOD TRAIL** **CONWAY, AR 72032**

Phone: **501-514-5818** _____

The undersigned affiant being duly sworn, comes before the Honorable Circuit Judge DUNCAN CULPEPPER, and says that she has good reason to believe, and does believe, that on or about April 1, 2019 to September 30, 2019, in the county of Nevada, State of Arkansas, that KEITH ALAN HEAD did then and there commit the offense(s) of:

Theft of Property-A.C.A. § 5-36-103(a)(1)&(b)(1)(A)

(a) A person commits theft of property if he or she knowingly:

(1) Takes or exercises unauthorized control over or makes an unauthorized transfer of an interest in the property of another person with the purpose of depriving the owner of the property;

(b) Theft of property is a:

(1) Class B felony if:

(A) The value of the property is twenty-five thousand dollars (\$25,000) or more;

Consolidation of offenses —Amount of theft A.C.A. § 5-36-102 (d)(2)

(d)(2) An amount involved in a theft committed pursuant to one (1) scheme or course of conduct, whether from one (1) or more persons, may be aggregated in determining the grade of the offense;

against the peace and dignity of the State of Arkansas.

Facts Constituting Reasonable Cause

I, Laurie Jo Stowers, after being first duly sworn upon my oath, hereby depose and say: I am a Senior Investigator for the Medicaid Fraud Control Unit ("MFCU") of the Office of the Attorney General, and swear and affirm the following information is true and accurate, to the best of my knowledge and ability.

FILED 7-24-20
TIME 10:05
RITA REYENGA, NEVADA COUNTY
CIRCUIT CLERK *R. Reyenga* D.C.

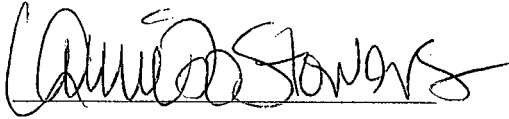
BACKGROUND

1. An investigation was conducted to determine if patient trust funds were illegally misappropriated at Prescott Manor Nursing Center by Keith Head (“Head”), the owner of the facility.
2. Head is the registered agent of H.O.P.E. Healthcare, LLC, whose principal address is in Conway, Arkansas. H.O.P.E. Healthcare LLC is the management company for KSJ, LLC dba Prescott Manor Nursing Center (“Prescott Manor”) and four other homes in Arkansas.
3. This investigation began on September 27, 2019, when the Arkansas Department of Human Services (“DHS”) contacted the Arkansas Attorney General’s office and relayed information they had received regarding Head and his business operations. Specifically, the DHS Office of Long Term Care (“OLTC”) discovered that resident trust fund accounts had been emptied or significantly depleted at several facilities owned by Head. When an employee of OLTC contacted Head and inquired if the resident trust funds were gone, he replied, “Yes.” Subsequently, the MFCU also received a complaint referred by the Prescott Police Department.
4. State and federal regulations require nursing home facilities to have trust accounts. These regulations specifically direct the nursing facilities’ owners and employees to keep patient trust fund accounts accurate and accessible to the residents. A resident has the right to manage his/her own affairs and is not required to post funds with the facility. However, if they do, the facility assumes the fiduciary role of the resident’s funds, and the facility is required to “hold, safeguard, manage, and account for the personal funds of the resident” 42 CFR § 483.10(f)(10).
5. For Medicaid residents, funds in excess of \$50.00 must be placed in an interest-bearing account, separate from the facility operating accounts. Any interest earned remains in the resident account. If resident funds are pooled in a joint bank account, then a separate accounting or “ledger” for each resident must be maintained.
6. The facility is required to maintain a system that assures a full and accurate accounting of each resident’s personal funds. Comingling of resident funds with facility business and operating funds or the funds of another person who is not a resident, is not allowed.
7. Quarterly reports must be compiled for each account and be available to the resident when requested.

INVESTIGATION

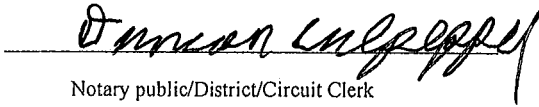
8. The Prescott Manor patient trust fund account (# xxxxx76) was secured with the Bank of Prescott. The facility had four (4) accounts at the bank. There were three (3) employees, including Head, authorized to conduct business concerning the patient trust accounts, but only one (1) signature was required.
9. The other facility accounts at the Bank of Prescott were the General Operating account, Payroll account and Petty cash accounts. Head was a signatory on each of these accounts as well.
10. The MFCU obtained resident financial ledgers from Prescott Manor and trust fund account records from the Bank of Prescott. These records were reviewed by the MFCU investigator with the assistance of a MFCU Certified Public Accountant.
11. The ledgers showed clothing and snack purchases made on behalf of the residents, deposits of Social Security checks, spending money deposits, and the like. A summary of the results was prepared.
12. The bank statements provided specific details of the funds transfers out of the patient trust accounts into other business accounts. Funds were transferred by use of electronic transactions online. All electronic transfers were made by Head since he was the only one authorized to make the electronic transfers.
13. On September 30, 2019, the trust fund ledger balance for all residents combined was \$43,740.48. The actual bank account balance was \$265.48, so the net loss of funds was \$43,475.00. Every resident with funds in the trust account suffered losses that varied from pennies to \$2,341.61.
14. There were seventy-six (76) total residents who suffered resident trust fund losses. In fact, twenty-one (21) of the nursing home residents sustained damages of more than \$1,000.00 each.
15. From April 2019 to September 2019, Head completed twenty seven (27) electronic transfers from the Prescott Manor patient trust accounts to the Prescott Manor Payroll, Operating and Petty Cash accounts and seventeen (17) electronic transfers back into the patient trust accounts.
16. Head was responsible for the safekeeping of patient funds in the facilities; however, he knowingly took unauthorized control of the property of seventy-six (76) long term care facility residents by using their funds without their consent, totaling \$43,475.00.

I swear that the allegations contained herein are the truth, the whole truth, and nothing but the truth.



Laurie Jo Stowers
Affiant
Medicaid Fraud Senior Investigator
Attorney General's Office
323 Center Street
200 Catlett-Prien Building
Little Rock, AR 72201
(501) 682-7760

Acknowledges before me, this 24 day of July, 2020.



Notary public/District/Circuit Clerk

ORDER

I hereby find that this sworn affidavit demonstrates reasonable and probable cause for the issuance of a warrant of arrest for the above named individual for the above stated offense(s). I further direct the Circuit Clerk of Nevada County to issue an arrest warrant for the above named defendant.

SUBSCRIBED AND SWORN TO BEFORE ME ON THE 24 DAY
OF July, 2020.



CIRCUIT JUDGE