

STATE OF WISCONSIN
P.O. BOX 7857
MADISON, WI 53707-7857,

Plaintiff,

v.

Case No. 21-CF-____

LERENZO HEAD
A/K/A LORENZO HEAD
3599 DICKINSON RD
DE PERE, WI 54115
DOB: 10/22/1984

Defendant.

CRIMINAL COMPLAINT

The Wisconsin Department of Justice, pursuant to its authority under Wis. Stat. § 49.846(2), files this complaint against Lorenzo Head (DOB: 10/22/1984).

Broadly speaking, the State of Wisconsin is alleging that Head engaged in three courses of criminal conduct while running two adult family homes in Brown County. First, he housed an excessive number of residents in one home, which not only exceeded the legal limit of occupants but also led to conditions of squalor. Second, he abused or neglected—or allowed someone else to abuse or neglect—a resident by locking the resident in his room and forcing him to use a bucket as a toilet. Third, he failed to train the service providers at these two adult family homes and deceived the

Department of Health Services into thinking that he had provided such training, by giving the department fake employee training logs.

More specifically, Department of Criminal Investigation Special Agent (SA) Kenneth Folkers, being first duly sworn, states on information and belief that:

COUNT 1: MEDICAL ASSISTANCE FRAUD

On or about June 6, 2018, in the Village of Allouez, Brown County, Wisconsin, the defendant, Lorenzo Head, having knowledge of the occurrence of an event affecting the initial or continued eligibility for any Medical Assistance benefit or payment, did conceal or fail to disclose such event with an intent to fraudulently secure such benefit or payment either in a greater amount or quantity than is due or when no such benefit or payment is authorized, contrary to Wis. Stat. §§ 946.91(2)(c) and 939.50(3)(h). To wit: the defendant, knowing that an excessive number of residents were living at one of his adult family homes, concealed or failed to disclose that fact with intent to fraudulently secure payment from Medicaid when no such payment would have been authorized.

Upon conviction for this offense, a Class H Felony, the defendant may be fined not more than \$25,000, or imprisoned not more than six years, or both.

COUNT 2: ABUSE OR NEGLECT OF RESIDENT

On or about June 6, 2018, in the Village of Allouez, Brown County, Wisconsin, the defendant, Lorenzo Head, while in charge of an adult family home, did intentionally abuse or neglect or knowingly permitted another person to intentionally

abuse or neglect a resident, Victim A, under circumstances that are likely to cause bodily harm, contrary to Wis. Stat. §§ 940.295(3)(a)1, 940.295(3)(b)2, and 939.50(3)(i).

Upon conviction for this offense, a Class I Felony, the defendant may be fined not more than \$10,000, or imprisoned not more than three years and six months, or both.

COUNT 3: MEDICAL ASSISTANCE FRAUD

On or about July 10, 2018, in the City of Green Bay, Brown County, Wisconsin, the defendant, Lorenzo Head, made or caused to be made a false statement or representation of material fact for use in determining eligibility for any Medical Assistance benefit or payment, contrary to Wis. Stat. §§ 946.91(2)(b) and 939.50(3)(h). To wit: the defendant failed to train his service providers—which is legally necessary to operate an adult family home—and sought to conceal the lack of training by submitting fake training logs to the Department of Health Services.

Upon conviction for this offense, a Class H Felony, the defendant may be fined not more than \$25,000, or imprisoned not more than six years, or both.

COUNT 4: FRAUDULENT WRITINGS: FALSIFYING A CORPORATE RECORD—PARTY TO A CRIME

On or about July 10, 2018, in the City of Green Bay, Brown County, Wisconsin, the defendant, Lorenzo Head, being a director of a corporation or limited liability company, with intent to injure or defraud, did falsify a record, account or other document belonging to that corporation or limited liability company by alteration, false entry or omission, or made, circulated or published any written statement

regarding the corporation or limited liability company which he or she knew to be false, contrary to Wis. Stat. §§ 943.39(1) and 939.50(3)(h).

Furthermore, under Wis. Stat. § 939.05, the defendant may be charged and convicted of the commission of the crime by directly committing the crime, by intentionally aiding and abetting the crime, or by being a party to a conspiracy with another to commit the crime or advising, hiring, counselling or otherwise procuring another to commit the crime.

Upon conviction for this offense, a Class H Felony, the defendant may be fined not more than \$10,000, or imprisoned not more than six years, or both.

Facts Constituting the Offenses Charged

I, the Complainant, am a Special Agent with the Wisconsin Department of Justice, Division of Criminal Investigation, assigned to the Medicaid Fraud Control and Elder Abuse Unit (MFCEAU). MFCEAU investigates and prosecutes civil and criminal offenses related to Medicaid providers, Medicaid recipients, and facilities that receive Medicaid funding.

I base this complaint upon my investigation, my training and experience, my review of business records, and my interviews with witnesses. I have, moreover, found business records to be reliable in the past. I believe the witness statements are truthful. I also base this complaint upon the investigation of Sergeant Philip Nelson of the Brown County Sheriff's Office, whom I collaborated with on this case and consider to be competent and reliable.

This complaint contains a summary of facts necessary to establish probable cause; it does not contain all facts related to this investigation.

Based upon information and belief, I state:

Background

The Wisconsin Medical Assistance program, commonly referred to as Medicaid, is a joint federal and state program that provides coverage for numerous health services to Wisconsin residents. Many types of Medicaid programs exist. One such program is Family Care Partnership, which provides services to frail elders and adults with disabilities, including lodging at a licensed adult family home. An “adult family home,” in relevant part, is a private residence “where 3 or 4 adults who are not related to the operator reside and receive care, treatment or services that are above the level of room and board.” Wis. Stat. § 50.01(1)(b); *see also* Wis. Admin. Code § DHS 88.02(5) (May 2011).

The Department of Health Services (DHS) administers Medicaid in Wisconsin. Within DHS, the Division of Quality Assurance (DQA) is responsible for ensuring the safety, welfare, and health of people using health and community care provider services. As part of that responsibility, DQA licenses adult family homes. *See* Wis. Stat. § 50.033; Wis. Admin. Code § DHS 88.03 (May 2011).

Lorenzo Head, through his company True Care Advantage, LLC—which is also known as Head Adult Family Homes—was licensed by DHS to operate two adult family homes. One home was in the Village of Allouez at 712 Dauphin Street (Dauphin House). The other home was in the City of Green Bay at 130 North Danz

Avenue (Danz House). Before June 8, 2018, Head Adult Family Homes had contracted to house four residents at Dauphin House and three residents at Danz House. Both homes were in Brown County, Wisconsin.

As to Counts 1 and 2:

On June 6, 2018, workers from Brown County Adult Protective Services (APS) made an unannounced visit to Dauphin House. APS workers made the visit after a report that a resident of Dauphin House, Victim A, went to a community service group that day with feces on his hat. When asked why there was feces on his hat, Victim A reportedly said that his hat accidentally fell into the bucket that he used as a toilet. Victim A further explained that he is locked in his bedroom at night and was given a bucket to go to the bathroom in.

Upon arrival, APS workers observed that there were seven residents at Dauphin House. Dauphin House, like all licensed adult family homes in Wisconsin, could only house a maximum of four residents. Wis. Stat. § 50.01(1)(b). Two residents said that Victim A had a bedroom in the basement and that Victim A was required to go to the bathroom in a bucket. The two residents said they knew this because they had previously seen Victim A dumping the bucket in the backyard. They said Victim A had to stop dumping the bucket in the backyard because it was leaving brown spots.

APS workers subsequently asked a service provider¹ at Head Adult Family Homes, to show them the bedrooms at Dauphin House, starting with Victim A's room.

¹ A "service provider" is someone "who provide[s] direct care or supervision for a resident of the adult family home, either as an employee of the licensee or as a volunteer." Wis. Admin. Code § DHS 88.02(33) (May 2011).

One of the APS workers smelled a strong odor of marijuana, urine, and feces as they walked to the basement. An APS worker observed a bed with sheets with a brown dried substance smeared on them that looked and smelled like feces. The worker further observed pillows that appeared to have feces smeared on them. Later, Lorenzo Head arrived at Dauphin House and confirmed that Victim A lived in the basement bedroom.

Victim A was interviewed that day by the APS workers. Victim A said that he would sometimes be locked in his bedroom as a form of punishment. Victim A could not give the exact number of times he was locked in his bedroom, but he said he was sometimes locked in overnight. When Victim A was locked in his bedroom and needed to use the bathroom, Victim A said that staff would tell him to use the bucket. Victim A said that the bucket would stay in his room for two to three days. Victim A said he used to dump the bucket in the backyard, but now he is made to flush it down the toilet. Victim A said the bucket was white and others in the house had seen him empty it.

In Wisconsin, the legal definition of “abuse” includes “[u]nreasonable confinement or restraint.” Wis. Stat. § 46.90(1)(a)5. An adult family home, moreover, “may not permit the existence or continuation of a condition in the home which places the health, safety or welfare of a resident at substantial risk of harm.” Wis. Admin. Code § DHS 88.04(2)(f) (May 2011). Furthermore, residents of adult family homes have the right to be free from physical or mental abuse or neglect and the right to be free from seclusion. Wis. Admin. Code § DHS 88.10(3)(m)–(n) (May 2011).

Later that day, APS workers visited the Danz House. APS workers observed that the home appeared to be abandoned as the grass was long and uncut, there were no lights on inside the house, the inside of the residence appeared clean and undisturbed, and the refrigerator was empty except for an old bottle of salad dressing.

Victim A was interviewed again on June 27, 2018. In that interview, Victim A reiterated that he lived in the basement bedroom, that he had to use a bucket as a toilet, and that staff members would lock him in his room.

Victim A was also interviewed on June 28, 2018, by Sgt. Philip Nelson of the Brown County Sheriff's Office. Victim A said there were seven people living at Dauphin House, and he told Sgt. Nelson the names of those seven residents. Victim A said that people were sleeping on the floor and the couch. Victim A identified several staff members including Head. Victim A said that Head would be at the house most of the time. Victim A again noted that he lived in the basement, used a bucket as a toilet, and that the bucket would be in his room for a couple of days before he emptied it.

Following APS's arrival at Dauphin House on June 6, 2018, Dauphin House was sold to a new owner. During a walkthrough at Dauphin House, the new owner explained to SA Folkers and Sgt. Nelson that after he bought the building, and was remodeling it, he noticed a strong urine smell from a room in the basement. He also showed SA Folkers and Sgt. Nelson some door locks that had been left on a bench in the utility room. The previous owner denied changing any of the locks after Head moved out.

In subsequent interviews with the people residing at Dauphin House on June 6, 2018, SA Folkers and Sgt. Nelson confirmed that all three people contracted to live at Danz House had moved to Dauphin House.

On September 12, 2018, SA Folkers and Sgt. Nelson interviewed Head at the Brown County Sheriff's Office. Head confirmed that he operated the Dauphin House and the Danz House. Head also provided the names of the residents and where those residents were supposed to be living. Head further said that he lived at Dauphin House right up until June 6, 2018. Head said that he lived in the office area in the basement of Dauphin House.

Head said that he did not know why the residents were taken away from him. Head said he thought it might be because Victim A went to work one day smelling like poop. Head said that he believes that Victim A put his hat in some poop in the toilet then stashed the hat in the garage and then took the hat with him to work because Victim A wanted to move to another facility. Head said that Victim A's room smelled like feces because Victim A would urinate and defecate on the floor. Head also denied that the basement smelled like marijuana because he does not smoke marijuana, his staff does not smoke marijuana, and the residents did not smoke marijuana.

As to Counts 3 and 4:

In addition to the requirement that an adult family home have no more than four residents, there are other rules that an operator of an adult family home (i.e., a licensee) must follow. *See* Wis. Admin. Code § DHS 88.03(1) (May 2011). For instance,

a licensee and each service provider must complete 15 hours of training “related to health, safety and welfare of residents, resident rights and treatment appropriate to residents” either “prior to or within 6 months after starting to provide care.” Wis. Admin. Code § DHS 88.04(5)(a) (May 2011). In addition, at minimum, “the licensee and each service provider shall complete 8 hours of training approved by the licensing agency related to the health, safety, welfare, rights and treatment of residents every year beginning with the calendar year after the year in which the initial training is received.” Wis. Admin. Code § DHS 88.04(5)(b) (May 2011). Each licensee, moreover, must maintain its own records documenting the training completed by each service provider and must make those records available to DHS for review. Wis. Admin. Code § DHS 88.09(2)(b)–(c) (May 2011). Providing training and maintaining records regarding the training is of vital importance because “[n]o person may operate an adult family home” unless DHS determines that the home is complying with all the requirements of Wis. Stat. § 50.033 and Wis. Admin. Code ch. DHS 88. Wis. Admin. Code § DHS 88.03(1) (May 2011).

On July 10, 2018, Head personally gave training logs related to the training of service providers to Witnesses A and B, both of whom work for DQA at DHS. Head provided the training logs during a meeting at the Northeastern Regional Office of DQA, which is located at 200 North Jefferson Street, Suite 501, in the City of Green Bay, Brown County, Wisconsin. The training logs purported to contain the names and signatures of service providers that attended training sessions put on by Head Adult Family Homes. These training logs also contained the signature of Lorenzo Head.

According to the logs, there were supposedly 19 different training sessions between January 9, 2016, and June 1, 2018, which covered such topics as: Abuse/Neglect Prevention/Reporting, Fire Safety/Emergency Procedures, Meeting the Emotional Needs of Residents, and Honoring Resident Rights.

At his interview with SA Folkers and Sgt. Nelson on September 12, 2018, Head said that he had received training through the state in how to deal with people with disabilities and traumatic brain injuries. Head also said that he was able to train his service providers. Head said that service providers need to have 8-12 hours of training per year.

On September 25, 2019, SA Folkers and Sgt. Nelson spoke with Witness C. During the interview, Witness C said that he worked for Head from May 2016 through May 2017. Witness C said that he did not receive any formal training and that all training was on-the-job. Afterwards, on December 3, 2019, after being shown the training documents that Head submitted to DQA, Witness C told Sgt. Nelson that he has never seen the documents before, that the signature on the documents was not his, and that he did not remember receiving the training associated with the signed documents. Furthermore, Witness C's signature appeared on training logs that both predated and postdated his employment. In total, Witness C's signature appears on training logs for seven trainings that supposedly took place when Witness C was not employed at Head Adult Family Homes.

On December 3, 2019, Nelson spoke with Witness D. Previously, Witness D told Nelson that she worked for Head Adult Family Homes from January 2016 until

January 2017. When shown the training logs from 2016, Witness D said that she recognized her signature. When shown the training logs from 2018, however, Witness D did not recognize the signature that purported to be her own. Witness D said that she did not work at Head Adult Family Homes in 2018, so she would not have attended any trainings that year. In total, Witness D's signature appears on training logs for five trainings that supposedly took place when Witness D was no longer an employee of Head Adult Family Homes.

Conclusion

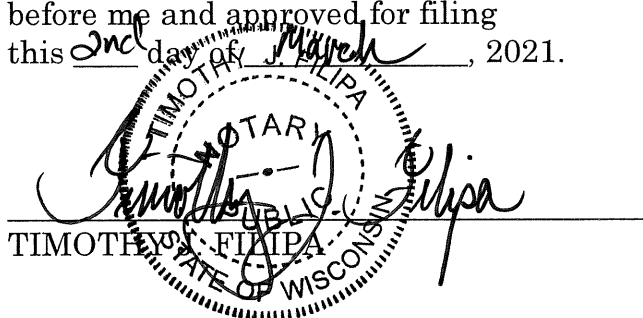
I, the Complainant, believe the information contained above is truthful and accurate. I believe that there is probable cause to believe that Lorenzo Head committed the criminal offenses identified in this complaint.

Dated this 2nd day of March, 2021.



Kenneth Folkers
Special Agent
Division of Criminal Investigation
Wisconsin Department of Justice

Subscribed and sworn to
before me and approved for filing
this 2nd day of March, 2021.



TIMOTHY J. FILIPA

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