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GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

May 9, 2023

Connie Clauson
Baruch SLS, Inc.
Suite 203
3196 Kraft Avenue SE
Grand Rapids, MI 49512

RE: License #: AL240388304
Investigation #: 2023A0009021
Mallard Cove Assisted Living

Dear Ms. Clauson:

Attached is the Special Investigation Report for the above referenced facility. Due to the violation identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- How compliance with the rule will be achieved.
- Who is directly responsible for implementing the corrective action for the violation.
- A specific time frame for the violation as to when the correction will be completed or implemented.
- How continuing compliance will be maintained once compliance is achieved.
- The signature of the responsible party and a date.

If you desire technical assistance in addressing these issues, please contact me. In any event, the corrective action plan is due within 15 days. Failure to submit an acceptable corrective action plan will result in disciplinary action.

Please review the enclosed documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (231) 922-5309.

Sincerely,

A handwritten signature in cursive script that reads "Adam Robarge".

Adam Robarge, Licensing Consultant
Bureau of Community and Health Systems
Suite 11
701 S. Elmwood
Traverse City, MI 49684
(231) 350-0939

enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMUNITY AND HEALTH SYSTEMS
SPECIAL INVESTIGATION REPORT**

I. IDENTIFYING INFORMATION

License #:	AL240388304
Investigation #:	2023A0009021
Complaint Receipt Date:	04/12/2023
Investigation Initiation Date:	04/13/2023
Report Due Date:	05/12/2023
Licensee Name:	Baruch SLS, Inc.
Licensee Address:	Suite 203 3196 Kraft Avenue SE Grand Rapids, MI 49512
Licensee Telephone #:	(616) 285-0573
Administrator:	Michelle Horn
Licensee Designee:	Connie Clauson
Name of Facility:	Mallard Cove Assisted Living
Facility Address:	2801 Charlevoix Road Petoskey, MI 49770
Facility Telephone #:	(231) 347-2273
Original Issuance Date:	10/10/2017
License Status:	1ST PROVISIONAL
Effective Date:	04/04/2023
Expiration Date:	10/03/2023
Capacity:	20
Program Type:	PHYSICALLY HANDICAPPED, AGED & ALZHEIMERS

II. ALLEGATION(S)

	Violation Established?
A staff person stole credit care information from Resident A and attempted to use it.	Yes

III. METHODOLOGY

04/12/2023	Special Investigation Intake 2023A0009021
04/12/2023	Contact – Document (email) received from administrator Michelle Horn
04/12/2023	APS Referral
04/12/2023	Contact – Telephone call received and made to adult protective services (APS) worker Lane Stopher, left message
04/13/2023	Special Investigation Initiated – Telephone call received from APS worker Lane Stopher
04/14/2023	Inspection Completed On-site Interview with administrator Laurie Lee Face to face contact with Resident A
04/19/2023	Contact – Telephone call received from APS worker Lane Stopher
04/20/2023	Contact – Telephone call made to administrator Ms. Michelle Horn
04/20/2023	Contact – Telephone call made to Resident A’s Power of Attorney
04/21/2023	Inspection Completed On-site Interview with administrators Michelle Horn and Lauri Lee
05/02/2023	Contact – Telephone call made to APS worker Lane Stopher
05/03/2023	Contact – Telephone call made to Resident B’s Power of Attorney
05/03/2023	Contact – Telephone call made to Resident C’s Husband, left message
05/03/2023	Contact – Telephone call made to Resident D’s Family Member, left message

05/04/2023	Contact – Telephone call received from Resident C’s Husband
05/04/2023	Contact – Telephone call made to Resident D’s Family Member, left message
05/09/2023	Exit Conference with licensee designee Connie Clauson

ALLEGATION: A staff person stole credit care information from a resident and attempted to use it.

INVESTIGATION: On April 12, 2023, I received an email message from administrator Michelle Horn from the Mallard Cove Assisted Living adult foster care home. She wrote, *‘Just an FYI.... We had a family member let us know that a credit card was compromised of his mom. It was identified to potentially be one of my staff. I called the sheriff department and instructed the family that they can make a police report. I do believe the sheriff department opened a APS referral. So, I just wanted to let you know.’*

I spoke with Adult Protective Services (APS) worker Lane Stopher by phone on April 13, 2023. He said that he was investigating the matter with law enforcement. They had a report of a staff person stealing credit card information from Resident A and attempting to make a purchase. The staff person called Resident A’s bank to try to determine what her credit limit was on the credit card. There was also a report that personal items belonging to Resident A were missing from her room. Mr. Stoffer spoke with Resident A’s Power of Attorney who confirmed that his mother’s bank contacted him about the fraudulent activity. The phone number of the person who was trying to use the credit card was tracked directly to a staff person who works at Mallard Cove Assisted Living.

I conducted a site visit at the Mallard Cove Assisted Living facility on April 14, 2023. I spoke with administrator Lauri Lee at that time. She reported that it was Resident A’s Power of Attorney who had notified them of the fraudulent activity on his mother’s credit card. He had been able to identify which staff it was who had called the bank. The staff person, Ayana Mayfield, was asked to leave the facility as soon as they found out about the alleged criminal activity. She has now been officially terminated. Other residents in the facility have complained about missing money in the last couple of months. It was difficult to determine whether this missing money was from theft or from being misplaced. I asked to see Ms. Mayfield’s criminal history background check which is required of a facility before allowing a staff person to work directly with residents. Ms. Lee provided me with Ms. Mayfield’s Michigan Workforce Background Check paperwork dated February 9, 2023. It indicated that Ms. Mayfield was eligible to work with adult foster care residents at that time. Ms. Lee said that after they were told of the issue, she entered the Workforce system and noted that Ms. Mayfield was no longer eligible for employment. She denied that she received any notice of this, she just observed it on the system. Ms. Lee did not

have any documentation of this, just her report of what she observed. Ms. Mayfield's employment was terminated at that time and she was removed from the Workforce system so there was nothing to show me at that time. Ms. Lee reported that the other administrator Ms. Michelle Horn might have more information and would be returning on April 19, 2023.

I spoke with APS worker Lane Stopher by phone on April 19, 2023. He said that he was still investigating the matter and would be making contact tomorrow with Ayana Mayfield with the Emmet Co. Sheriff's Department and would let me know what he found from that interview.

I spoke with administrator Michelle Horn by phone on April 20, 2023. Ms. Horn reported that she had been the one to make the call to the Sheriff's Department the week before because of the report of alleged credit card fraud. There have also recently been reports of money missing from several residents. Ms. Horn said that Ms. Mayfield could have possibly been in any of these resident's rooms due to direct care workers not being assigned to any particular resident. They respond to whichever resident has a need for assistance at any one time. Ms. Horn stated that she had spoken with Ms. Mayfield right after she received the report of fraud. Ms. Mayfield denied any wrongdoing at that time. Ms. Horn asked her to go home at that time and her employment was later terminated.

I spoke with APS worker Lane Stopher by phone on April 20, 2023. He said that he and Deputy Fisher from the Emmet Co. Sheriff's Department had spoken with former direct care worker Ayana Mayfield. She denied any wrongdoing. She did say that she knew Resident A and had cared for her during her employment at the Mallard Cove Assisted Living facility. Ms. Mayfield said that she did know that money was coming up missing in the facility. Administration had called a meeting to discuss with staff that there were several reports of residents missing money.

I also spoke with Resident A's Power of Attorney by phone on April 20, 2023. He said that he had received a call from his mother's credit union. They reported to him that his mother's credit card had been compromised. Someone called to ask what the credit limit was on the credit card. They had the credit card number but not the number of the bank account or personal identification number (PIN) that went with it. The fraud prevention specialist did provide Resident A's Power of Attorney with the phone number of the person who had called. It was not a phone number Resident A's Power of Attorney was familiar with. He was able to determine the name associated with that phone number was Ayana Mayfield. He called Ms. Horn who confirmed that Ms. Mayfield did work for them and would have had contact with his mother. Resident A's Power of Attorney also reported that his mother was missing \$100 from her wallet. The credit card and the missing money were kept in the same wallet. He reported that he couldn't say for sure that Ms. Mayfield took the money from his mother's wallet but suggested that it is the most likely explanation.

I conducted a site visit at the Mallard Cove Assisted Living facility on April 21, 2023. I spoke with administrator's Ms. Horn and Ms. Lee at that time. Ms. Horn stated that she had been contacted by Resident A's Power of Attorney on April 12, 2023, and then provided that information to the Emmet Co. Sheriff's Department. Ms. Mayfield was asked to go home immediately and later terminated. The reports of money missing from other residents had occurred before that time. There were a total of six residents who had been missing money during the month of March of 2023 and the beginning of April 2023. Ms. Horn said she told the families of the residents who were missing money that they could contact law enforcement if they chose. I asked about the report of her holding a staff meeting about the missing money. Ms. Horn stated that she did address the issue of the missing money with staff during a meeting on March 22, 2023. She asked for anyone with information regarding the missing money to come forward. Ms. Horn told them that they could report this anonymously if they chose to. She also told them that if they were having financial issues, they could ask for an advance on their paychecks. None of the staff came forward. Ms. Horn explained that four of the reports of missing money were from the Mallard Cove Assisted Living facility. The other two reports were from the other facility attached to Mallard Cove Assisted Living. The attached facility (Mallard Cove East) has a separate license (AL240388305) but Ms. Mayfield did have direct contact with residents in both facilities.

I spoke with APS worker Lane Stopher by phone on May 2, 2023. He said that he was still waiting for the Sheriff's Department to gather evidence. Mr. Stopher had spoken with personnel at Resident A's credit union who had reported that they had detected fraud when someone had called to try to find out Resident A's credit limit on her credit card. They also reported that someone had attempted to make a purchase using the credit card but that it was blocked because of it appearing to be fraudulent.

I spoke with Resident B's Power of Attorney by phone on May 3, 2023. He said that his mother had told him that she was missing \$70 cash out of her purse. She believed that someone had taken it. She had cashed a check and the money was in a bank envelope in the purse. Resident B's Power of Attorney reported that his mother does have age-related dementia but said that she seemed very sure that the money was missing. She was very specific about the amount of money that was missing and that it was missing from her purse. She had asked him and other family members if they had taken money out of her purse for any reason. He and the rest of them had denied that they had any reason to be in her purse or to take the money. His mother had also reported missing a silver ring which she had taken off her finger at some point. The ring was also missing. Both the money and ring reportedly went missing in the middle of March of 2023.

I spoke with Resident C's husband by phone on May 4, 2023. He reported that he was the one who had discovered money missing from his wife's room. He only lives half a mile from the facility and visits often. His wife liked to keep some spending money in her room. He gave her \$40 cash on a Thursday which she kept in her

wallet in a drawer. Resident C’s husband said that he checked the money on Saturday and Sunday and that it was there both times. When he checked it on the next day, Monday, it was gone. He knew that there was absolutely no way that his wife spent it between those times. She denied knowing how the money was missing or that she had gone into her wallet. This occurred about four to five weeks ago. He thought that it was in early April of 2023. Resident C’s husband said that he now has the front office hold his wife’s cash for her. They give it to her whenever she needs it. Resident C’s husband wanted me to know that he is happy with the care his wife receives at the facility and that he felt that most of the staff there are pleasant and professional. His wife has told him that she would not want to live elsewhere.

I conducted an exit conference with licensee designee Connie Clauson by phone on May 9, 2023. I told her of the findings of my investigation and gave her the opportunity to ask questions.

APPLICABLE RULE	
R 400.15315	Handling of resident funds and valuables.
	(10) A licensee, administrator, direct care staff, other employees, volunteers under the direction of the licensee, and members of their families shall not accept, take, or borrow money or valuables from a resident, even with the consent of the resident.
ANALYSIS:	It was confirmed through this investigation that an employee did take or attempt to take money and valuables from residents in the facility. It was reported on April 12, 2023, that someone tried to determine the credit limit on a credit card owned by Resident A and did try to make a purchase on that credit card. The phone number of the person who made that call was traced to a direct care worker who had direct contact with Resident A. Resident A was also missing \$100 cash from her wallet at around the same time. Three other residents in the facility were also missing cash and or valuables during the two-month time frame in which this direct care worker had contact with them.
CONCLUSION:	VIOLATION ESTABLISHED

IV. RECOMMENDATION

Upon receipt of an acceptable corrective action plan, I recommend no change in the license status.

Adam Robarge

05/09/2023

Adam Robarge
Licensing Consultant

Date

Approved By:

Jerry Hendrick

05/09/2023

Jerry Hendrick
Area Manager

Date