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## **VIDOJ Lawsuit Alleges RTS Submitted \$3.9 Million in Medicaid Claims Without Required Licenses**

**DOJ alleges RTS Services Unlimited 11, LLC, Melinda Richards, Ashley Doway and Duane Robinson submitted about \$3.9 million in Medicaid claims and received about \$408,410.90 while billing for behavioral health services but lacked required V.I. licenses.**

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The V.I. Department of Justice has filed a civil lawsuit against RTS Services Unlimited 11, LLC, Melinda Richards, Ashley Doway and Duane Robinson, alleging violations of the Virgin Islands False Claims Act and related laws involving claims submitted to the Virgin Islands Medicaid Program.

V.I. Attorney General Gordon C. Rhea announced Tuesday that the lawsuit was filed through the DOJ's Medicaid Fraud Control Unit. The complaint alleges that RTS submitted approximately \$3,912,551.57 in Medicaid claims between January 2020 and January 2026 and received approximately \$408,410.90 in Medicaid payments.

The investigation began with a referral in 2024 after the DOJ Office of the Solicitor General received information alleging that RTS and associated individuals were billing the Virgin Islands Medicaid Program for psychotherapy, hypnotherapy, counseling and other behavioral health services without the licenses required under Virgin Islands law. The matter was then referred to the Medicaid Fraud Control Unit for investigation.

According to the complaint, investigators reviewed Medicaid claims data, provider enrollment records, licensing records, financial records, witness statements and other evidence gathered during the investigation.

The complaint alleges that RTS and Ms. Richards held licenses authorizing testing, evaluation and consultation services. However, it further alleges that neither RTS nor Ms. Richards possessed the licenses required under Virgin Islands law to independently provide, supervise or bill Medicaid for psychotherapy, hypnotherapy, counseling and other therapeutic behavioral health services for which reimbursement was sought.

The complaint also alleges that Ms. Richards, Ms. Doway and Mr. Robinson provided behavioral health services to Medicaid beneficiaries, primarily children with behavioral and mental health needs, despite lacking the licenses required to independently render and bill for those services under Virgin Islands law. DOJ said claims for those services were submitted to Medicaid and paid for with public funds.

Because the defendants allegedly lacked the required licenses to provide, supervise and bill for the psychotherapy, hypnotherapy, counseling and related behavioral health services at issue, the complaint alleges that the claims submitted to Medicaid were ineligible for reimbursement. The lawsuit seeks recovery of all Medicaid funds paid as a result of the alleged false claims.

Attorney General Rhea said referrals are important in identifying possible Medicaid fraud.

"This action demonstrates the critical role that referrals play in identifying potential fraud within the Medicaid program. When individuals come forward with credible information, the Department of Justice—through our Medicaid Fraud Control Unit—acts decisively to investigate and hold bad actors accountable."

The complaint further alleges that RTS, together with its affiliated nonprofit organization, Passport2Prosperity, Inc., advertised and operated after-school and summer programs that included homework assistance, tutoring, snacks, beverages and transportation.

Medicaid does not reimburse providers for after-school programs or summer enrichment programs. The complaint alleges that RTS and Ms. Richards sought and obtained Medicaid reimbursement by characterizing services provided through those programs as psychotherapy or other behavioral health services.

"Vulnerable populations, such as children who require behavioral health services, deserve to be treated by qualified clinicians," said AG Rhea. "MFCU is committed to protecting both Medicaid beneficiaries and taxpayer dollars. The allegations in this complaint involve the submission of claims for services that, according to the MFCU's investigation, were provided by individuals who

lacked the licenses required under Virgin Islands law and for services not eligible for reimbursement. We will continue to pursue fraud, waste, and abuse wherever it occurs and ensure accountability for those who improperly seek payment from publicly funded healthcare programs."

The lawsuit seeks damages, restitution, civil penalties, attorney's fees, costs, disgorgement of improperly obtained funds and all other relief authorized under the Virgin Islands False Claims Act and applicable law.

The DOJ said the Medicaid Fraud Control Unit receives 100 percent of its funding from the U.S. Department of Health and Human Services, Office of Inspector General. The unit thanked its partners, the HHS-OIG San Juan Office and the DOJ Civil Division, for their assistance in the matter.

Anyone with information regarding suspected Medicaid fraud, waste, abuse, patient neglect or patient exploitation is encouraged to contact the Virgin Islands Medicaid Fraud Control Unit at (340) 774-5666 or (888)-404-MFCU (6328), or by email at [VIMFCU@doj.vi.gov](mailto:VIMFCU@doj.vi.gov).