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Press Release

Montgomery County Commonwealth Attorney Obstructs Multi-Million Dollar Embezzlement Prosecution of Friend

The Commonwealth Attorney in Montgomery County, Virginia, has run interference and obstructed justice for years for a friend. Mary Pettitt refused to recuse herself regarding the clear-cut embezzlement by Karen Jones, CFO of Lifeline Ambulance Service in Christiansburg. The embezzlement occurred over years of premeditated divorce planning.

Over 7,000 ambulance claims disappeared from Lifeline's offices and computer systems—at least the system data users had access to. Jones, the system administrator, deactivated the directory where these claims were digitally stored, making them inaccessible. Given her statements about "having millions" and her brazen attitude towards the company's bank, suspicions were warranted. Those medical records and run reports contained legal promissory notes and company property. Without patient signatures for authentication and verification, billing permission and assignment become complicated.

A manual inventory of the company's 160,000-plus claims revealed discrepancies that could not be explained. One system indicator showed more than 6,300 claims in the computer system than in the files, a clear sign of intentional manipulation. The lead data researcher quit after realizing the extent of the intentional act. The software vendor had checked the system for operation but not its data inventory, expressing shock that someone could manipulate the system in such a way.

The Virginia State Police were contacted when around 1,000 claims were discovered to have been sent to outside billing services in other states. Lifeline learned that Jones chose these companies for "test runs." Once these companies realized something was wrong, they ceased communication, providing no explanation for the missing funds.

The Virginia State Police had previously been contacted about \$650,000 in forged checks taken under false pretenses in 2007 from related enterprises. On both occasions, the Commonwealth

Attorney stated: “It’s not a crime to be a bad employee.” A third time, with 6,300 more patient records missing and \$6.3 million digitally removed, the same answer was given. These records, supposed to be secured behind multiple locks, were physically removed, making reconciliation nearly impossible.

Fast forward to 2018, and the CEO discovered more than 160 emails from the same period between Pettitt and Jones. Pettitt was not Commonwealth Attorney at the time in 2005, but the correct spelling of her name had initially been overlooked in searches. “It is one thing to steal paperwork with value and promissory notes, another to alter the electronic data and make the physical inventory disappear,” said the CEO.

The CEO made another attempt to get Pettitt on board, including reaching out to other jurisdictions where the company operates. They stated it was a clear case under the Code of Virginia Fraudulent Entries Statute §18.2-113 or §18.2-111 Embezzlement. However, they lacked actual jurisdiction since the corporate office where the crimes occurred was in Christiansburg. These medical records are property of the company under Code of Virginia Statutes §54.1-2403.3 and §32.1-127.1.03.

The Attorney General’s Office offered their expertise to prosecute, but Pettitt has yet to sign off on the prosecution. The AG is unable to bring a case at the local level.

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