

IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS
CIVIL DIVISION

STATE OF ARKANSAS, *ex rel.*
LESLIE RUTLEDGE, ATTORNEY GENERAL

PLAINTIFF

v. CASE NO. _____

KRISTY SCHNEIDER AND
ERIK SCHNEIDER

DEFENDANTS

COMPLAINT

The State of Arkansas, *ex rel.* Leslie Rutledge, Attorney General (“the State”),
for its Complaint against Kristy Schneider and Erik Schneider, states:

1. **INTRODUCTION**

2. This is a consumer protection action brought to redress and restrain
violations of the Arkansas Deceptive Trade Practices Act, Ark. Code Ann. § 4-88-101
et seq.

3. Defendants adopted a five-year-old child (“L.S.”) in late 2014. By
February 2019, Defendants proclaimed to their community that L.S. was deathly ill
and, as a result, received charitable contributions and donations from many
Arkansas consumers and organizations. In reality, Defendants grossly exaggerated
and misrepresented L.S.’s health condition to both medical providers and the

general public, which directly caused an outpouring of love, prayers, and monetary support. Together, Defendants orchestrated a profitable scheme that deceived others at the expense of their son and the public.

4. The State seeks restitution for affected consumers, an order imposing civil penalties, injunctive relief, and other relief against Defendants.

5. **PARTIES**

6. Plaintiff is the State of Arkansas, *ex rel.* Leslie Rutledge, Attorney General. Attorney General Rutledge is the chief legal officer of the State. Pursuant to Ark. Code Ann. § 4-88-104 and 4-88-113, the State may seek civil enforcement of the ADTPA.

7. Defendant Kristy Schneider (“Kristy”) is a resident of Alexander, Arkansas. She is the adoptive mother of L.S.

8. Defendant Erik Schneider (“Erik”) is a resident of Alexander, Arkansas. He is the adoptive father of L.S.

9. **JURISDICTION**

10. This Court has jurisdiction over this matter pursuant to Ark. Code Ann. § 4-88-104 and the common law of the State of Arkansas.

11. Venue is proper pursuant to Ark. Code Ann. §§ 4-88-104, 4-88-112, and the common law of the State of Arkansas.

12. **FACTUAL ALLEGATIONS**

13. On February 14, 2019, Kristy began posting on CaringBridge.org, a website that allows users to maintain a public personal health journal to rally and

inform friends and family during any type of health journey.¹ She documented the health journey of her son L.S.²

14. In her first post on Caring Bridge, Kristy described L.S. as having a “rare chromosomal abnormality that led to him being globally developmentally delayed.”³ She stated that L.S. moved from foster care into the Defendants’ home in July of 2013 and “[i]mmediately we found that [L.S.] had some undiagnosed GI issues but it didn’t stop his smile from stealing hearts.”⁴ She then described the “various medical appointments and therapies” the Defendants began for L.S. “to get him on the right track developmentally.”⁵

15. According to Kristy, she and her husband adopted L.S. in September of 2014.⁶

16. Kristy stated that L.S. had “his first seizure at the breakfast table” in July of 2017.⁷ She claimed that over the “next year and a half, [L.S.]’s body would begin to fail him.”⁸ He was hospitalized six times in 2018 for a total of almost three

¹ Caring Bridge, LOVING LOUIE, <https://www.caringbridge.org/visit/lovinglouie> (site inactive on June 2, 2021). A printed copy of the Defendants’ Caring Bridge posts are attached as Exhibit A.

² Exhibit A, Page 3, *et seq.*

³ Exhibit A, Page 4.

⁴ Exhibit A, Page 4.

⁵ Exhibit A, Page 4.

⁶ Exhibit A, Page 3.

⁷ Exhibit A, Page 4.

⁸ Exhibit A, Page 4.

months.⁹ His fine and gross motor skills regressed.¹⁰ His GI, neurological, and other systems declined.¹¹ He became dependent on continuous j-tube feeds and about fifteen different medications to sustain his life.¹² He began to see a number of specialists including neurosurgeons, neurologists, geneticists, complex care physicians, and more.”¹³

17. In December of 2018, Kristy traveled with L.S. to Cincinnati Children’s Hospital “for what was suppose [sic] to be a series of GI tests to help aid with understanding where his GI system is failing.”¹⁴

18. However, the day before the tests were scheduled to take place, Kristy stated, “[L.S.] became very lethargic and could not hold himself up.”¹⁵ She continued, “[o]ver the next 12 days, some of the best doctors in the country fought to understand what his body was doing and how to stabilize it.”¹⁶

19. On December 28, 2018, L.S. was transferred to Arkansas Children’s Hospital (“ACH”) “where the PICU¹⁷ here took over his care for the extreme bradycardia and severe hypotension. Over the next month, he was stabilized on rarely used (and very expensive) medication for his cardiac system and a pacemaker

⁹ Exhibit A, Page 4.

¹⁰ Exhibit A, Page 4.

¹¹ Exhibit A, Page 4.

¹² Exhibit A, Page 4.

¹³ Exhibit A, Page 4.

¹⁴ Exhibit A, Page 4.

¹⁵ Exhibit A, Page 4.

¹⁶ Exhibit A, Page 4.

was placed on January 9.”¹⁷ Kristy continued, “After seeing multiple specialists, trying everything possible, and consulting with doctors in multiple other states/facilities, it was determined that the recommended course of action was to come home on hospice care.”¹⁸

20. Prior to the decision to begin hospice care, L.S. received nutrition through a feeding tube referred to as total parenteral nutrition (“TPN”).¹⁹ L.S. also received a pacemaker to counteract issues with heart rate and blood pressure. An epinephrine drip (“EPI”) was also administered to maintain heart function.²⁰ The EPI was ineffective, and at the suggestion of ACH physicians, it was removed with the Schneiders being informed the outcome of its removal was uncertain.²¹

21. On January 11, 2019, L.S. was discharged from the PICU for hospice care.²² The Schneiders decided, after consultations with ACH’s palliative care professionals, that the TPN would be withdrawn to cause L.S. to die a “natural death.”²³

¹⁷ A Pediatric Intensive Care Unit is commonly referred to as a PICU.

¹⁸ Exhibit A, Page 4.

¹⁹ *Schneider v. Arkansas Dept. of Human Services*, 455 Ark. App. 1, 2 (Ark. Ct. App. 2020), attached as Exhibit B.

²⁰ Exhibit B, Page 2.

²¹ Exhibit B, Page 2.

²² Exhibit B, Page 2.

²³ Exhibit B, Page 2.

22. In February 2019, L.S. returned to ACH for end-of-life care.²⁴ ²⁵ As pictured below, he was accompanied by many federal, state, and local law enforcement officers and first responders to fulfill L.S.'s final wish to see as many first responders as possible before his death.²⁶



Authorities escort L.S. to ACH on February 28, 2019 (photo: KATV)

²⁴ Exhibit B, Page 2.

²⁵ See City of Alexander Fire / Rescue, FACEBOOK, (Feb. 28, 2019), https://www.facebook.com/permalink.php?story_fbid=1154977094661839&id=606248689534685. A still picture of L.S. and Kristy from the posted video is attached as Exhibit C.

²⁶ See City of Alexander Fire / Rescue, FACEBOOK, (Feb. 19, 2019), https://www.facebook.com/permalink.php?story_fbid=1154580451368170&id=606248689534685. The post is attached as Exhibit D.

23. This event was widely publicized by the media.²⁷ Further, this “parade” was indirectly paid for by taxpayers as these organizations, including the Arkansas State Police, are funded in part by general revenue.²⁸

24. While L.S. was at ACH this time, his prognosis changed dramatically. Doctors removed the TPN, which had been providing L.S. with nutrition for nine days, and “he appeared to look better than he had in months.”²⁹ Dr. Meghan Repp, a board certified pediatrician, later testified that, in her opinion, the reason for L.S.’s improvement was the “TPN withdraw and allowing L.S. to drink liquids and eat popsicles.”³⁰

25. Rather than viewing this as a positive development, the Schneiders put L.S. back on TPN, refused to give L.S. popsicles, and flippantly remarked that L.S. “**did a bad job of dying.**”³¹

26. L.S. was treated at the Mayo Clinic from May 28, 2019, to June 14, 2019.³² While there, L.S. was examined by expert physicians in “complex care,

²⁷ For examples, see Brendan Rand, ABCNEWS, Arkansas boy gets police escort to children’s hospital (March 1, 2019, 4:58 PM), <https://abcnews.go.com/US/arkansas-boy-police-escort-childrens-hospital/story?id=61412985>; Katie Clement & Matthew Mershon, KATV, Video: Authorities escort terminally ill boy to Ark. Children’s Hospital (February 28, 2019), <https://katv.com/news/local/local-authorities-escort-terminally-ill-boy-to-arkansas-childrens-hospital/>; FOX24, Dying Boy’s Last Wish Plays Out on Arkansas Highways (March 4, 2019, 12:54 AM), <https://www.nwahomepage.com/myfox24/dying-boys-last-wish-plays-out-on-arkansas-highways/>.

²⁸ The Arkansas Department of Public Safety Budget Summary for Fiscal Year 2021, as enacted by Act 97 of 2020, is attached as Exhibit E.

²⁹ *Supra*, Note 19.

³⁰ Exhibit B, Page 7.

³¹ Exhibit B, Page 7.

³² Exhibit B, Page 3.

neurology, cardiology, GI, pulmonology, nephrology, urology, genetics, and pain management.”³³ On May 30, 2019, Dr. Jones, a physician at the Mayo Clinic, observed that “Ms. Schneider described severe pain for [L.S.] that were [sic] not observed in clinic.”³⁴

27. While at the Mayo Clinic, Kristy requested a referral for hospice, but the Mayo Clinic physicians refused to grant her request believing it to be medically unnecessary.³⁵

28. On July 20, 2019, the Arkansas Department of Human Services (“DHS”) received a hotline report that Kristy was intentionally causing her children’s illnesses.³⁶ DHS began to investigate and interviewed the children and Kristy and Erik.³⁷

29. On August 19, 2019, a port was placed in L.S.’s chest.³⁸ L.S. was readmitted to ACH on September 4, 2019, for a possible infection of the port. He was discharged on September 6, 2019.³⁹

30. DHS received another hotline report on September 11, 2019, that Kristy continued to exaggerate L.S.’s symptoms leading to unnecessary medical care, interfering with the care process, and providing false representations

³³ Exhibit B, Page 3.

³⁴ Exhibit B, Page 6.

³⁵ Exhibit B, Page 6.

³⁶Exhibit B, Page 3.

³⁷ Exhibit B, Page 3-4.

³⁸ Exhibit B, Page 3.

³⁹ Exhibit B, Page 3.

regarding L.S.'s medical condition to various medical providers.⁴⁰ L.S. was admitted to ACH in DHS custody the same day.⁴¹

31. DHS filed a petition for dependency-neglect on September 13, 2019, alleging L.S. was at "substantial risk of serious harm as a result of abuse, neglect, and parental unfitness."⁴²

32. Dr. Karen Farst⁴³ testified that L.S. was "a victim of Munchausen by Proxy, which also is known as Pediatric Condition Falsification or Medical Care Abuse."⁴⁴

33. Munchausen's by Proxy, also known as "Factitious Disorder by Proxy," is the "falsification of physical or psychological signs or symptoms, or induction of injury or disease, in another, associated with identified deception."⁴⁵

34. Throughout L.S.'s medical treatment it was observed the Schneiders displayed a genuine lack of concern for L.S.'s condition.⁴⁶ Dr. Repp testified that at a private baptism ceremony for L.S. at ACH, "neither Mr. nor Ms. Schneider

⁴⁰ Exhibit B, Page 4.

⁴¹ Exhibit B, Page 4.

⁴² Exhibit B, Page 4.

⁴³ Karen Farst, MD, MPH, is a pediatrician at Arkansas Children's Hospital. She is an associate professor in the College of Medicine, Department of Pediatrics, at the University of Arkansas for Medical Sciences and director for the UAMS' Center for Children at Risk. She is a past president of the National Children's Alliance Board of Directors. She earned her BA and MD from Texas Tech University and then completed a residency in internal medicine and pediatrics at UAMS. Following a child abuse fellowship at Cincinnati Children's Hospital, she completed a Masters of Public Health from Fay Boozman College of Public Health at UAMS.

⁴⁴ Exhibit B, Page 9.

⁴⁵ AM. PSYCHIATRIC ASS'N., DIAGNOSTIC AND STATISTICAL MANUAL OF MENTAL DISORDERS 324-26 (Am. Psychiatric Ass'n., 5th ed. 2013).

⁴⁶ *Supra*, Note 19.

comforted [L.S.] at all, although at one point his brother did approach him and comfort him.”⁴⁷ Dr. Repp testified that she agreed with Dr. Farst’s diagnosis for L.S. of Munchausen’s by Proxy Syndrome.⁴⁸

35. The Court found in the dependency-neglect action that L.S. met the criteria for Munchausen’s by Proxy “as reported and confirmed by medical personnel.”⁴⁹

36. The Court also found the Schneiders falsely represented L.S.’s medical condition holding, “a fit parent would not exaggerate or misrepresent symptoms to medical professionals and a fit parent would not acquiesce to another caregiver’s false reporting.”⁵⁰ “This false representation was part of a pervasive pattern on the part of the Schneiders.”⁵¹ The Court noted both parents’ culpability in its determination.⁵²

⁴⁷ Exhibit B, Page 9.

⁴⁸ Exhibit B, Page 9.

⁴⁹ “The Court finds the juvenile was at substantial risk of serious harm from abuse, neglect, and parental unfitness, as alleged in the Department’s Petition for Dependency Neglect, pursuant to Ark Code Ann. §9-27-303 (18)(A)(ii); §9-27-303 (18)(A)(v); §9-27-303(18)(A)(vi). Specifically, as to abuse by mother, subjecting a child to Munchausen syndrome by proxy, also known as factitious illness by proxy (now also known as Pediatric Condition Falsification), when reported and confirmed by medical personnel or a medical facility.” Exhibit B, Page 5.

⁵⁰ Exhibit B, Page 5.

⁵¹ “[L.S.] has been portrayed by Kristy Schneider as being in significant and persistent pain even though this is not corroborated by medical providers. These representations resulted in the child being subjected to high doses of narcotics (including fentanyl, Ativan and morphine), an unnecessary medical procedure, and being denied nutrition, all of which threatened the child’s health and potentially his life. Evidence also established that within days of being placed in DHS custody, [L.S.] transformed from a wheelchair-bound child on artificial nutrition, to an ambulatory child, able to eat normal food by mouth.” Exhibit B, Page 5.

⁵² “The Court finds that the father, Eric [sic] Schneider, contributed to the dependency-neglect of the juvenile.” Exhibit B, Page 13.

37. The Court found the Schneiders' false representation of L.S.'s medical condition "resulted in unnecessary medical treatment and procedures."⁵³ The Arkansas Court of Appeals affirmed.⁵⁴ The Arkansas Supreme Court declined to review the ruling.

38. As L.S. appeared to be battling for his life, and doctors around the country struggled to understand his medical condition, the kindness of Arkansans and others was on full display. Donations of money and resources poured in to benefit the Schneider family from Arkansas, throughout the United States, and even foreign countries.

39. Project Zero, an Arkansas based non-profit, came to the aid of the Schneiders. From February 2019 to April 2019, Project Zero donated gifts, meals, and gift cards worth \$1,629.00. Project Zero also gave the Schneiders \$1,500.00 in cash between April 2019 and August 2019.

40. The Schneiders' neighbors Adam and Chrystal Baker also became heavily involved in raising financial support for the family. Between March 2019 and August 2019, the Bakers raised \$10,395.00 through PayPal from donations across the world.⁵⁵

⁵³ Exhibit B, Page 14.

⁵⁴ Exhibit B, Page 21-22.

⁵⁵ PayPal, LOVIN ON LOUIE, <https://paypal.me/pools/c/8cEh3H7C0c> (last accessed June 2, 2021). A printed copy of the PayPal "pool" that was administered by Adam and Chrystal Baker and "approved by the Schneider family" is attached as Exhibit F.

41. At Kristy's request, the Bakers transferred \$8,595.00 from the PayPal balance to the Schneiders on April 3, 2019, to allegedly help cover expenses for L.S.⁵⁶

42. When it came time for L.S. to go to the Mayo Clinic in Rochester, Minnesota, local Arkansans came to the Schneiders aid as well. Local businesses provided both round trip flights to the family at no cost to the Schneiders. Pafford Medical Services provided a nurse and flight paramedic worth \$912.00. Physicians' Air Transport provided the plane, fuel, and pilot worth \$16,250.00.

43. Throughout this time, Metropolitan Emergency Medical Services also provided free medical transportation to the Schneiders worth \$3,009.00.

44. Between gifts, meals, cash contributions, and medical transportation, the Schneiders received approximately \$31,895.00 from donors who were exploited by the Schneiders for their kindness and altruism.

45. VIOLATIONS OF LAW

46. The ADTPA sets forth the State's statutory program prohibiting deceptive and unconscionable trade practices.⁵⁷

47. The practices of Defendants constitute the "solicitation"⁵⁸ of "contributions."⁵⁹ The same practices constitute business, commerce, or trade.⁶⁰

⁵⁶ See screenshots of transfer from PayPal pool to the Baker's Arvest bank account, and then to the Schneiders' Arvest bank account, attached as Exhibit F.

⁵⁷ Ark. Code Ann. §§ 4-88-101, *et seq.*

⁵⁸ Ark. Code Ann. § 4-88-102(8) and (3).

⁵⁹ Ark. Code Ann. § 4-88-102(4) and (7).

⁶⁰ Ark. Code Ann. § 4-88-107.

48. It is unlawful to make “a false representation that contributions solicited for charitable purposes shall be spent in a specific manner or for specified purposes.”⁶¹ Defendants have engaged in prohibited conduct by falsely representing L.S.’s medical condition when, in reality, the child’s health problems were instigated and exasperated by Defendants’ failure or refusal to provide essential nutrition and medical treatment.

49. It is a violation to engage in unconscionable, false, or deceptive acts or practices in business, commerce, or trade.⁶² Defendants have engaged in prohibited conduct by:

(A) Soliciting contributions and allowing others to solicit contributions on L.S.’s behalf while falsely representing the nature of L.S.’s medical condition; and

(B) Engaging in acts of publicity in furtherance of this false representation, while soliciting contributions and allowing others to solicit contributions on L.S.’s behalf.

50. It is unlawful to conceal, suppress, or omit a material fact in connection with a charitable solicitation with the intent that others rely upon that concealment.⁶³ Defendants have engaged in prohibited conduct by concealing, suppressing, and omitting L.S.’s actual medical condition with the intent to receive charity.

⁶¹ Ark. Code Ann. § 4-88-107(a)(7).

⁶² Ark. Code Ann. § 4-88-107(a)(10).

⁶³ Ark. Code Ann. § 4-88-108(a)(2).

51. **PRAYER FOR RELIEF**

52. The Attorney General may bring a civil action to seek to prevent persons from engaging in the use or employment of prohibited practices.⁶⁴

53. Likewise, the Attorney General may bring a civil action to seek to restore to any donor of charitable contributions who has suffered any ascertainable loss by reason of the use or employment of the prohibited practices any moneys or real or personal property which may have been acquired by means of any practices declared to be unlawful, together with other damages sustained.⁶⁵

54. The Attorney General may seek an injunction prohibiting any person from engaging in any deceptive or unlawful practice.⁶⁶ Any person who violates the provisions of the ADTPA may be assessed a civil penalty of up to \$10,000 per violation.⁶⁷

55. In addition, any person who violates the provisions of the ADTPA shall be liable to the Office of the Attorney General for all costs and fees, including but not limited to, expert witness fees and attorney's fees, incurred by the Office of the Attorney General in the prosecution of such actions.⁶⁸

⁶⁴ Ark. Code Ann. § 4-88-113(a)(1).

⁶⁵ Ark. Code Ann. § 4-88-113(a)(2)(A).

⁶⁶ Ark. Code Ann. §§ 4-88-104 and 4-88-113(a)(1).

⁶⁷ Ark. Code Ann. § 4-88-113(a)(3).

⁶⁸ Ark. Code Ann. § 4-88-113(e).

56. A “person” is an individual, organization, group, association, partnership, corporation, or any combination thereof.⁶⁹

57. Kristy Schneider is a “person” who has engaged in an unconscionable, false, or deceptive act or practice in business, commerce, or trade.

58. Erik Schneider is a “person” who has engaged in an unconscionable, false, or deceptive act or practice in business, commerce, or trade.

59. The State will exercise its right to a trial by jury.

WHEREFORE, the above premises considered, the State of Arkansas, *ex rel.* Leslie Rutledge, Attorney General, respectfully requests that this Court:

a. Issue such orders, pursuant to Ark. Code Ann. §§ 4-88-104 and 4-88-113(a)(1), as may be necessary to prevent the use or employment by the Defendants of the practices described herein which are violations of the ADTPA;

b. Issue an order, pursuant to Ark. Code Ann. § 4-88-113(a)(2)(A), requiring Defendants to pay consumer restitution to those consumers affected by the activities outlined herein; in addition, or in the alternative, enter an order requiring Defendants to remit to affected consumers all sums obtained from consumers by methods prohibited by Arkansas law;

c. Impose civil penalties pursuant to Ark. Code Ann. § 4-88-113(b), to be paid to the State by the Defendants in the amount of \$10,000.00 per each violation of the ADTPA proved at a trial of this matter, the full amount of which will exceed the amount necessary to establish federal diversity jurisdiction;

⁶⁹ Ark. Code Ann. § 4-88-102(5).

d. Issue an order, pursuant to Ark. Code Ann. § 4-88-113(e), requiring Defendants to pay the State's costs in this investigation and litigation, including, but not limited to, attorneys' fees and costs; and

e. For all other just and proper relief to which the State may be entitled.

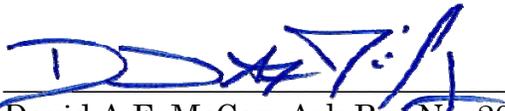
Respectfully submitted,

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