

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 6/15/93

TO : SAC, TAMPA  
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 12/ARA)  
 SUBJECT : STRAIGHT, INC.;  
 FRAUD BY WIRE;  
 OO: TAMPA

The following information is provided for the information of the Tampa Division.

On May 26, 1993 [redacted] identified as a white female, telephone number [redacted] telephonically contacted the Austin Resident Agency. She stated that she had recently read in a newspaper that a Federal Bureau of Investigation (FBI) office in Florida was in the process of conducting an investigation of Straight, Inc. She advised that she has information which may be of interest to the FBI case.

Through FOIMS, it was determined that the Tampa Division has a case on above captioned subject. San Antonio is not aware of the status of Tampa's case, but if there is an interest in pursuing this lead, the Tampa Division is requested to notify the San Antonio Division.

(2) - Tampa  
 1 - San Antonio  
 NH/njm  
 (3)

(P)

209B-Tp-28810-80

BT BT

JUN 17 1993

CIA

1\*

wlc sent

Approved: [Signature]

Transmitted

(Number) (Time)

Per

b6  
b7C  
b7Db6  
b7C

Date 6-24-93

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage\* ☐ Motor Vehicle ☐ Other \_\_\_\_\_

To	Buded
Return to	File number
	<u>209-B-28810</u>
Name and aliases of subject, applicant, or employee, and spouse	

b6  
b7C

b6  
b7C  
b7D

STRAIGHT Inc

Addresses						
Residence						
Business						
Former	<u>has an inactive file, no employment listed.</u>					
*Date and place of marriage (if applicable)						
Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification			Criminal specialty		
Social Security Number				Drivers License Number		
Specific information desired						

Results of check

Please Run SSAN

209B-28810-21

[Redacted Box]

[Redacted Box]

b6  
b7C

(Trans Union Trace report of above sec. #'s attached)  
DONE 7-6-93 bjt

**LEAD COVERED** 7-6-93  
to assign in computer  
7-6-93 bjt

please assign lead to  
lead covered 6/25/93

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 24 1993	
FBI - TAMPA	

209B-28810

JHW:jhw

1\*

The following investigation was conducted by IA [ ] on  
June 25, 1993:

b6  
b7C  
b7D

[ ]  
advised [ ] Social Security number [ ]  
[ ] telephone  
number [ ] has an inactive file, no employment was listed.

[ ] advised [ ] Social Security number  
[ ] has the following employment history:

[ ]

Trans Union Trace address report of Social Security numbers  
[ ] are attached.

b6  
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[ ]

-1-

209B-TP-28810  
CFB:lm

b6  
b7C  
b7D

The following investigation was conducted by Special  
Agent (SA) [redacted] in Clearwater, Florida:

[redacted] has relocated to [redacted]  
[redacted] telephone number  
[redacted]

209B-TP-28810-22  
BT BT

wlc sent

CIA

[redacted]

*[Handwritten signature]*

b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 6/25/93

TO : SAC, ATLANTA  
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD, ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO: TAMPA

For information of receiving offices, this case was initiated following receipt of a referral from the UNITED STATES ATTORNEY'S OFFICE (USAO), Middle District of Florida. The Civil Division of the USAO had recently filed a civil action

seeking to collect approximately \$950,000 owed to MEDICARE. The civil case arose when MEDICARE's fiscal intermediary made an obvious and gross mathematical error and mistakenly paid this money to a dissolved corporation which  and  were directors and trustees. Rather than return the money, they pocketed the funds. The case did receive publicity in the St. Petersburg Times newspaper, St. Petersburg, Florida, which resulted in contact from members of the community regarding other ongoing fraud committed by  and others to STRAIGHT, INCORPORATED.

2-Atlanta  
 2-Baltimore  
 2-Boston  
 2-Detroit  
 2-Richmond  
 2-San Antonio  
 ②-Tampa  
 CFB:lm  
 (14) *lm*

*11/29/93*  
*Assigned to*  
*SA [redacted]*  
*she asked us to*  
*reassigned to another*  
*SA in WISCONSIN*  
*squad #3.*

209B-TP-28810-23

SEARCHED   
 INDEXED   
 SERIALIZED   
 FILED   
 CIA

Approved: *Cupet*  
*11/29/93*

Transmitted

(Number) (Time)

Per \_\_\_\_\_

STRAIGHT, INCORPORATED (STRAIGHT) is a non-profit, adolescent substance abuse treatment organization headquartered in St. Petersburg, Florida, with facilities throughout the United States. At its prime, STRAIGHT had ten programs throughout the United States and Canada, and fourteen satellite offices. Only one remaining facility located in Atlanta, Georgia, is in operation.

Parents of the adolescents with a substance abuse problem were required to pay anywhere from \$14,000 to \$19,000 to STRAIGHT for an eighteen month course of treatment at the time of admissions. The parents were required to assign their interest in their insurance claims directly to STRAIGHT. STRAIGHT would then submit the claims to the various insurance companies for payment indicating that they were an inpatient service facility. Instead of reimbursing the parents when the payments were received from the insurance companies, this money was maintained by STRAIGHT for payroll and other operating expenses. When the insurance companies failed to notify the parents of their reimbursement to STRAIGHT, STRAIGHT failed to notify the parents that they had received payment for the same service. In addition, on some occasions, services which were never rendered were billed to the insurance carrier. Reimbursement to the parents only occurred when they threatened to either sue or contact their local congressman.

From 1988 to 1990, STRAIGHT was experiencing severe cash flow difficulties. Explanations for these difficulties can be attributed to over-expansion, a decrease in patient admissions, several large settlements regarding their treatment of their patients, and mismanagement of funds.

STRAIGHT did layoff numerous employees and instituted a five percent reduction for all current employees. Interviews conducted to date determine that while these reductions were instituted, the managers of the organization,

continued to receive high salaries; numerous bonuses; utilization of company credit cards for personal use, to include travel to Las Vegas, bikini waxing, dinners; and other travel expenses to include a ski trip to California.

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Receiving offices are requested to conduct interviews and inquire of the individuals how they became involved with STRAIGHT, obtain all insurance documents and payments to STRAIGHT. Inquire as to the accuracy of services provided and payment from the insurance companies, and any incidents of double billing by STRAIGHT to insurance companies.

Inquire in the interview of former clients of STRAIGHT as to whether or not they were informed of any scholarship or government funding programs and whether or not they received these funds. Did these individuals have any interaction with the headquarters facility in St. Petersburg, Florida? Who was their contact within STRAIGHT? Please obtain any and all documents regarding insurance, payments, and billing only. During the interviews it is requested that these individuals be asked if they are aware of any other individuals who experienced similar problems with STRAIGHT.

LEADS:

ATLANTA DIVISION

AT ATLANTA, GEORGIA

Contact INSURANCE COMMISSION and DEPARTMENT OF HUMAN SERVICES regarding STRAIGHT, INCORPORATED located at 2221 Austell Road, Marietta, Georgia, (404)434-8679, for any outstanding complaints filed in that State.

BALTIMORE DIVISION

AT BALTIMORE, MARYLAND

Interview [REDACTED]

Interview [REDACTED]

Contact

[REDACTED] ALCOHOL AND DRUG COMMISSION, regarding complaints filed in the State of Maryland against STRAIGHT, INCORPORATED.

BOSTON DIVISION

AT STOUGHTON, MASSACHUSETTS

Contact STATE INSURANCE COMMISSION and HEALTH AND HUMAN RESOURCES regarding any insurance complaints directed against STRAIGHT, INCORPORATED, located 53 Evans Drive, Stoughton, Massachusetts, (617)344-0930. Also determine, if possible, the reason for the closure of STRAIGHT in Boston.

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209B-TP-28810

DETROIT DIVISION

AT PLYMOUTH, MICHIGAN

Contact STATE INSURANCE REGULATORS regarding any formal complaints submitted against STRAIGHT, 42320 Ann Arbor Road, Plymouth, Michigan. If any individuals are identified, please attempt to interview these people.

RICHMOND DIVISION

AT MIDLOTHIAN, VIRGINIA

Interview [REDACTED]  
[REDACTED]

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SAN ANTONIO DIVISION

AT AUSTIN, TEXAS

Interview [REDACTED]  
[REDACTED]

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[REDACTED] DISTRICT ATTORNEY'S  
OFFICE, P.O. Box 1748, Austin, Texas, regarding his  
investigation into STRAIGHT, INCORPORATED.

TAMPA DIVISION

AT TAMPA, FLORIDA

Interview [REDACTED]  
[REDACTED]

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Interview [REDACTED]  
[REDACTED]

AT LARGO, FLORIDA

Interview [REDACTED]  
[REDACTED]

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[REDACTED] Contact ALLIED CHEMICAL LAB, 9424  
44th International Court, St. Petersburg, Florida, (813)

Interview [REDACTED]  
[REDACTED]



# Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 6/25/93

From : SA [REDACTED]

Subject: [REDACTED]

ET AL;  
STRAIGHT, INCORPORATED,  
GANDY BOULEVARD,  
ST. PETERSBURG, FLORIDA;  
FBW - INSURANCE;  
OO: TAMPA

It is requested that a sub file be created to serve as a repository for all medical bills in referenced investigation.

②-Tampa  
CFB:lm  
(2) [initials]

*DONE 7-7-93 but  
open and assign  
Sub C to SA [REDACTED]  
KBS 7/1/93*

209B-TP-28810-24  
BT BT

CIA [REDACTED] [initials]

# Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 7/1/93

From : SA [redacted]

b6  
b7C

Subject: [redacted]

ET AL;  
STRAIGHT, INCORPORATED,  
GANDY BOULEVARD,  
ST. PETERSBURG, FLORIDA;  
FBW - INSURANCE;  
OO: TAMPA

The purpose of this memo is to request that a sub file be created to serve as a repository for all newspaper articles concerning the above referenced matter.

②-Tampa  
CFB:lm  
(2) *gr*

*to SA Sub C*  
*7/5/93*  
*DONE 7-7-93 bit*

*209B-TP-28810-25*  
*BT BT*

CIA [redacted] *[signature]*

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b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 7/14/93

TO SAC, TAMPA (209B-TP-28810) (PRA)  
 FROM SAC, DETROIT (209B-TP-28810) (RUC) (C-6)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 Grandy Boulevard  
 St. Petersburg, Florida;  
 FBW - INSURANCE  
 (OO: TAMPA)

Re: Tampa airtel to Atlanta, dated 6/25/93.

Detroit was requested to contact STATE INSURANCE Regulators regarding any formal complaints submitted against STRAIGHT, 42320 Ann Arbor Road, Plymouth, Michigan.

On 7/13/93 [redacted] Quality Assurance and Licensing, Public Health Department, 3423 N. Logan, Lansing, Michigan, advised that his office handled complaints against health facilities in the State of Michigan. [redacted] said he was very familiar with the STRAIGHT facility in Plymouth, Michigan. He said it closed permanently on 6/30/93. [redacted] said that during his nineteen years of working in the Quality Assurance office, he never received complaints against STRAIGHT relative to insurance reimbursement or other insurance matters. However, his office received numerous complaints related to sanitary conditions at the facility and the use of restraints on patients. [redacted] advised that the complainants' names were confidential. He could provide no further information at this time.

(2) - Tampa  
 1 - Detroit  
 DLB/wjh  
 (3)

\*3

209B-TP-28810-26

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_

(Number)

(Time)

Per \_\_\_\_\_

wlc sent

CIA

[redacted]

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b7Cb6  
b7Cb6  
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File - Serial Charge Out  
FD-5 (Rev. 10-13-89)

Date 2-4-94

File 209A TP 28810  
Class. Office of Origin Case No. Last Serial

☐ Pending

☐ Closed

Serial No.	Description of Serial	Date Charged
27	Serialized to the wrong file number. Should have been 2013-TP-26478	2-4-94



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RECHARGE

Date \_\_\_\_\_

To \_\_\_\_\_ From \_\_\_\_\_

Initials of Clerk

{ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ }

Date

{ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ }

Date charged \_\_\_\_\_

Employee \_\_\_\_\_

Location \_\_\_\_\_

FPI-RBK



STATE OF FLORIDA  
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

July 16, 1993

[redacted]  
Special Agent  
Federal Bureau of Investigations  
801 West Bay  
Suite 601  
Largo, Florida 34640

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b7C

Dear [redacted]

Attached is a copy of our final investigative report on OSIG Case #92-0242. Also, upon further review of the case file there is additional information related to possible insurance fraud.

If this office can be of any assistance please call me at (904) 487-3128.

Sincerely,

[redacted]

Acting Chief of Investigations

attachment

20913-TP-28810-28  
BUT BUT  
AUG 10 1993  
CIR [redacted]

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OFFICE OF THE INSPECTOR GENERAL  
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

OSIG REPORT NUMBER: 92-0242      DATE: July 6, 1993  
SUBJECT: Child Abuse/Neglect by Straight Inc.  
\_\_\_\_\_  
\_\_\_\_\_

REPORT OF INVESTIGATION



STATE OF FLORIDA  
DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES

TO: Lowell Clary DATE: May 19, 1993  
Acting Inspector General (OSIG)

FROM: [redacted]  
Inspector Specialist (OSIG)

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b7C

SUBJECT: Child Abuse/Neglect by Straight, Inc.

OSIG Case Number 92-0242

BACKGROUND:

[redacted] filed a complaint with the Inspector General's Office (OSIG) against Straight, Inc., (Straight). In that complaint, [redacted] alleged that the Straight program is both physically and psychologically damaging to the children that are enrolled in the program. He further stated that in the past, Straight has violated numerous sections of the Florida Administrative Code (FAC) and Florida Statutes. Further, that HRS did not respond properly to a Straight licensing issue.

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[redacted] supplied the Inspector General's Office with numerous files reflecting violations of the FAC and copies of alleged child abuse/neglect incident reports, some of which were confirmed, unfounded, or without classification.

On April 13, 1993, Straight of St. Petersburg closed and moved its base of operation to Atlanta, Georgia. Thus, the Straight organization no longer exists in the state of Florida. Straight is a national drug rehabilitation program that had two facilities in Florida; one in St. Petersburg, which closed before this report was completed, and one in Orlando, which closed prior to the onset of this investigation. The Straight program is centered around confrontation, peer pressure, strict discipline, and high self discipline. This type of facility is licensed by HRS based on the authority of FAC 10E-16.

The abuse and neglect incidents brought to light by the complainant were properly investigated at the time of occurrence, and will not be addressed in this report. The focus of this investigation is to determine: (1) if there was a pattern of abuse or neglect by Straight; and (2) to determine if proper corrective/protective action was taken by HRS to prevent or stop improper action by Straight, with respect to the licensing issue.

DETAILS OF THE INVESTIGATION:

According to [redacted] of the Alcohol, Drug Abuse, and Mental Health, District 7 Program Office (ADM), there were occasions when HRS received phone calls from state senators inquiring about the Straight program and letting it be known that they strongly supported the program, thus exercising a certain influence concerning Straight matters.

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Further, during an August 22, 1989, follow-up site visit to the St. Petersburg Straight facility, the HRS licensing team was prepared to recommend that the Straight license not be issued because of lack of compliance on issues that surfaced during an earlier site inspection. While at the facility the team received a phone call informing them that no matter what they found Straight would receive their license. The person who received the phone call was [redacted] however, she stated that she did not remember who made the call or exactly what they said.

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Additionally, according to [redacted] with the headquarters ADM office, he was in a meeting with [redacted] ADM, when a phone call was received by [redacted] That phone call was made by [redacted] and [redacted] [redacted] stated that the phone call was concerning Straight licensing issues. During that phone call [redacted] recalled that [redacted] told [redacted] and [redacted] to make it work.

In yet another meeting with [redacted] Headquarters ADM, were discussing the concerns they had relating to Straight's practices. [redacted] brought up the fact that other states had closed Straight because of the very same issues raised by Florida's HRS. That is, withholding medication, excessive use of force, withholding food, sleep deprivation, etc.

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According to [redacted] told [redacted] "if you do anything other than what I tell you to do on this issue, I will fire you on the spot." [redacted] then turned and told [redacted] "the same goes for you." According to [redacted] stated that "there was a lot of pressure to get this thing resolved." [redacted] said that the statement about a lot of pressure to get this thing resolved was relating to the pressure from [redacted] one of the founders of Straight. According to [redacted] remembers informing [redacted] of the problems with Straight. However, she did not remember him [redacted]

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[redacted] stated that [redacted] as a result of the August 22, 1989, licensing team's findings. She further stated that after

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learning of the phone call received by the licensing team while at the Straight facility. [redacted] called [redacted] on the speaker phone. [redacted] stated that [redacted] expressed their concerns for the clients under the control of Straight. [redacted] stated that she did not remember exactly what [redacted] said, but she does remember that he told them he wanted Straight to get their license. [redacted] stated that he did not remember the phone call referenced by [redacted] and [redacted] further stated that he was never told to sign the Straight license.

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The OSIG's investigator conducted a telephone interview with [redacted] and he stated that he never told anyone to sign a license for Straight; further, it was outside his authority to give such an order. He also stated it was the responsibility of whoever signed the license to make sure that everything was proper before the license was issued. [redacted] also denied telling anyone [redacted] or that he was told by [redacted] to license Straight.

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Though it cannot be substantiated, the OSIG's investigation indicated that [redacted] was contacted several times by [redacted] concerning Straight issues. It appears that [redacted] then called [redacted] about Straight. OSIG's investigator called [redacted] several times in an attempt to obtain more information about this issue, however, the calls were never returned.

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The OSIG's investigation further revealed that Straight clients were young, had drug, alcohol and/or behavioral problems, and they were sometimes very difficult to work with. As a result, there has been a propensity for abuse or excessive force to be used. There is more than enough documentation in the Florida Protective Services System (FPSS) to substantiate this statement.

Most of the physical abuses were centered around the use of restraints, but not limited to the restraints. Many instances of restraints being used were against clients while they were trying to leave the facility, or clients restraining other clients. Restraints were frequently used if a client did not sit in the chair in a prescribed manner. The clients were required to sit in their chairs for approximately 12 hours a day. During that time, they had to sit up straight in the chair, and at no time were they allowed to use the back of the chair for support. If a client used the back of the chair, then that client would be restrained.

A restraint is a technique used to immobilize an individual. This is accomplished by several individuals immobilizing the victim's limbs. If applied properly there is a minimum danger to the victim.

However, frequently the restraint technique was not applied properly and the victims' arms and legs were twisted or placed in unnatural positions causing injury to that limb.

Additionally, information surfaced indicating that Straight withheld medication from some clients and failed to provide follow-up medical treatment for other clients. Clients were knowingly placed in a dangerous situation by Straight staff and in one case injuries occurred that required emergency room treatment.

As a result of this type of history, HRS personnel became very concerned for the well being of the clients enrolled in the Straight program. As stated earlier in this report, the HRS licensing team was prepared to recommend that a license not be issued to Straight. However, there were two factors that lead to the licensing of Straight; first, was the outside pressure mentioned earlier in this report, and secondly, was the limited authority given to HRS by the FAC 10E-16. The FAC 10E-16 is very specific as to conditions that must be met before a license can be denied. The OSIG investigation revealed that while dealing with Straight, HRS acted within the parameters of the FAC 10E-16.

**ALLEGATIONS:** 1. Undetermined; 2. Substantiated;  
3. Unsubstantiated

1. The complainant alleged that the clients were psychologically damaged by the Straight program.
2. The complainant further alleged that Straight has violated numerous sections of the Florida Administrative Code and Florida Statutes.
3. Additionally, the complainant stated that HRS did not act properly when dealing with the Straight licensing issue.

**FINDINGS:**

1. To properly address the complainant's concern of psychological damage caused by Straight, an assessment should be made by qualified medical personnel.
2. The Inspector General's Office investigation revealed that there was a definite pattern of abuse or excessive force used against clients while at Straight facilities.
3. With respect to actions taken by HRS, it appears HRS acted within its authority given the limitations of the FAC 10E-16.
4. It cannot be unequivocally corroborated exactly what roll the outside pressure played in the licensing of Straight, however, HRS did act within its statutory authority.

CONCLUSIONS:

One of the founders of Straight was [redacted] and as a result of this, it appears that some members of HRS experienced some degree of pressure to grant Straight a license, when otherwise the license may not have been granted. However, it cannot be unequivocally corroborated that this outside influence actually altered the decision to issue the license.

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One of the issues raised by [redacted] complaint was the HRS licensing of Straight. While the HRS district administrators were never ordered to issue a license to Straight, there were indications that outside influence was involved with this licensing issue. It appears that pressure may have been generated by [redacted] state senators.

RECOMMENDATIONS:

If it is felt that more aggressive action should be taken by HRS in the future, then changes should be made to the FAC 10E-16 expanding HRS' authority.

COMMENTS:

[redacted]  
Lowell Clary  
Acting Inspector General

7-6-93  
Date

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LC/fg

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 7/30/93

TO : SAC, TAMPA DRA  
 FROM : SAC, ATLANTA (209B-TP-28810) (RUC)  
 SUBJECT :

STRAIGHT, INC.,  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO: TP

For information of the Tampa Division,   
 was contacted at 656-2060.  handles complaints for the  
 Insurance Commission and Department of Human Services. He  
 advised that neither office has received complaints or has  
 outstanding complaints on STRAIGHT, INC., located at 2221  
 Austell Road, Marietta, Georgia.

Inasmuch as all leads in the Atlanta Division have  
 been complete, this case is being placed in an RUC status.

② - Tampa  
 1 - Atlanta  
 DDC/nb  
 (3)

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Approved: 

Transmitted

(Number) (Time)

Per

FBI - TAMPA

209B-TP-28810-29

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 9 1993	
FBI - TAMPA	

CTA

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b7C

Date 8/93

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage\* ☐ Motor Vehicle ☐ Other \_\_\_\_\_

To

Buded

Return to

File number

209  
196-TP-28810

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Name and aliases of subject, applicant, or employee, and spouse

Addresses

Residence

Business

Former

\*Date and place of marriage  
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
------	---	-----	--------	--------	------	------

Birth date	Birthplace
------------	------------

b6  
b7C

Arrest Number	Fingerprint classification	Criminal specialty
---------------	----------------------------	--------------------

Social Security Number	Drivers License Number
------------------------	------------------------

Specific information desired

Results of check

*Please*  
*done 8-23-93 bjt*  
**LEAD COVERED**  
*run 55 number*  
*LD assign in computer 8-23-93 bjt*  
*Thanks*

*209*  
*196-TP-28810-30*

SEARCHED INDEXED  
SERIALIZED FILED

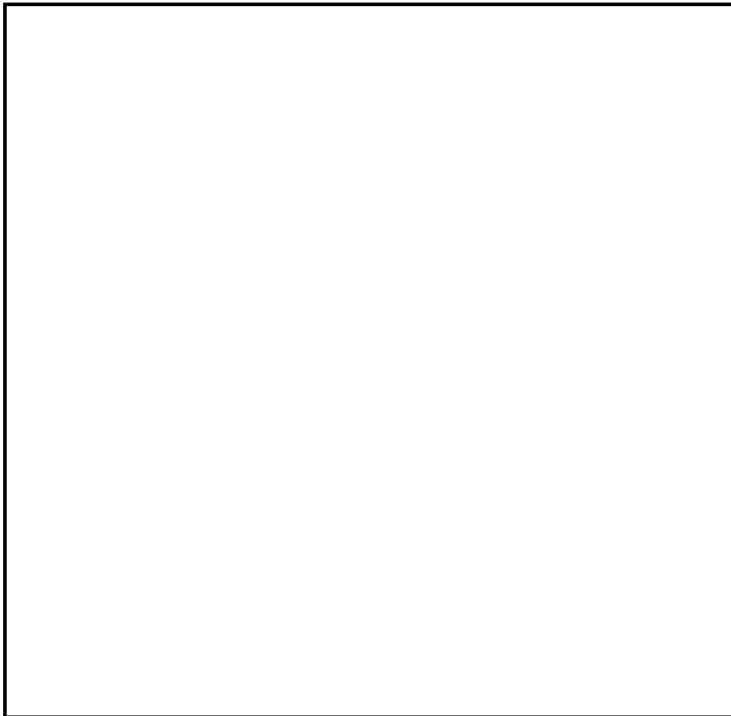
AUG 17 1993

*Lead covered*  
*8-17-93*  
*gfw*

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196 B -TP- 28810

A review of Trans Union trace for social security  
number [redacted] revealed [redacted]  
had the following addresses:



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- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/12/93

[redacted]  
[redacted]  
[redacted] At the outset of the interview [redacted]  
advised that the FBI is currently conducting an investigation  
concerning the operation of STRAIGHT, INCORPORATED (SI) of St.  
Petersburg, Florida [redacted] is very familiar  
with the operation of SI, as his son [redacted]  
[redacted] was a patient from [redacted] through [redacted]

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[redacted]  
[redacted]

b6  
b7C

[redacted]  
and was sent to SI at [redacted]  
[redacted]

b6  
b7C

[redacted]  
[redacted]

b6  
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Investigation on 8/10/93 at [redacted] File # 209B TP-28810-31  
by SA [redacted] *Wm* sab Date dictated 8/11/93

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

209B TP-28810

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Continuation of FD-302 of [REDACTED], On 8/10/93, Page 2

[REDACTED]

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[REDACTED]

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[REDACTED] advised that upon being committed to SI, [REDACTED] entered an inpatient program at the Gandy Boulevard location, which was called Phase I of a multiple phase drug rehab program. [REDACTED] stated that his son's diagnosis by SI was alcohol dependency and poly-substance abuse. He noted that his initial indoctrination into the SI program was quite unusual because the indoctrination itself was given by the parents of patients. He advised that the unusual indoctrination program was only the beginning of what he perceived to be quite unusual requirements imposed on patient families. He noted that in addition to the \$3,520 monthly fee for inpatient treatment, he and his family were additionally required to pay \$7 per day to cover his son's lodging. Further, he learned that he and [REDACTED] were expected to also come up with a fund raiser such as a golf tournament or a tennis tournament which would generate between \$30,000 and \$50,000 which would go to SI. He noted further that additionally, he and his wife were required to attend Tuesday and Friday evening meetings, and during same, a basket was passed and all attendees were

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Continuation of FD-302 of [REDACTED], On 8/10/93, Page 3

expected to make a "voluntary" donation towards meeting SI expenses.

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Of further concern to [REDACTED] was the understanding that at the completion of Phase I of [REDACTED] treatment, he would be assigned to a host home which was an outpatient program with [REDACTED] going to the home of a fellow patient and spending the time between 8:00 a.m. and 5:00 p.m. daily in some sort of group therapy. [REDACTED] stated that [REDACTED] informed him that while [REDACTED] was attending the home of a fellow patient, they were expected to become a host home for other Phase II patients of SI.

[REDACTED] stated that at approximately this time he received a payment from BLUE CROSS AND BLUE SHIELD (BC/BS) supposedly covering two one-hour sessions with a psychotherapist. He noted that upon receipt of this payment, SI claimed that the money actually belonged to them because he had assigned all of the medical benefits of BC/BS at the time that [REDACTED] entered treatment. [REDACTED] stated that at this juncture, he called the psychotherapist who supposedly provided the services being paid for and at that time, learned that the therapist had seen [REDACTED] only on one occasion and that session only lasted 10 or 15 minutes. At this point, according to [REDACTED] he started demanding that he be shown the results of tests previously given to [REDACTED] and at that time, access to same was denied by SI employees.

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He noted that according to those providing the indoctrination to him and [REDACTED] the parents of patients ran the program for the most part and meetings were conducted along the lines of ALCOHOL ANONYMOUS meetings with public acknowledgement of chemical and/or alcohol dependency and the singing of songs. He advised that his son was not seen on a regular basis by what he perceived to be professional health providers, and for the \$3,500 per month fee, he expected better care for his son. [REDACTED] stated that when he started asking questions and challenging procedures [REDACTED] he was politely, but firmly told not to return to subsequent meetings.

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[REDACTED] stated that after two or three weeks of institutionalization, he had decided to get his son [REDACTED] out of the program, but at that time he was told that the young man was

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Continuation of FD-302 of [REDACTED], On 8/10/93, Page 4

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institutionalized pursuant to a court order and even if that was not the case [REDACTED] was afraid of her son and wanted him institutionalized until cured [REDACTED]

[REDACTED] demanded an independent evaluation of his son when he challenged the diagnosis of alcoholism and poly-substance abuse, but this request was refused by SI personnel. He noted that in approximately the fifth week of [REDACTED] institutionalization, he served notice on SI that he would henceforth not pay the \$3,500 monthly fee. He noted that during one conference with SI personnel, he was personally diagnosed as an alcoholic and unfit to care for [REDACTED] simply because he admitted drinking two or three beers a day.

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[REDACTED] went on to advise that following all of the above, he began a letter writing campaign to both BC/BS (Fraudulent Claims) and the Joint Commission on Accreditation of Health Organizations (the lack of trained professionals) and he has since learned that as a result of his letter writing campaign, the license for SI was supposedly suspended during the period June through December 1989.

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[REDACTED] added that in approximately [REDACTED] additional pressure was placed on [REDACTED] to establish a host home at their residence and she consented to it thus resulting in four young men coming to the residence daily and associating with his then seven year old daughter [REDACTED] stated that he proceeded [REDACTED] out of concern for the safety of his daughter with four "strangers" in his house [REDACTED]

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[REDACTED] He advised that during this same period [REDACTED] was released and began a host home rehab program, but [REDACTED] and was returned to an inpatient status. He noted that in [REDACTED] escaped from SI causing over \$1,000 in property damage in the process and he was thereafter dropped from the program. He noted that through the intervention of others [REDACTED] was able to enter [REDACTED] rehab program [REDACTED]

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Continuation of FD-302 of [redacted], On 8/10/93, Page 5

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[redacted] subsequently received a GED diploma, works [redacted] and resides with his mother in [redacted]

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[redacted] stated that in approximately [redacted] he spoke with [redacted] at some length and at that time learned that [redacted] was subjected to physical beatings for the slightest infractions while institutionalized at the SI facility, and because of same, he entertained suing SI. He noted, however, that initial contacts with attorneys in [redacted] area determined that because SI had no assets, the attorneys expected \$20,000 up front before they would take the case. He noted that only one attorney, namely [redacted] was interested in taking on cases without up-front money, but she was only interested in those cases which resulted in harm to the former SI patients.

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Upon further inquiry [redacted] stated that records concerning his son's association with SI as well as the names of other families similarly treated are possibly in storage at his new residence and he would make every effort to locate same and provide them to the FBI at the earliest opportunity.

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[redacted] advised that he was never informed whether SI received scholarships or government funding for their programs and he explained the lack of information concerning these or other details of the SI operation by the fact that he never met anyone who appeared to be in authority. He advised that the only person who he ever dealt with in Florida was a large black male whose name was either [redacted] or [redacted] who claimed to be from the Washington, D.C., area and who had come to Florida to straighten out the St. Petersburg program.

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FBI

TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 8/12/93

TO : SAC, TAMPA (209B TP-28810) (PRA)  
FROM : SAC, RICHMOND (209B TP-28810) (P)

209B-TP-28810  
NH/njm

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On 8/16/93 [redacted]  
[redacted] telephone [redacted] (home) [redacted] Dallas  
Division), telephonically contacted case agent (per [redacted]  
[redacted] to advise that her son [redacted] date of  
birth [redacted]  
[redacted] was formerly a patient of Straight, Inc. (SI).  
[redacted]  
[redacted] has insurance forms regarding their son's  
treatment at an SI facility. According to [redacted] there is  
a possibility that [redacted] and his insurance company were  
double-billed by SI.

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[redacted]

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/23/93

[redacted] (described below) was advised of the identity of the interviewing Agent and voluntarily provided the following information:

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[redacted]  
[redacted]  
[redacted] initially became involved with Straight, Inc. (SI) [redacted]  
[redacted]

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According to [redacted] it was during [redacted] that suddenly and without warning [redacted] "disappeared". Numerous contacts with [redacted] parents, identified as [redacted] by [redacted] had negative results. It became apparent to [redacted] that [redacted] family knew [redacted] location but would not divulge this information to her or her family. Finally, through happenstance, [redacted] became aware [redacted] had been "placed" by her mother [redacted] and stepfather into a drug treatment program, known as SI, located on Gateway Blvd., Irving, Texas.

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When [redacted] determined that [redacted] was admitted into a drug treatment facility, she became upset. She stated that she knew [redacted] very well and there was no evidence that she had used and/or abused drugs/alcohol [redacted] was aware that just prior to [redacted] admission into SI, [redacted]

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Investigation on 8/16/93 at [redacted] File # 209B-TP-28810


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by SA [redacted] /njm Date dictated 8/19/93

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209B-TP-28810

Continuation of FD-302 of \_\_\_\_\_, On 8/16/93, Page 2

\_\_\_\_\_ explained that she and her family had become extremely close to \_\_\_\_\_ and over the course of time \_\_\_\_\_ had mentioned to \_\_\_\_\_ explained that \_\_\_\_\_ did not have a good relationship with her mother \_\_\_\_\_

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\_\_\_\_\_ tried numerous times to contact \_\_\_\_\_ at SI, Irving, Texas to no avail. SI would not let her \_\_\_\_\_ see \_\_\_\_\_ and all letters and phone calls were (apparently) withheld from \_\_\_\_\_ repeated attempts to contact \_\_\_\_\_ resulted in a civil law suit initiated by SI targeting \_\_\_\_\_ charges were dropped \_\_\_\_\_

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\_\_\_\_\_ became increasingly interested in SI's operation and utilized "trash collecting" tactics in an attempt to communicate with \_\_\_\_\_ advised that \_\_\_\_\_

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\_\_\_\_\_ began to dig through SI's trash cans. \_\_\_\_\_ advised that she visited several SI locations across the country and the information she provided (enclosed) is the accumulated result of her efforts.

\_\_\_\_\_ wrote several letters to various regulatory agencies regarding SI including the Texas Commission on Alcohol and Drug Abuse (TCADA), the Texas Attorney General's Office, law enforcement agencies identified as the Federal Bureau of Investigation (FBI) and the Travis County District Attorney's Office, etc.

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As a result of the above-described experience \_\_\_\_\_ became more and more interested in the practices of SI. She was in possession of numerous documents resulting from "trash-raiding" expeditions and began to look closely at SI. She was amazed that a facility which was licensed as an outpatient facility by the Texas Attorney General's Office would bill insurance companies as a day/night facility. She advised that SI utilized an "inpatient health care claim form" which further deceived the insurance companies. On several claim forms, both room and board were charged to the insurance companies, when in fact, the patients (described as under 18 years of age) were housed in private homes.

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 3

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There is a notation on the insurance forms that the facility is "JCAHO" accredited. [REDACTED] explained that the Joint Commission for Accreditation of Hospitals, aka JCAH, is an accrediting body which insures that hospitals function according to appropriate standards/guidelines. The Joint Commission for Accreditation on Health Care Organizations, aka JCAHCO, in no way performs similar functions as the JCAH. [REDACTED] alleged that the notation "JCAHO" which was placed on the insurance claim forms was deceptive in that insurance company employees may see the notation "JCAHO" (rather than JCAH), become confused and forward the bill on for payment.

[REDACTED] believed [REDACTED] has ties to other health care organizations including [REDACTED] (not further described). [REDACTED] also surmized [REDACTED] may have devised the insurance schemes in conjunction with [REDACTED]

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[REDACTED] believes [REDACTED] are knowledgeable regarding health insurance companies and with this knowledge, could (and did) devise a scheme to defraud and deceive health care providers.

[REDACTED] alleged that [REDACTED] had no input regarding the admissions/monitoring of SI patients. [REDACTED] stated that only physicians are legally responsible for making notations on patients' charts and it is her understanding that SI "graduates" (those who have successfully completed the program) routinely document on the charts.

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[REDACTED] stated that during the course of her numerous conversations with parents of other SI patients, revealed that SI would collect pre-intervention treatment fees from parents which varied in amounts. [REDACTED] provided documentation that one parent paid \$3,950.00 directly to SI. In another instance,

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[REDACTED] advised that [REDACTED] had advised that SI owed her \$2,795.00 for a double payment to her insurance company. Although SI has acknowledged the overpayment, as of August, 1993, [REDACTED] has not received the money she is due.

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 8/16/93, Page 4

[REDACTED] provided to the San Antonio Case Agent, a large amount of documents which included what she described as patient copies of insurance claim forms that were found in the trash at various SI locations throughout the country.

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[REDACTED] recalled that on three (3) occasions in shuffling through the trash, she observed three (3) pieces of unopened mail addressed to SI patients.

[REDACTED] provided an example of one SI patient [REDACTED] (documentation enclosed) who was a patient in California. [REDACTED] found an insurance claim form which advised that [REDACTED] was at an SI facility in Marietta, Georgia. [REDACTED] contacted [REDACTED] parents who advised that to their knowledge he was only in an SI facility in California.

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[REDACTED] She additionally advised that she would be willing to travel to the Tampa FBI office if they needed additional information or further clarification regarding above.

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[REDACTED] is also knowledgeable of information regarding SI; she believed that he may have already been interviewed by the FBI, Tampa office.

[REDACTED] is described as follows:

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Name  
Date of Birth  
Height  
Race  
Sex  
Social Security  
Account Number  
Texas Drivers  
License Number  
Address

5'5"

White  
Female

Telephone

(home  
(fax)

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 8/23/93

TO : SAC, TAMPA  
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 12/ARA) (RUC)  
 SUBJECT :

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STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD, ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO: TAMPA

Re Tampa airtel dated 6/25/93 to Atlanta and receiving offices:

Enclosed for the Tampa Division are the following:

1) A 1-A envelope of information provided by  regarding Straight, Inc. (SI) which may be of assistance in their case. These documents include letters from various state agencies, insurance forms, SI employee telephone lists, SI organizational charts, a handwritten letter  various SI correspondence,  faxed insurance information regarding  general information which was initially provided by  and additional information that she subsequently faxed to the Federal Bureau of Investigation (FBI), Austin office.

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2) An original and two copies of an FD-302 of interview of

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2 - Tampa (Encls.) *OK*  
 1 - San Antonio  
 NH/njm  
 (3)

209B-TP-28810-35

But But

Approved: 11/1/93

Transmitted

(Number)

(Time)

Per

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- 3) 1-A envelope containing notes of interview of [REDACTED]

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- 4) An original and two copies of an insert.

Referenced Tampa lead requested the San Antonio Division to interview [REDACTED] Travis County District Attorney's Office (TCDA). Note: [REDACTED] is no longer employed by the TCDA, and telephonic conversation with [REDACTED] determined that no investigation was ever conducted by the TCDA, consequently they can be of no assistance in the matter.

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For the information of the Tampa Division, [REDACTED] appears to be unusually and intensely interested with the investigation or prosecution of SI. As Tampa will note, [REDACTED] has sent numerous documents via the fax machine until the San Antonio case agent advised that although appreciated, she could no longer tie up the fax machine and if and when further information is requested of her, the FBI would contact her. [REDACTED] is apparently ready and willing to travel to Tampa to provide additional information or assist the investigation should the Tampa office so desire. She stated that she has "boxes and boxes" of information obtained from SI's trash and although it is in no organized form, she is willing to provide this to the FBI if necessary.

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In view of the fact that no further investigation is being conducted in the San Antonio Division, this matter is considered RUC'd.

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 9/10/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)

FROM : SAC, BOSTON (209B-TP-28810) (P)

[REDACTED]  
**STRAIGHT, INCORPORATED;**  
**Gandy Boulevard,**  
**St. Petersburg, FL;**  
**FBW - INSURANCE;**  
**OO:TAMPA**

For the information of Tampa [REDACTED]  
 [REDACTED] Massachusetts Division of Insurance Consumer Service,  
 280 Front Street, Boston, MA, advised that his department has no  
 information regarding STRAIGHT, INCORPORATED.

The Massachusetts Division of Insurance Consumer Service  
 deals with complaints against licensed insurance companies,  
 agents or brokers. STRAIGHT, INCORPORATED is not an insurance  
 company thus there would be no record of any complaint with the  
 Massachusetts Division of Insurance Consumer Service.

On 8/20/93, [REDACTED] ARK-LES CORPORATION, 51 Water  
 Street, Watertown, MA, telephone number (617)924-2330, advised  
 that STRAIGHT, INCORPORATED, rented space at 53 Evans Drive,  
 Stoughton, MA from 8/19/85 through 11/13/92. STRAIGHT,  
 INCORPORATED leased 17,760 square feet of space at 53 Evans  
 Drive. The rent for the above space from 8/85 through 1988 was  
 \$7,400 per month. The rent from 1988 through 1991 was \$8,510 per  
 month and from 1991 until 11/92 it was \$5,550 per month. The  
 original lease for the above property was signed by [REDACTED]  
 on behalf of STRAIGHT FOUNDATION. From 8/91 through  
 11/92, STRAIGHT, INCORPORATED was a tenant at will and they had

②-Tampa  
 ②-Boston  
 UJL:ljc  
 (4)

Approved: *Dmo/JS*

Transmitted

(Number) (Time)

Per

209B-TP-28810-36

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1993	
[REDACTED]	

209B-TP-28810

an option to purchase the above building [redacted] stated that STRAIGHT, INCORPORATED was having financial problems and vacated the premises during 11/92 owing ARK-LES CORPORATION \$50,000 in back rent.

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On 9/7/93, it was determined through the Office of the Attorney General, Consumer Affairs Division, 131 Tremont Street, Boston, MA, that there were a total of six complaints filed against STRAIGHT, INCORPORATED since 1989.

LEAD:

BOSTON DIVISION

AT BOSTON, MASSACHUSETTS:

Will contact the Office of Attorney General, Consumer Affairs Division, 131 Tremont Street and obtain copies of the six complaints filed against STRAIGHT, INCORPORATED. Copies of these complaints should be forwarded to Tampa and any leads will be left to that division's discretion.

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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/25/93

[redacted]  
[redacted] telephone number [redacted] was interviewed. He advised that his son, [redacted] telephone number [redacted] was 14 years old in [redacted] and had a drug problem. [redacted] stated that he was aware of Straight and he along with [redacted] telephone number [redacted] and work phone number [redacted] enrolled [redacted] in the Straight Program in Springfield, Virginia. He stated that [redacted] was at Straight from [redacted] until [redacted] when he ran away.

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[redacted] does not have copies of any bills or statements, however, recalled being billed within one week of [redacted] being admitted to Straight. He recalled being billed for blood work and urinalysis, however, he subsequently learned from his son that this was never done. He related that his son advised that he never spoke with or was counseled by a psychiatrist or psychologist. It was his son's belief that there were no doctors on the Straight premises.

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[redacted] was told by [redacted] of Straight in Springfield, Virginia, that he [redacted] would be billed and his insurance company (Kaiser) would also be billed. He was told by [redacted] that if his insurance company paid he would be reimbursed for the monies that he had paid to Straight. He recalled that [redacted] mentioned to him that there was government funding for some of these costs, however [redacted] never pursued this avenue of finance. He recalled being charged \$55 a day by Straight and was also supposed to pay the host family but never did. He explained that his son was to spend the majority of the day at the Straight facility and would spend the evening with a host family, usually someone who had a child in Straight in advanced programs.

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[redacted] stated that after his son left the program he received a bill from Straight headquarters in St. Petersburg, Florida in the amount of approximately \$3,600. [redacted] indicated

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Investigation on 8/16/93 at [redacted] File # 209B-TP-28810

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by SA [redacted] pef [redacted] Date dictated 8/20/93

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SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1993	
FBI TAMPA	

CTA [redacted] - 160

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Continuation of FD-302 of [REDACTED], On 8/16/93, Page 2

that he drove to Springfield, Virginia where he met with [REDACTED]. He told [REDACTED] that he was not going to pay the bill and that if Straight pursued the matter or if his credit report reflected a bad debt, he would sue Straight because it was a scam. He advised that he was not bothered by Straight for a few years.

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He related that in 1991 Straight moved from Springfield, Virginia to Columbia, Maryland. He stated that he along with [REDACTED] contacted the newspapers, had a demonstration for six months at Straight and attempted to have Straight thrown out of Maryland through state authorities.

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He recalled that he and his group conducted trash runs at Straight and obtained numerous documents pertaining to the boys and girls that were enrolled in the program. He related that [REDACTED] has most of this documentation.

He recalled that a doctor who was licensed in Virginia and not in Maryland was allegedly treating and billing patients for treatment at Columbia, Maryland. He could offer no further information at this time.

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/25/93

[redacted] telephone number [redacted] was interviewed. She advised that her son [redacted] at age 15 had a drug and alcohol problem. She indicated that [redacted] Health Department gave her a list of treatment facilities. She related that Straight Inc. was the only facility on the list that would take her son without placing him on a waiting list. He was enrolled in the Straight Program at 5515 Backlick Road, Springfield, Virginia from [redacted] to [redacted] when he was asked to leave the program [redacted] went on to explain that she had begun to question Straight's program and motives and as a result her son was asked to leave. She stated that the co-administrators at Springfield were [redacted] and [redacted] [redacted]

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She related that she and her ex-husband initially gave Straight \$6,000 and were obligated for an additional \$450 per month. She continued that at the time neither she nor her husband had insurance coverage as they had used the maximum on other treatment programs.

[redacted] further stated that her son initially became sick after joining Straight and had a 103 degree fever. She indicated that Straight was not caring for him properly and she threatened to take him out of Straight to her own doctor. She stated that she was subsequently called by the host parent who advised that her son had been seen by a doctor and had received medication [redacted] indicated that a member of Straight was assigned to a host family where they spent the night.

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[redacted] related that she became suspicious of Straight and eventually called an attorney [redacted] of the American Civil Liberties Union (ACLU) in Alexandria, Virginia, telephone number [redacted] She was told that he had successfully prosecuted Straight for unlawful imprisonment of an individual. [redacted] sued Straight on her behalf and Straight settled out of court [redacted] related that the settlement agreement precludes her from discussing the amount.

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Investigation on 8/16/93 at [redacted] File # 209B-TP-28810-38  
by SA [redacted] :pef Date dictated 8/20/93

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209B-TP-28810

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Continuation of FD-302 of [REDACTED], On 8/16/93, Page 2

She was not aware of any government funding or scholarship programs. She stated that she was billed for psychiatric sessions and/or testing, however, her son advised that he never received same. She also advised that a nurse was the only medical person at the Straight facility. She related that Straight subsequently closed the facility in Springfield, Virginia and moved to 9052 Old Annapolis Road, Columbia, Maryland in 1991. She stated that she along with [REDACTED]

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[REDACTED] picketed and protested at the Straight facility in Columbia. She stated that after approximately six months Straight closed their Columbia facility. She advised that [REDACTED] was the financial administrator and [REDACTED] the director of Straight in Columbia. She believed that they left Columbia owing back rent of approximately \$40,000.

She related that the only contact that she had with Straight in St. Petersburg, Florida was a threat by Straight to sue because of her efforts to close down the Columbia facility.

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[REDACTED] indicated that she conducted trash runs at Straight in Columbia and has in her possession numerous documents pertaining to the adolescent patients of Straight in Columbia. She also provided a list of employees of Straight while they were located in Maryland.

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/14/93b6  
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[redacted] Alcohol and Drug Commission, State of Maryland, 201 West Preston, Fourth Floor, Baltimore, Maryland 21201, telephone 225-6925, was interviewed. He related that Straight Incorporated was allowed to open a facility in Columbia, Maryland because it was believed that they had the proper accreditation to receive a Maryland license. He indicated that the state subsequently learned that Straight had no accreditation and went to court to force Straight to leave Maryland. He advised that Straight withdrew from the court proceedings and left the State before the matter was adjudicated.

[redacted] approximately 150 telephone calls from parents of Straight participants regarding physical and mental abuse at Straight [redacted] additional complaints against Straight consisted of fraudulent billings for services including group or individual psychotherapy. He also stated that Straight was billing for services under a doctor's name even though the doctor had not treated the patients. He believed that information pertaining to the above-mentioned telephone calls had been destroyed. He also advised that when Straight left Maryland approximately two years ago, they vacated their building leaving behind records of numerous clients [redacted] believes that he has approximately ten boxes of records in storage that were collected from the Straight premises.

b6  
b7C

[redacted] although he is willing to cooperate, he suggested that a court order (not a subpoena) would be needed to either view or obtain these records.

b6  
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209B-TP-28810-39

INDEXED FILED

wlc sent

SEP 17 1993

CIA

[redacted]

b6  
b7CInvestigation on 9/7/93 at Baltimore, Maryland F209B-TP-28810by SA [redacted] SSW Date dictated 9/13/93

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

STRAIGHT, GREATER WASHINGTON

b6  
b7C

OFFICE LIST - July 31, 1990

NAME	ROOM	EXT.	HOME PHONE	TITLE
	8			Team I Leader
	Bookkeeping			Collect. Mgr.
	9			Prog. Counsel.
	15			Clinical Coor.
	4			AA/Fiscal
	Mezz.			Host Home
	11			Team II Leader
	File Room			Clerical Asst.
	Recept. Desk			Recept. P.T.
	8			Program Counselor
	Clinic			Program Nurse
	6			Admissions (F/T)
	6	Beeper		
	Alcove			Resource Sec
	Recept. Desk			Receptionist
	Sec'y Office			F/S Sec'y. P/T
	Clinic			Program Nurse
	10			Program Counselor
	14			Assoc. Admin./CS
	15			Sec'y. P/T
		All Call		Maintenance
		Beeper		
	8			Intern
	Sec'y Office			F/S Sec'y P/T
	3			Assist. Admin/RD
	Bookkeeping			Account. Clerk
	Bookkeeping			Insurance Coord
	9			Teacher
		Beeper		
	7			Team III Lead.
	2			Exec. Sec'y.
	15			Clinical Sec'y.
	11			Intern
	12			Intern
	10			Prog. Couns
	1			Administrator
	File Room			Med. Records
				Consultant

\*\*BEEPER- Financials - see weekly schedule

FAX  
Police (Franconia)  
Potomac Message Ctr.  
Woodbridge Pediatrics  
\* Home Phone Number for

922-0889  
690-3003  
690-1292

(See back)

209B-TP-238D-40  
SEARCHED INDEXED  
SERIALIZED FILED  
BUT BUT




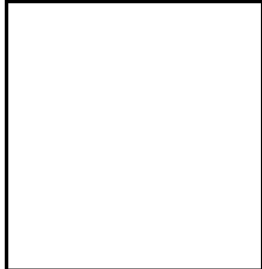









1993

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b7C

Straight - Greater Washington

Office List, July 31, 1990

b6  
b7C

<u>NAME</u>	<u>OFFICE</u>	<u>HOME PHONE</u>	<u>TITLE</u>
			Staff Trainee
		---	Jr. Staff
			Staff trainee
			Sr. Staff
			Sr. Staff
			Sr. Staff
			Senior Staff
			Staff Trainee
			Senior Staff
			Staff Trainee
Staff Trainee			
<u>ANNE ARUNDEL FSC</u>			
			FSC Manager
			
<u>GREATER DELAWARE FSC</u>			
			FSC Manager
FAX			

National Corporate Office 1 - 800 - 733-8929

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 9/15/93

TO : SAC, TAMPA (209B-TP-28810) *PRA*  
FROM : SAC, BALTIMORE (209B-TP-28810) (SQ 7) (RUC)  
SUBJECT :

STRAIGHT INCORPORATED,  
GANDY BOULEVARD,  
ST. PETERSBURG, FLORIDA  
FRAUD BY WIRE - INSURANCE  
OO: TAMPA

Reference Tampa airtel to Atlanta dated 6/25/93.

Enclosed for Tampa are the originals and three copies of three FD-302's taken at Baltimore, Maryland along with interview notes, Straight personnel list for the Baltimore, Washington area, and a bill for

Interview of  disclosed that she has documentation regarding former patients of Straight in Columbia, Maryland.

Contact with  disclosed he also has boxes of medical records which were abandoned by Straight when they left Columbia, Maryland; however, a court order would be needed to obtain these records.

② - Tampa (Enc.) *ca*  
1 - Baltimore  
HJM:ssw  
(3)

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ (Number) (Time)

Per

209B-TP-28810-41

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 27 1993	
<div style="border: 1px solid black; width: 100px; height: 20px; margin: 5px;"></div>	

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 10/7/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)

FROM : SAC, BOSTON (209B-TP-28810) (P)

SUBJECT :

ET AL  
 FBW - INSURANCE  
 (OO: Tampa)

b6  
b7C

Re Boston airtel to Tampa, 9/10/93.

Enclosed for Tampa are copies of two complaints, further described below, filed against STRAIGHT, INC., and STRAIGHT ALCOHOL DRUG PROGRAM

b6  
b7C

On 9/27/93, [redacted] Consumer Complaint Section of the Office of the Attorney General of the Commonwealth of Massachusetts, 131 Tremont Street, Boston, MA, was contacted and request was made for that agency to provide the FBI with copies of complaints filed against STRAIGHT, INC.

On 10/6/93, [redacted] supra, advised that her office retained copies of two complaints (enclosed herewith) re STRAIGHT, INC., and STRAIGHT ALCOHOL DRUG PROGRAM, both of 53 Evans Drive, Stoughton, MA. She further stated that other complaints are maintained at the individual consumer offices throughout the Commonwealth at which the complaints were made.

Boston is in the process of contacting above consumer offices in order to request complaints regarding STRAIGHT, and copies when received will be forwarded to OO.

2 - Tampa (Enc. 2)  
 2 - Boston  
 MET:met  
 (4)

209B-TP-28810-42  
 SEARCHED  
 SERIALIZED  
 OCT 10 1993  
 FBI - TAMPA

b6  
b7CApproved: *[Signature]*

Transmitted

(Number) (Time)

Per

*[Signature]*  
 wlc sent



FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 10/26/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)

FROM : SAC, BOSTON (209B-TP-28810) (RUC)

SUBJECT :

ET AL  
 FBW - INSURANCE  
 (OO: Tampa)

b6  
b7C

Re Boston airtel to Tampa, 10/7/93.

Enclosed for Tampa are copies of consumer complaints concerning STRAIGHT (etc.) as follows:

1. and 2.) From [REDACTED] FALL RIVER  
 COMMUNITY DEVELOPMENT SERVICE CENTER, INC.,  
 Fall River, MA, telephone number [REDACTED]

b6  
b7C

3.) From [REDACTED] SOUTH SHORE COMMUNITY  
 ACTION COUNCIL, INC., Plymouth, MA,  
 telephone number [REDACTED]

4.) From [REDACTED] CONSUMER ASSISTANCE  
 COUNCIL, INC., Hyannis, MA, telephone  
 number [REDACTED]

5.) From [REDACTED] CONSUMER COUNCIL OF  
 WORCESTER COUNTY, Worcester, MA, telephone  
 number [REDACTED]

6.) From [REDACTED] CONSUMER COMPLAINT SECTION,  
 Boston, MA, telephone number [REDACTED]  
 ext [REDACTED]

2 - Tampa (Enc. 6)  
 1 - Boston  
 MET:met  
 (3)

209B-TP-28810-43

BOSTON FIELD

OCT 29 1993

c/n [REDACTED]  
wlc sentb6  
b7CApproved: *DMO/JH*

Transmitted

(Number) (Time)

Per

209B-TP-28810

It is to be noted that two other complaints have been filed against STRAIGHT prior to 1989. However, one location (consumer agency for Hampshire/Franklin) has been closed for a period of time and no one could be located who has knowledge of where, if at all, complaint would be lodged. At the other location (consumer agency for Dedham, MA), one [redacted] advised that due to the length of time elapsed the complaint is not retrievable.

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- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93b6  
b7C

[redacted] white female, Date of Birth (DOB) [redacted] telephone [redacted] was advised of the identity of the interviewing Agent and the purpose for the interview. [redacted] made available the following information:

C90

[redacted] advised that her son [redacted] entered the STRAIGHT, INCORPORATED (STRAIGHT) program on [redacted] and ran away on [redacted] as a result of abuse which occurred at STRAIGHT.

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b7C

[redacted] never really understood the payment program at STRAIGHT. Her family was required to pay entrance fees and medical service fees initially, and then were told they would be required to pay \$7.00 per day per child for their food and residence at a host family, since STRAIGHT did not have inpatient facilities. [redacted] not all the parents paid the \$7.00 per day and she was not sure of how the financing was arranged.

[redacted] it was mandatory that all parents participate in the bingo games which were held on Sunday or Friday night in a hall off of U.S. Highway 19. This activity collected "beaucoup money for STRAIGHT". [redacted] did request financial statements from STRAIGHT during a family meeting held on a Friday night; however, she was instructed to "sit down and shutup". [redacted] no one actually knew where the income went to from bingo or any other sources, despite the fact there were numerous attempts to obtain a financial accounting for the income.

b6  
b7C

[redacted] did have BLUE CROSS/BLUE SHIELD OF NEW YORK while her son was a client at STRAIGHT; however, they paid a very limited amount. Her son did see a Psychiatrist, a [redacted] however, only on one occasion and only for fifteen minutes upon his entry into the program. To the best of her knowledge, most of the staff had no formal background or training for this type of therapy and in most cases, they were former clients of the STRAIGHT program.

b6  
b7C

Investigation on 10/28/93 at [redacted] File # 209B-TP-28810  
by SA [redacted] lm Date dictated 10/29/93

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209B-TP-28810-44

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SERIALIZED *BTF* FILED *BTF*

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*[Handwritten signature]*

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209B-TP-28810

Continuation of FD-302 of \_\_\_\_\_, On 10/28/93, Page 2

\_\_\_\_\_ again stated that if you asked any questions about the treatment or the finances, you were told that "this was not good for your child and he or she would suffer" \_\_\_\_\_ was never advised of what was included in the \$600 medical services, nor did she receive the results of any testing. The program "intimidated and ran your life and acted similar to cult-like behavior."

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\_\_\_\_\_ advised it was an extremely difficult time in her life due to the fact her son was abusing drugs and alcohol. However, since there were very few options available for the treatment of adolescents, she placed her son into the STRAIGHT program.

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Following her son's termination from the program \_\_\_\_\_ did have an outstanding debt; however, they were charged for the entire month of September even though their son was not active in the program for the month. Eventually \_\_\_\_\_ did settle with a collection agency to pay \$750 so that their credit would not be ruined. The collection agency from California, a \_\_\_\_\_ told \_\_\_\_\_ that if they did not pay "he would ruin their credit".

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93

[redacted] Date of Birth (DOB) [redacted]  
[redacted] Social Security Account Number (SSAN) [redacted] address  
[redacted] telephone  
[redacted] was advised of the identity of the interviewing  
Agent and the purpose for the interview. [redacted] made  
available the following information:

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[redacted] was a client at STRAIGHT,  
INCORPORATED in the Tampa Bay program, from [redacted] to  
[redacted] having been placed in this facility by his  
parents because of his abuse of alcohol and marijuana. [redacted]  
was terminated in this program. [redacted]  
[redacted] Upon his release from this program [redacted] did enter  
into a drug and alcohol abuse treatment program identified as [redacted]  
[redacted]

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[redacted] approximately three weeks after  
being placed in the STRAIGHT program, his father [redacted]  
[redacted] determined that this program was not going to meet  
the needs of his son, nor was it a treatment facility. [redacted]  
father then attempted to remove him from the program; however,  
his mother was insisting that the son remain in the program.  
[redacted] stated that this was one of the tactics of STRAIGHT,  
INCORPORATED, to convince the parents that if the child left, the  
child would then die. [redacted] was then blackballed from  
attending any meetings and [redacted] was told his father "hated  
him" and would not attend the family meetings. [redacted] only  
learned later that this information was not correct.

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[redacted] stated that this program was an outpatient  
facility; however, the clients were at STRAIGHT, INCORPORATED  
from approximately 8:00 a.m. to 8:00 p.m. While attending this  
program [redacted] stated they were subject to various physical  
abuses inflicted by various clients.

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[redacted] advised that he did meet with a Psychiatrist,  
an "Indian doctor" whom he met during his initial visit for  
approximately 15 minutes. [redacted] was never treated by any other

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Investigation on 10/28/93 at [redacted] File # 209B-TP-28810  
by SA [redacted] lm Date dictated 10/29/93

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209B-TP-28810-45

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SERIALIZED BT FILED BT

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209B-TP-28810

Continuation of FD-302 of \_\_\_\_\_, On 10/28/93, Page 2

Psychiatrist during his stay at this facility. The group therapy consisted of all the clients getting together and "motivating one another" [redacted] does not believe that any of these individuals had any kind of degree or training. Most of the executive staff members at the program were graduates of the STRAIGHT program. [redacted] advised that these group therapy sessions had anywhere from 100 to 150 individuals attending at one time.

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Upon entering into the STRAIGHT program [redacted] advised that he was very confused and upset with his parents for placing him in this program. Because of this, he vaguely remembers having a urine test and believes that they took his blood for tests. During the initial entry into the program, he was held on the ground while other clients stripped searched his body for drugs.

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[redacted] stated that the concept of STRAIGHT was based on the Marine training theory. He stated that they would "break you down and then build you up." The problem with this program was that they never built the clients up, they were always scaring them and physically abusing them. [redacted] believed that his mother was in possession of insurance documents where the insurance company and family were billed by a Psychiatrist for treatment that he did not receive. This doctor did inform [redacted] father that there was an overcharge on the service part of the bill. [redacted] stated he would attempt to locate these insurance forms and make them available to the investigative agency.

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- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/3/93b6  
b7C

[redacted] white female, Date of Birth (DOB) [redacted]  
[redacted]  
telephone number [redacted] was advised of the identity of  
the interviewing Agent and the purpose for the interview [redacted]  
then made available the following information:

[redacted] was  
a patient in the STRAIGHT, INCORPORATED (STRAIGHT) in [redacted] Her  
insurance company refused to pay for this treatment because it  
was not an in-patient psychiatric treatment facility [redacted] did  
pay an initial fee of \$6,000 for medical services during the  
first phase of [redacted] treatment; however, she was never  
advised what these medical services include, nor was she notified  
of the results of these tests.

Q 17b

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[redacted] they were continually being  
requested to provide additional funds after the initial lump sum  
was requested. At no time did she nor [redacted]  
[redacted] receive the results of any physical or medical reports,  
despite the fact that this child was a minor.

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b7C

[redacted] "hates" the STRAIGHT program  
because of everything it has done to her child and others.

b6  
b7C

[redacted] the children were to be placed  
with various host families during the evening when they were not  
at the STRAIGHT program, as it was an outpatient facility. Male  
clients were to go to a home where either a mother and a father  
resided or just a father; and female clients were to go to homes  
with both parents or a single woman [redacted]

[redacted] did withdraw [redacted] from this program.  
STRAIGHT then threatened to take them to court for an outstanding  
debt. [redacted] refused to pay the remaining debt of \$4,000 in  
view of [redacted] A negotiation  
settlement of a \$1,000 was reached between the parties.

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b7C

Investigation on 10/28/93 at [redacted] File # 209B-TP-28810  
by SA [redacted] lm Date dictated 10/29/93

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009TB-TP-28810-46

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SERIALIZED FILED

NOV 03 1992

CIA



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209B-TP-28810

Continuation of FD-302 of [redacted], On 10/28/93, Page 2

[redacted] In addition to not obtaining any medical records, [redacted] advised that although they were "handing money out all the time", they were never billed, nor did they receive any paperwork from STRAIGHT regarding the billing procedures or services provided.

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[redacted] had no idea of the credentials of those individuals treating the clients, other than at one time they had also been clients of STRAIGHT. [redacted] stated she asked many questions, however, could never get answers to these questions.

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b7C

[redacted] advised that they placed their child in this program because their insurance carrier would not pay for treatment of drugs, and they could not afford the cost of an in-patient drug rehabilitation facility at [redacted] or any other hospital. STRAIGHT was the cheapest program available which treated adolescents for drug and alcohol abuse.

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b7C

# United States District Court

MIDDLE

DISTRICT OF

FLORIDA

TO:

TAMPA DIVISION

(B) 4 93-77609

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON

☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE  
611 NORTH FLORIDA AVENUE  
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993  
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

If you have any questions, please contact Special Agent  FBI,  
at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY CL

NOVEMBER 4, 1993

This subpoena is issued on application  
of the United States of America

UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF FLORIDA

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY  
500 ZACK STREET, SUITE 400  
TAMPA, FLORIDA 33602 (813) 225-7440

\*If not applicable, enter none

209B-TP-28810-47

**RETURN OF SERVICE (1)**

RECEIVED BY SERVER	DATE	PLACE
	11-16-93	Clearwater Fla
SERVED	DATE	PLACE
	11-16-93	
SERVED ON (NAME)		

b3  
b6  
b7C

SERVED BY		TITLE
		SA

**STATEMENT OF SERVICE FEES**

TRAVEL	SERVICES	TOTAL

**DECLARATION OF SERVER (2)**

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 11-16-93   
Date

811 West Bay St. Bay FL  
Address of Server

**ADDITIONAL INFORMATION**

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

"Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

**FBI**

**TRANSMIT VIA:**

- ☐ Teletype  
☐ Facsimile  
☒ AIRTEL

**PRECEDENCE:**

- ☐ Immediate  
☐ Priority  
☐ Routine

**CLASSIFICATION:**

- ☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 11/16/93

TO : DIRECTOR, FBI  
(LABORATORY DIVISION, ROOM 3223  
ATTN: [REDACTED])  
FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)  
SUBJECT : [REDACTED]  
ET AL;  
STRAIGHT INCORPORATED;  
FBW-INSURANCE;  
OO: TAMPA

Reference Tampa telephone call from Special Agent (SA) [redacted] to [redacted] FBIHQ, Room 3223.

Enclosed for the FBIHQ, Laboratory Division, is

REQUEST OF FBIHQ, LABORATORY DIVISION:

The Laboratory Division is requested to

Division is appreciative of the Laboratory Division's cooperation in this matter.

3 - Bureau (Enc. 1)  
 ② - Tampa  
 CFB:tar  
 (5)

SEARCHED \_\_\_\_\_  
INDEXED \_\_\_\_\_  
SERIALIZED BT  
FILED \_\_\_\_\_

wlc bent

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
(Number) (Time)

209B-TP-28810

Referenced investigation involves STRAIGHT INCORPORATED, an Adolescent Alcohol and Drug Treatment Facility, headquartered in St. Petersburg, Florida, with programs located throughout the United States. The Tampa Division is currently investigating allegations of insurance fraud to include double billing and billing for service which were not provided to the patients.

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 11/10/93

TO : SAC, ATLANTA  
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO: TAMPA

ReTPairtel to Atlanta dated 6/25/93, and  
 Baltimore's airtel to Tampa dated 9/15/93.

Enclosed for Dallas, Jacksonville, New York,  
 Richmond and Tampa Divisions are Federal Grand Jury subpoenas.  
 Also enclosed for the Miami Division at West Palm Beach, is a  
 memo dated 12/17/91.

2-Atlanta  
 2-Baltimore  
 2-Dallas (Enc. 2)  
 2-El Paso  
 2-Houston  
 2-Jacksonville (Enc. 1)  
 2-Miami (Enc. 1)  
 2-New York (Enc. 1)  
 2-Philadelphia  
 2-Richmond (Enc. 1)  
 2-San Antonio  
 2-Tampa (Enc. 1)  
 CFB:lm  
 (22)

209B-TP-28810-49  
 SEARCHED  
 INDEXED  
 SERIALIZED  
 FILED

*W/Sent*

*C/A*

*21*

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)



For information of receiving offices, this case was initiated upon the receipt of a referral from the UNITED STATES ATTORNEY'S OFFICE, Middle District of Florida. STRAIGHT, INCORPORATED was a non-profit adolescent substance abuse treatment organization with headquarters in St. Petersburg, Florida, and facilities operating throughout the United States. At its prime, STRAIGHT had ten program throughout the United States, Canada, and fourteen satellite offices. Only one facility, which is located in Atlanta, Georgia, remains open.

Parents of adolescents with a substance abuse problem were required to pay anywhere from \$14,000 to \$19,000 to STRAIGHT for an 18 month course of treatment at the time of admission. The parents were required to assign their interest in their insurance claims directly to STRAIGHT, INCORPORATED. STRAIGHT would then submit the claims to the various insurance companies for payment indicating they were an in-patient service facility. Instead of reimbursing the parents when the payments were received from the insurance companies, the money was maintained by STRAIGHT for payroll and other operating expenses. When the insurance companies failed to notify the parents of the reimbursement to STRAIGHT, STRAIGHT did not notify the parents that they had received reimbursement for the same services. In addition, the investigation has indicated that on some occasions services billed to the insurance carrier were not actually rendered.

From 1988 to 1990, STRAIGHT was experiencing severe cash flow difficulties. Some explanations for these difficulties can be attributed to over expansion, a decrease in patient admissions, several large settlements regarding their treatment of patients, and mismanagement of funds.

STRAIGHT did layoff numerous employees and instituted a five percent reduction in pay for all remaining employees. Interviews conducted to date determine that while these reductions were instituted, the managers of the organizations [REDACTED]

[REDACTED] continued to receive high salaries, numerous benefits, and utilization of the company credit cards for personal use in light of the reduction or non-receipt of a pay raise. The personal use of credit cards included travel to Las Vegas; bikini waxing; dinners; and travel expenses to include a ski trip to California and Spain.

Receiving offices who are requested to conduct interviews with parents of former patients are requested to include the following questions in these interviews:

1. How did the families become involved with STRAIGHT.
2. How long was their child a patient at STRAIGHT, and what type of care was received, to include psychiatric and psychological counseling, and what physician counselled their child.
3. The amount of fees charged, and any explanation of these fees that they may have received from management of STRAIGHT, INCORPORATED.
4. Identify the insurance carrier which provided coverage for the treatment at STRAIGHT, INCORPORATED, to include the name of the insurance company and a contact number or a representative of the insurance company.
5. Inquire of the parents as to whether or not they obtained any results of testing conducted by STRAIGHT, INCORPORATED, and their understanding of the services provided and the service included in the \$600 medical payment required upon admission.
6. Inquire of the parents as to whether their child was an inpatient at STRAIGHT, INCORPORATED, in view of the fact that their insurance companies were billed for room and board services.
7. Inquire of the parents as to whether they were refunded money from STRAIGHT, INCORPORATED from their insurance reimbursements.
8. In addition, inquire in the interview of former clients or parents of clients of STRAIGHT, INCORPORATED as to whether they were informed of any scholarship or government funding programs, and whether or not they received these funds.
9. Did these individuals have any interaction with the headquarters facilities in St. Petersburg, Florida, and if so, who was their contact within STRAIGHT?

Please obtain any and all documents regarding insurance payments and billing only. During the interviews, it is requested that these individuals be asked if they are aware of any other individuals who experienced similar problems with STRAIGHT, INCORPORATED and if additional individuals are identified, receiving offices are requested to make contact with these individuals in their Divisions.

LEADS:

ATLANTA DIVISION

AT [REDACTED]

Locate and interview [REDACTED]  
[REDACTED] a former employee of STRAIGHT, INCORPORATED. Inquire of [REDACTED] his position at STRAIGHT, tenure, to include his responsibilities. Information developed indicates that [REDACTED] may have knowledge of fraudulent medical records being created. Inquire of [REDACTED] as to whether medical records were falsified and at whose direction.

BALTIMORE DIVISION

AT BALTIMORE, MARYLAND

Re-contact [REDACTED]  
[REDACTED] and obtain all documents in her possession.

Re-contact [REDACTED] Alcohol and Drug Commission, State of Maryland, 201 West Preston, Fourth Floor, Baltimore, Maryland, telephone (410)225-6925, and inquire as to why he is requesting a court order for the documents left by STRAIGHT in Maryland. [REDACTED]  
[REDACTED]

Locate and interview [REDACTED]  
[REDACTED] former employee of STRAIGHT, INCORPORATED, regarding her knowledge of the STRAIGHT program in Maryland. [REDACTED] telephonically contacted the Largo Office of the FBI and advised that she did have information regarding the funds obtained in Maryland [REDACTED]  
[REDACTED]

[REDACTED] also has information regarding the double billing of insurance payments. Ascertain from [REDACTED] knowledge of any of the parents or employees who may have information regarding the double billing for insurance payments. If these individuals are located in the Baltimore Division, Baltimore is requested to contact and interview these individuals.

b6  
b7C

b6  
b7C  
b7D  
b5

b6  
b7C

DALLAS DIVISION

AT [REDACTED]

Interview parents [REDACTED]

[REDACTED] in reference to their association with STRAIGHT, INCORPORATED. Dallas Division is requested to use the aforementioned questions in this airtel for guidance in their interview.

AT DALLAS, TEXAS

Contact [REDACTED]

[REDACTED] to identify the current whereabouts of [REDACTED]

[REDACTED] is residing in [REDACTED] at this time.

Dallas Division is requested to locate and identify [REDACTED] and inquire of her the following information: Her position and responsibilities at STRAIGHT, INCORPORATED; knowledge of the doctors on staff and if physicians were present during treatment of the children; was STRAIGHT, INCORPORATED JACHO approved or JACH approved, and what information was provided to the insurance carrier; inquire as to whether STRAIGHT provided room and board services as an in-patient facility to their clients/patients, and if not, why were the insurance companies billed for room and board services.

Ascertain from [REDACTED] as to why there was a difference in fees submitted to the insurance companies for services provided to various clients. Have [REDACTED] explain the services which were provided in the initial \$500 entrance fee and the \$600 medical fee. Were the parents of the clients notified as a result of these tests and, if not, why not? Inquire of [REDACTED] as to whether she was aware that the National Headquarters was not returning insurance refunds to the parents of the clients. Ascertain from [REDACTED] who gave this order and who was the Dallas contact in St. Petersburg, Florida at the National Headquarters.

Inquire of [REDACTED] if individuals from the National Headquarters did travel to the Dallas Division and identify who these individuals were and what was the purpose of their trip.

Investigation reveals that [REDACTED] did resign from STRAIGHT. Inquire of [REDACTED] the terms of the contract arrangements with various physicians and psychiatrists, whether or not a psychiatrist was actually

209B-TP-28810

b6  
b7C

present during treatment of the clients, and her knowledge as to why [redacted] resigned from STRAIGHT, INCORPORATED.

AT [redacted]

Issue subpoena to [redacted]

b3  
b6  
b7C

Issue subpoena to [redacted]

AT [redacted]

Locate and interview [redacted]

b6  
b7C

AT [redacted]

Locate and interview parent [redacted]

and [redacted]

b6  
b7C

EL PASO DIVISION

AT EL PASO, TEXAS

b6  
b7C

Locate and interview [redacted]

[redacted] Please  
utilize questions enclosed in this airtel as a guide in the  
interview.

HOUSTON DIVISION

b6  
b7C

AT HOUSTON, TEXAS

Interview [redacted]

[redacted] Locate  
and interview [redacted]

JACKSONVILLE DIVISION

b3

AT [REDACTED]

Issue subpoena to [REDACTED]  
[REDACTED]

MIAMI DIVISION

AT [REDACTED]

b6  
b7C

Locate and interview [REDACTED] former employee of STRAIGHT, at [REDACTED]. Inquire of [REDACTED] his position and tenure with STRAIGHT and his chain of command. Inquire of [REDACTED] his involvement in the financing and collections of accounts receivable and the utilization of these referenced funds.

Enclosed in the airtel is [REDACTED]. Identify who [REDACTED] are, and an explanation of [REDACTED]. Inquire of [REDACTED] if he utilized a credit card and if he had knowledge of executive officers utilizing corporate credit cards for their personal use. If the credit cards were used for personal use, who directed employees to use same for this purpose.

NEW YORK DIVISION

b3  
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AT [REDACTED]

Issue subpoena to [REDACTED]  
[REDACTED]

PHILADELPHIA DIVISION

AT [REDACTED]

b6  
b7C

Locate and interview parent [REDACTED]  
[REDACTED] regarding a billing problem with STRAIGHT, INCORPORATED. Please utilize reference questions as a guide in this interview.

209B-TP-28810

AT [REDACTED]

b6  
b7C

Locate and interview [REDACTED]  
[REDACTED] Inquire of [REDACTED]  
the following:

His position, responsibilities, tenure, and supervisor while employed with STRAIGHT.

Information regarding travel and reasons for travel expenses approved and the use of credit cards for personal expenses.

Knowledge of STRAIGHT management's policy not to refund insurance payments to families.

Knowledge of services provided to clients to include services provided in \$600 medical fee and if physician or psychiatrist was present during group therapy sessions.

RICHMOND DIVISION

AT [REDACTED]

b3

Issue subpoena to [REDACTED]  
[REDACTED]  
[REDACTED]

SAN ANTONIO DIVISION

AT [REDACTED]

b6  
b7C

Locate and interview parents [REDACTED]  
[REDACTED] regarding their association with STRAIGHT, INCORPORATED. Please utilize questions enclosed in the body of this airtel as a guide.

AT SAN ANTONIO, TEXAS

b6  
b7C

Locate and interview [REDACTED]  
[REDACTED] Please utilize questions included in this airtel as a guide during this interview.

TAMPA DIVISION

AT [REDACTED]

b6  
b7C

Locate and interview former employee [REDACTED]

[REDACTED] and obtain the information to the following questions: Inquire of [REDACTED] the services that were included in the \$600 medical service fee required at admission of the patient, and as to whether the parents were informed of the results of these tests. Does [REDACTED] have any information or knowledge of STRAIGHT billing insurance carriers for room and board services. Inquire of [REDACTED] whether STRAIGHT was an in-patient or out-patient facility. Was [REDACTED] ever directed to not reimburse/refund parents when insurance carriers made payment to STRAIGHT, INCORPORATED. If so, who directed her not to refund the parents?

b6  
b7C

Inquire of [REDACTED] her knowledge or information of the JACHO approval for STRAIGHT, and if she were aware if this approval was necessary for insurance carriers to cover the cost of care at STRAIGHT. Inquire of [REDACTED] the utilization of corporate credit cards for professional and personal use. [REDACTED] should explain the procedure of reimbursement or travel vouchers required by STRAIGHT to verify that the expenses were business related. Was [REDACTED] ever instructed or informed she could use STRAIGHT's credit card for her personal use, and if so, who informed her of this directive?

b3

AT [REDACTED]

Issue subpoena to [REDACTED]  
[REDACTED]  
[REDACTED]



FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 11/5/93

TO : SAC, TAMPA (209B TP-28810) (PRA)  
 FROM : SAC, RICHMOND (209B TP-28810) (RUC)  
 SUBJECT :

STRAIGHT, INCORPORATED  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA  
 FBW - INSURANCE  
 OO: TP

Re Richmond airtel to Tampa dated 8/12/93.

Richmond has maintained contact with   
 During  
 contacts  has advised that he has been unable to  
 locate any written documentation concerning captioned program.

Noting the above, the Richmond Division has decided  
 to RUC this matter pending receipt of further instructions  
 from the office of origin.

②-Tampa  
 2-Richmond  
 HJM/sab  
 (4)

1\*

209B-TP-28810-50

ST ST

w/ sent.

CLA

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/17/93

[redacted] White Male. Date of Birth (DOB) [redacted]  
[redacted] telephone number [redacted] extension [redacted]  
[redacted] was advised of the identity of the interviewing agent and the purpose of the interview. [redacted] then made available the following information:

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b7D9  
(7)

[redacted]

b6  
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[redacted] attributed the crisis at STRAIGHT to the changing in the housing of the patients, DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES (HRS) regulations and laws, waste of limited resources by the management, and the hiring of friends and relatives who had little or no knowledge of STRAIGHT, INCORPORATED's business. [redacted] stated [redacted] hired [redacted] for [redacted] and [redacted] wife of [redacted] was hired as [redacted] because "she wanted to travel with her husband."

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[redacted] stated STRAIGHT, INCORPORATED did restructure their organization for tax reasons. STRAIGHT, INCORPORATED became STRAIGHT FOUNDATION which was a holding company for all the assets. STRAIGHT, INCORPORATED was restructured to maintain all current assets and current liabilities. STRAIGHT FOUNDATION was supposed to be responsible to raise capital for STRAIGHT, INCORPORATED, however, they failed in this venture.

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The STRAIGHT, INCORPORATED national headquarters was responsible for establishing policies, procedures and controlling the accounting functions for all the programs nationwide.

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Investigation on 11/2/93 at [redacted] File # 209B-TP-28810  
by SA [redacted] :rp Date dictated 11/4/93

209B-Tp-28810-51

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 17 1993	
FBI - TAMPA	
CL/A	

w/c sent

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209B-TP-28810

Continuation of FD-302 of \_\_\_\_\_, On 11/2/93, Page 2

Approximately six months after securing employment.

\_\_\_\_\_ was in this position prior to \_\_\_\_\_.  
\_\_\_\_\_ did meet \_\_\_\_\_ on one occasion after being hired by  
STRAIGHT \_\_\_\_\_. \_\_\_\_\_ should have "warned  
him of the mess".

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ does not know what

bills were paid when they submitted funds to \_\_\_\_\_.  
believes that \_\_\_\_\_

\_\_\_\_\_ may have utilized the credit cards for their  
personal use. \_\_\_\_\_ advised that he was going to notify the  
Board of Directors of the problems but decided against it when he  
secured outside employment and also because he felt that no one  
would believe him.

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

At  
this time \_\_\_\_\_ did make \_\_\_\_\_ available to the FEDERAL  
BUREAU OF INVESTIGATION (FBI).

b6  
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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ also later  
learned that \_\_\_\_\_ purchased the television system at  
STRAIGHT, INCORPORATED for \$200 although its actual value was  
\$3,500.

b6  
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\_\_\_\_\_ it was STRAIGHT, INCORPORATED's  
policy not to make refunds to parents of the client who had  
insurance coverage. \_\_\_\_\_ however, did  
attempt to reimburse parents whenever it was possible, yet, most  
times the money from the reimbursements was already spent.  
\_\_\_\_\_ felt \_\_\_\_\_ was incompetent \_\_\_\_\_ was always at

209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 11/2/93, Page 3

b6  
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b7D

the "track" thereby causing management deficiencies. It is [REDACTED] opinion that there was no question that the executive staff was aware of the financial problems.

[REDACTED] stated he had no knowledge or information regarding the insurance bills nor the services associated with the fees that the parents paid.

b6  
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[REDACTED]

Both [REDACTED] were paid well over \$100,000.

[REDACTED]

[REDACTED] was aware that [REDACTED] did travel to Spain [REDACTED]

b6  
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[REDACTED] This trip was "supposedly a business trip" and was charged to STRAIGHT, INCORPORATED. These individuals may have also traveled to South America at the expense of STRAIGHT, INCORPORATED.

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/17/93b6  
b7C  
b7D

[redacted] White Female,  
Date of Birth (DOB) [redacted] was advised of the identity of  
the interviewing agent and the purpose for the interview [redacted] *Q*  
then made available the following information: *C43*

[redacted] is currently employed at [redacted]  
[redacted] was  
employed at STRAIGHT INCORPORATED [redacted]  
from [redacted] to [redacted] direct  
supervisor was [redacted] responsibilities included

b6  
b7C  
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[redacted] stated all accounting services for the STRAIGHT,  
INCORPORATED programs were centralized at the national  
headquarters in St. Petersburg, Florida. For years, management  
had allowed the accounts receivable to remain uncollected.  
However, when STRAIGHT began to experience cash flow problems,  
the management incorporated an aggressive collection posture.  
These changes created additional problems due to the fact  
families and clients became extremely upset with the new  
collection procedures.

b6  
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[redacted] attributed the cash flow problems to bad press, a  
downward trend in the market base, and management's unwillingness  
or inability to react to these changes. Despite the decrease in  
revenues, management failed to curtail spending of their  
resources. It is [redacted] opinion, management had underestimated  
the seriousness of the financial crisis.

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Investigation on 11/2/93 at [redacted] File # 209B-TP-28810  
by SA [redacted] rp Date dictated 11/4/93

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209A-Tp-28810-52

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 17 1993	
FBI - TAMPA	

w/c sent

CIA [redacted]

b6  
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209B-TP-28810

b6  
b7C  
b7D

Continuation of FD-302 of \_\_\_\_\_, On 11/2/93, Page 2

[REDACTED]

b6  
b7C  
b7D

\_\_\_\_\_ was responsible for reviewing all the accounts which included the credit card charges. \_\_\_\_\_ did utilize the STRAIGHT corporate account for personal use. \_\_\_\_\_ established an accounts receivable for the executive staff whereby \_\_\_\_\_ did repay all their personal expense charges to the STRAIGHT account. \_\_\_\_\_ believes that \_\_\_\_\_ may have also used the STRAIGHT AMERICAN EXPRESS credit card for her own personal use. \_\_\_\_\_ stated \_\_\_\_\_ may have confused her personal AMERICAN EXPRESS card with STRAIGHT. \_\_\_\_\_ can recall \_\_\_\_\_ engaging in conversations with \_\_\_\_\_ regarding payment of these charges.

b6  
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\_\_\_\_\_ established the policy that all insurance refunds would be deposited into a general account for STRAIGHT, INCORPORATED. These funds were then utilized for operating expenses of STRAIGHT INCORPORATED. \_\_\_\_\_ did, on occasion, in opposition to this policy direct program directors in the field to refund the parents this insurance payment. \_\_\_\_\_ stated at one time, approximately \$200,000 of their resources were, in fact, refunds of insurance payments and should have been repaid to the families.

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\_\_\_\_\_ was aware of the cash flow problems when he instituted the insurance refund policy. \_\_\_\_\_ was just buying time" with the insurance funds for the operation of STRAIGHT.

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 11/2/93, Page 3 b6  
b7C  
b7D

[REDACTED] advised STRAIGHT required the parent to execute their assignment of insurance benefits upon admission of their child despite the fact they would have made full payment for the services.

[REDACTED] does not believe that the Board of Directors were aware of the true severity of the financial problem. [REDACTED]

b6  
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[REDACTED]  
[REDACTED]  
[REDACTED] feels that the programs throughout the country "crumbled" under the management of the corporate headquarters [REDACTED] concluded the interview by advising that at one time, [REDACTED]

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# Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 11/29/93

From : FA [REDACTED]

b6  
b7C

Subject: [REDACTED]

STRAIGHT, INCORPORATED,  
GANDY BOULEVARD,  
ST. PETERSBURG, FLORIDA;  
FBW - INSURANCE;  
OO: TAMPA

Re: Tampa airtel to Atlanta, dated 11/10/93.

Referenced airtel set forth lead to writer. As of  
11/29/93, this lead has been covered.

② - Tampa  
TLB:elb\*  
(2)

209B-Tp-28810-53

BT BT

c/A



1/1

w/c sent

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# United States District Court

MIDDLE

DISTRICT OF

FLORIDA

TO:

TAMPA DIVISION (B) 93-77609 (5)

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE  
611 NORTH FLORIDA AVENUE  
TAMPA, FLORIDA 33602

COURTROOM

GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993  
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

If you have any questions, please contact  FBI, at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY CLERK

NOVEMBER 4, 1993

This subpoena is issued on application  
of the United States of America

UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF FLORIDA

OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY  
500 ZACK STREET, SUITE 400  
TAMPA, FLORIDA 33602 (813) 225-7440

\*If not applicable, enter "none"

209B-T P-28810-54

## RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE	11/23/93	PLACE	500 Zack St, Tampa, FL
SERVED	DATE	11/26/93	PL	
SERVED ON (NAME)				
SERVED BY			TITLE	Financial Analyst
TRAVEL			TOTAL	

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b7C

## DECLARATION OF SERVER (2)

I declare under penalty of perjury under the information contained in the Return of Service

the foregoing is correct.

Executed on

Date

11/26/93

Signature of Server

Address of Server

500 Zack Street, Tampa, FL

## ADDITIONAL INFORMATION

1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)."

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/3/93

[redacted] white female, born [redacted]  
[redacted] Social Security Account Number [redacted] residing at [redacted]  
[redacted] telephone [redacted]  
[redacted] (non-published), was interviewed concerning her former  
employment by STRAIGHT, INCORPORATED.

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[redacted] was hired by STRAIGHT [redacted]  
[redacted]  
[redacted] worked at STRAIGHT locations  
[redacted]

b6  
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b7D

[redacted] questioned regarding certain specific areas  
of inquiry:

[redacted] STRAIGHT charged patients an  
admission fee of \$500.00, which was to cover the initial  
interview and preparation of the initial treatment plan. A  
\$600.00 medical services fee was also charged. This covered  
services rendered by contract physicians and hospitals in  
connection with the initial psychiatric evaluation, gathering of  
medical history, and physical examination.

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[redacted] generally, the results of tests  
conducted under the medical services fee were not made known to  
parents of patients. No affirmative effort was made to do so,  
unless a need was recognized to exchange information with  
parents. On occasion, in certain "critical situations", when  
parents requested information, conferences were held, and results  
were discussed in general; however, parents were never shown the  
records themselves.

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[redacted] does indeed have knowledge of  
STRAIGHT billing insurance companies for room and board, in spite  
of the fact that STRAIGHT was an out-patient operation. She  
stated that, due to the way "fee structures were set up", it was

b6  
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(telephonically)

Investigation on 12/3/93 at [redacted] File # 209B-TP-28810b6  
b7C  
b7Dby SA [redacted] jot Date dictated 12/3/93

209B-Tp-288Lo-55

SEARCHED INDEXED  
SERIALIZED **BT** FILED **BT**

DEC 3 1988

C/A



*[Handwritten signature]*

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209b-TP-28810

Continuation of FD-302 of [REDACTED]

, On 12/3/93

, Page 2

b6  
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often difficult to justify some of the fees for purposes of insurance reimbursement. The object of "manufacturing" fees or "structuring" fees was to relieve the patients of the financial burden of having to shoulder the expense of the programs.

[REDACTED] was often ordered by "corporate" in St. Petersburg to accept patients who clearly could not pay, and whose insurance would not pay for much of the service rendered. She was then instructed to tailor the fees to fit whatever the insurance companies would pay [REDACTED] that these orders came directly [REDACTED]

b6  
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[REDACTED] of STRAIGHT [REDACTED] would perform background investigations on prospective patients to see what they could afford, examine their insurance coverage, contact the insurance companies to learn exactly what was covered; and then the description of services and fees would be tailored to meet whatever was allowed. "U.B. 82" forms would be "structured around" the client's benefits.

[REDACTED] at the various STRAIGHT locations, however, she could not recall names at present. She might be able to locate names [REDACTED]

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[REDACTED] was instructed on numerous occasions by [REDACTED] not to refund parents, even though insurance payments were received by STRAIGHT. These instructions were issued repeatedly, by memoranda, in conference calls and at meetings. This was when STRAIGHT began to suffer cash flow problems. The practice became so prevalent that [REDACTED] Parents would become antagonistic and refuse to cooperate. [REDACTED]

b6  
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[REDACTED] before STRAIGHT could apply for insurance proceeds, accreditation was required by the JOINT COMMISSION OF ACCREDITED HEALTH CARE ORGANIZATIONS (JCAHO). She stated that when STRAIGHT first began operating, it had no JCAHO

209b-TP-28810

Continuation of FD-302 of [REDACTED], On 12/3/93, Page 3

STRAIGHT. Eventually, "corporate" in St. Petersburg met with JCAHO and received accreditation at the national level. JCAHO required, however, that each individual location be accredited. Nevertheless, "corporate" instructed locations to claim that they were accredited, on the theory that they were covered by the national certificate held by "corporate". When proof of accreditation of a location was required by an insurance company, a copy of the "corporate" certificate would be sent. [REDACTED] advised that this did not seem to matter to anyone until JCAHO made an issue of it.

b6  
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[REDACTED] corporate credit cards, VISA cards, were issued to employees for business purposes only.

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b7C  
b7D

[REDACTED] was never instructed to use the cards for personal expenses, but is very much aware that "corporate" officers in St. Petersburg used them freely for personal reasons. In addition to the VISA cards, "corporate" officers had AMERICAN EXPRESS cards. [REDACTED] recounted many examples of recreational trips, personal purchases and other personal uses of the corporate credit cards, to include the payment of a veterinarian's bill, and the authorization of "corporate" staff by [REDACTED] to use the cards for personal "shopping sprees" for entire families.

b6  
b7C  
b7D

[REDACTED] each month, the bills for "corporate" charges were divided among the nine locations, which were expected to absorb the expense, having to produce additional income to cover the pro-rated "corporate" credit card charges. This was often a very sizeable figure for a given location, in the thousands of dollars.

[REDACTED] would be available at the above telephone number, equipped with an answering machine, should it be necessary to recontact her.



# United States District Court

MIDDLE

DISTRICT OF

FLORIDA

TO:

TAMPA DIVISION

(B) 93-77609 (7)

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

b3

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE  
611 NORTH FLORIDA AVENUE  
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993  
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

b3  
b6  
b7C

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

NOVEMBER 4, 1993

(BY) DEPUTY CL

b6  
b7C

This subpoena is issued on application  
of the United States of America

UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF FLORIDA

ER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY  
500 ZACK STREET, SUITE 400  
TAMPA, FLORIDA 33602 (813) 225-7440

\*If not applicable, enter none

209B-TP-28810-56

## RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/29/93	PLACE Richmond, Virginia
SERVED	DATE 11/29/93	PLACE [Redacted]

SERVED ON (NAME)

[Redacted]

SERVED BY

[Redacted]

TITLE

Financial Analyst

## STATEMENT OF SERVICE FEES

TRAVEL [Redacted]	SERVICES [Redacted]	TOTAL [Redacted]
----------------------	------------------------	---------------------

## DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on 11/29/93

Date

[Redacted]

111 Greencrest Road Richmond, VA 23225  
Address of Server

## ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

"Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

b3  
b6  
b7C

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 11/30/93

TO : SAC, TAMPA  
 FROM : SAC, RICHMOND (209B-TP-28810) (RUC)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO : TAMPA

Re Tampa airtel to Atlanta dated 11/10/93.

Enclosed for Tampa is original subpoena dated  
 served on   
 by FA  of the  
 Richmond Division.

For the information of Tampa, the recipient of  
 subpoena

As no further investigation remains this matter is  
 RUC by Richmond.

2 - Tampa (ENC. 1) *u*  
 2 - Richmond  
 /TMD  
 (4)

209B-TP-28810-57

Approved: *SK/PEL*

Transmitted

(Number) (Time)

Per DEC 6 1993

FBI - TAMPA

rec at pra 12/7/93

*w/resent**c/A**alk*b6  
b7Cb3  
b6  
b7Cb6  
b7C

# United States District Court

MIDDLE

FLORIDA

DISTRICT OF

TO:

TAMPA DIVISION (B) 93-77609 (6)

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

b3  
b6  
b7C

SUBPOENA FOR:

ATTN:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE  
611 NORTH FLORIDA AVENUE  
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME ~~DECEMBER 15, 1993~~  
~~NOVEMBER 30, 1993~~ 9:30 A.M. *69*

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

b3  
b6  
b7C

If you have any questions, please contact Special Agent   FBI,  
at 581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID C. EDWARDS

DATE

(BY) DEPUTY CL

NOVEMBER 4, 1993

b6  
b7C

This subpoena is issued on application  
of the United States of America

UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF FLORIDA

PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY  
500 ZACK STREET, SUITE 400  
TAMPA, FLORIDA 33602 (813) 225-7440

\*If not applicable, enter none

## RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 11/30/93	PLACE 26 FEDERAL PLAZA, N.Y., N.Y.
SERVED	DATE 12/1/93	PLACE [Redacted]
SERVED ON (NAME) [Redacted]		

b3  
b6  
b7C

SERVED BY [Redacted]	FINANCIAL ANALYST
-------------------------	-------------------

## STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL

## DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service is true and correct.

Executed on 12/1/93  
Date

Sig

Address of Server

26 Federal Plaza, N.Y.

## ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

"Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/1/93

On

[redacted] was served with  
a Federal Grand Jury Subpoena for the Middle District of Florida.

b3  
b6  
b7C

209B-TO-28810-59

BJT BJT

DEC 1 1993

FBI

C/A

[redacted]

16

Investigation on 12/1/93 at NEW YORK, N.Y. File # 209B-TO-28810

by FA [redacted] Date dictated 12/1/93

b6  
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 12/2/93

TO : SAC, TAMPA (209B-TP-28810)  
 FROM : ADIC, NEW YORK (209B-TP-28810) (C 33) (RUC)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA;  
 FBW - INSURANCE;  
 OO: TAMPA

Re Tampa Airtel to Atlanta dated 11/10/93, and New York telephone call to SA  on 11/30/93 and 12/1/93.

Enclosed for Tampa are 1) original and one copy of executed Federal Grand Jury Subpoena and 2) original and one copy of FD-302 regarding service of above said subpoena.

For information of Tampa, New York received referenced airtel on the original return date on the subpoena. Writer contacted SA  in the Tampa Division and was instructed to change the subpoena return date from November 30, 1993 to December 15, 1993.

As there are no outstanding leads in the New York Office, this matter is being placed in a RUC'D status.

② - ~~Tampa~~ Jacksonville (encls 4)  
 1 - New York  
 BJJ/bj  
 (3)

209B-TP-28810-60

SEARCHED	INDEXED
SERIALIZED	FILED

Approved: \_\_\_\_\_

Transmitted \_\_\_\_\_

(Number)

(Time)

# United States District Court

MIDDLE

DISTRICT OF

FLORIDA

TO:

TAMPA DIVISION

(B) 3 93-77609

## SUBPOENA TO TESTIFY BEFORE GRAND JURY

SUBPOENA FOR:

☐ PERSON☒ DOCUMENT(S) OR OBJECT(S)

YOU ARE HEREBY COMMANDED to appear and testify before the Grand Jury of the United States District Court at the place, date, and time specified below.

PLACE

U.S. COURTHOUSE  
611 NORTH FLORIDA AVENUE  
TAMPA, FLORIDA 33602

COURTROOM GJ 93-3-15

GRAND JURY ROOM

DATE AND TIME

NOVEMBER 30, 1993  
9:30 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):\*

If you have any questions, please contact Special Agent  FBI,  
at 813-581-9938.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK

DAVID L. EDWARDS

DATE

(BY) DEPUTY

NOVEMBER 4, 1993

This subpoena is issued on application  
of the United States of America

UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF FLORIDA

NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY

ASSISTANT UNITED STATES ATTORNEY  
500 ZACK STREET, SUITE 400  
TAMPA, FLORIDA 33602 (813) 225-7440

If not applicable, enter none

20918-T P 58810-61



## RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE <i>11/23/93</i>	PLACE <i>FBI, Jacksonville</i>
SERVED	DATE <i>11/29/93</i>	PLACE

SERVED BY (NAME)	
------------------	--

SERVED BY	TITLE <i>Special Agent</i>
-----------	-------------------------------

## STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL
--------	----------	-------

## DECLARATION OF SERVER (2)

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service is true and correct.

Executed on *11/29/93* at   
Date Signature

*FBI, Jacksonville*  
Address of Server

## ADDITIONAL INFORMATION

*Served with attachments regarding*

1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 12/3/93

TO : SAC, TAMPA (209B-TP-28810) (PRA)  
 FROM : SAC, JACKSONVILLE (209B-TP-28810) (RUC)  
 SUBJECT :

STRAIGHT, INC.,  
 Gandy Boulevard  
 St. Petersburg, Florida;  
 FBW - INSURANCE;  
 (OO: TAMPA)

Re Tampa airtel to Atlanta, 11/10/93.

Enclosed for Tampa is the original of the subpoena  
duces tecum that was served on

On 11/29/93, 

was served with a  
 copy of the enclosed subpoena (with attachments) that was  
 previously provided to Jacksonville by Tampa with the above  
 referenced airtel.

Inasmuch as no investigation remains for  
 Jacksonville, this matter is RUC'd.

② - Tampa (Enc. 1) *OK*  
 1 - Jacksonville  
 RMP/fla  
 (3)

1\*

ORIGINAL

209B-TP-28810-62

Approved: *JVC/B*

Transmitted

(Number) (Time)

*wlc sent*

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 10 1993	
Per	<i>[Signature]</i>

b6  
b7Cb3  
b6  
b7Cb6  
b7C

209-TP-28810  
CB: CW

- 1 -

The following investigation was conducted by Special Agent [redacted] on December 2, 1993:

b6  
b7C

[redacted]  
[redacted]  
telephone number [redacted] advised that he has limited records regarding STRAIGHT, INCORPORATED; however, they would be forwarded to the FEDERAL BUREAU OF INVESTIGATION (FBI) in Largo, Florida. [redacted] also agreed at this time to be interviewed regarding his association with STRAIGHT, INCORPORATED, by FBI agents in Dallas, Texas. [redacted] did state that he was not

[redacted]

209-Tp-28810-63

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 08 1993	
FBI - TAMPA	

c/A [redacted]

b6  
b7C

w/c sent

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/8/93

[redacted] Date of Birth [redacted]  
 [redacted] telephone  
 number [redacted] telephonically contacted this office to  
 speak with Special Agent [redacted] [redacted] then made  
 available the following information:

b3  
b6  
b7C

[redacted] advised that she was in receipt of a Federal  
 Grand Jury subpoena regarding [redacted]

[redacted]  
 [redacted] did agree to be interviewed by FEDERAL  
 BUREAU OF INVESTIGATION agents in Dallas, Texas, regarding her  
 association with this facility.

209-TP-28810-64

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 8 1993	
FBI - TAMPA	

cul sent CIA [redacted]

b6  
b7C

Investigation on 12/1/93 at Clearwater, Florida File # 209-TP-28810

by SA [redacted] CW Date dictated 12/2/93

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI

## TRANSMIT VIA:

☐ Teletype  
☐ Facsimile  
☒ AIRTEL

## PRECEDENCE:

☐ Immediate  
☐ Priority  
☐ Routine

## CLASSIFICATION:

☐ TOP SECRET  
☐ SECRET  
☐ CONFIDENTIAL  
☐ UNCLAS E F T O  
☐ UNCLAS

Date 12/8/93

TO : SAC, DALLAS  
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (P)  
 SUBJECT :

STRAIGHT, INCORPORATED,  
 GANDY BOULEVARD,  
 ST. PETERSBURG, FLORIDA  
 FRAUD BY WIRE - INSURANCE  
 (OO: TAMPA)

Reference Tampa airtel to Atlanta dated November 10, 1993.

Enclosed for Dallas Division is

Referenced airtel to Atlanta requested the Dallas Division issue subpoenas to

Both of these individuals are in receipt of their Federal Grand Jury subpoenas and have contacted the Tampa Division to advise that they would be willing to be interviewed by FBI agents

2 - Dallas (Enc. 1)  
 2 - Houston  
 ② - Tampa  
 CB: cw *chw*  
 (6)

209B-TP-28810-65  
 SEARCHED  
 INDEXED  
 SERIALIZED  
 FILED

*wlc sent*

*C/A*  *h!*

Approved: \_\_\_\_\_ Transmitted \_\_\_\_\_ Per \_\_\_\_\_  
 (Number) (Time)

209B-TP-28810

During these interviews, it is requested that the following questions be included in the interviews:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.

Enclosed for

[Redacted]

[Redacted]

b3

b3

209B-TP-28810

[Redacted]

b3  
b6  
b7C

LEADS:

DALLAS DIVISION

AT [Redacted]

Interview [Redacted]

[Redacted]

Tampa Division is also resetting leads previously submitted on the November 10, 1993, airtel.

b6  
b7C

AT [Redacted]

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

HOUSTON DIVISION

b6  
b7C

AT HOUSTON, TEXAS

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

AT [Redacted]

Interview [Redacted]

[Redacted]

209B-TP-28810

b6  
b7C

AT [REDACTED]

Interview [REDACTED]  
[REDACTED]

AT [REDACTED]

Locate and interview [REDACTED]  
[REDACTED]

Houston Division is requested to utilize referenced questions in the November 10, 1993, airtel to their division in these interviews.



# Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 12/23/93

From : SA [REDACTED]

b6  
b7C

Subject: [REDACTED]

ET AL;  
STRAIGHT, INCORPORATED;  
FBW; INSURANCE FRAUD;  
OO: TAMPA

The purpose of this memo is to request approval to  
interview [REDACTED]  
[REDACTED]

b3  
b6  
b7C

A Federal Grand Jury Subpoena was issued to [REDACTED]  
[REDACTED]

would be willing to meet with investigative Agents [REDACTED]

[REDACTED] AUSA [REDACTED]  
requested that SA [REDACTED] interview [REDACTED]

[REDACTED] A meeting with [REDACTED] has been  
scheduled for [REDACTED] to interview [REDACTED]  
[REDACTED]

②-Tampa

CFB:lm

(2) [REDACTED]

209B-TP-28810-66  
BTJ BTJ

C/A [REDACTED] 2/1

1\* [REDACTED] sent

b6  
b7C

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/8/93

[redacted] white female. Date of Birth [redacted]  
Social Security Account Number [redacted] home address [redacted]  
[redacted] telephone number [redacted]  
[redacted] place of employment [redacted]  
[redacted] telephone number [redacted] was advised  
of the identity of the interviewing agent and the purpose for the  
interview. [redacted] then made available the following information:

b6  
b7C

[redacted] advised she is currently employed at [redacted] <sup>248</sup>  
[redacted] Prior to this position [redacted]  
was employed for STRAIGHT, INCORPORATED, from [redacted] to [redacted]  
responsibilities at STRAIGHT, INCORPORATED, included [redacted]  
[redacted]  
[redacted] Toward the end of  
her employment, [redacted] predominately was concerned with [redacted]  
[redacted] had limited  
involvement in the hiring or firing of employees since this was  
generally conducted at the program level.

b6  
b7C

[redacted] direct supervisor was [redacted]  
[redacted] stated she had no involvement in the accounting functions of  
STRAIGHT, INCORPORATED; and if she learned of any information  
regarding the payment of bills or credit cards, it was through  
[redacted] There would be no reason or occasion where the  
financial data would be submitted to her [redacted]  
[redacted] did not interact often  
with the executive staff.

b6  
b7C

The executive staff included [redacted]  
[redacted] who were responsible for the clinical side of STRAIGHT.  
Both of these individuals did travel extensively throughout the  
United States administering and managing the various programs.  
[redacted] also travelled because he was involved with the  
[redacted]  
[redacted] was not in the marketing department of  
STRAIGHT, INCORPORATED. [redacted] was hired to

b6  
b7C

Investigation on 11/30/93 at St. Petersburg, Florida File # 209-TP-28810

b6  
b7C

by SA [redacted] CW Date dictated 12/2/93

209B-TP-283D-67

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 8 1993	
FBI TAMPA	
CIA	

w/resent

b6  
b7C

209-TP-28810

Continuation of FD-302 of [REDACTED]

, On 11/30/93 , Page 2

b6  
b7C

monitor and administer the family service centers. The family service centers were created to recruit patients in areas where STRAIGHT, INCORPORATED, did not have a treatment facility.

[REDACTED] advised that she did have a credit card issued from STRAIGHT, INCORPORATED [REDACTED]

b6  
b7C

[REDACTED] During her tenure at STRAIGHT, INCORPORATED [REDACTED] travelled only on two occasions. If there are dinner expenses on her credit card, it would have been related to [REDACTED]

[REDACTED] was not present when the Tampa Bay program closed in June of 1993. The employees remaining at the facility included [REDACTED] and possibly [REDACTED]

b6  
b7C

[REDACTED] again stated that she had no involvement in the cash flow or financial aspects of STRAIGHT, INCORPORATED. In addition, she did not participate in the insurance billing or accounting functions for insurance payments from the patients' families.

b6  
b7C

209B-TP-28810  
JCK:jck\*

The following investigation was conducted by Financial  
Analyst (FA) [redacted] on January 4, 1994 in Largo, Florida.  
Attached to this insert are [redacted]

b3  
b6  
b7C

209B-TP-28810-68  
CLASSIFIED BY [redacted] [redacted]  
DATE 04/09/94

c/A [redacted] all  
w/ sent

b6  
b7C