

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/18/94b6
b7C

On January 3, 1994 [redacted] was contacted and interviewed at her residence [redacted] telephone number [redacted]. After being advised of the identity of the interviewing agent and the nature of the interview [redacted] provided the following information:

[redacted] advised that she first became familiar with STRAIGHT while attending "Tough Love" meetings in [redacted] [redacted] knew that she was experiencing behavioral problems with her son [redacted] [redacted] advised that her son did have behavioral problems and an alcohol problem and that her attempts to deal with him were somewhat unsuccessful. In [redacted] based upon a recommendation by [redacted] advised that she and [redacted] with the assistance of two other persons, transported her son [redacted] to the Dallas office of STRAIGHT [redacted] advised that upon arrival [redacted] a counsel for STRAIGHT, interviewed [redacted] for most of the day [redacted] further advised that she and [redacted] were both asked to answer numerous questions both verbally and in writing [redacted] recalled filling out numerous forms prior to [redacted] being admitted. [redacted] advised that her son was in the STRAIGHT program for 18 months [redacted] stated that from [redacted] until [redacted] her son received counseling and treatment through the Dallas facility. However, in [redacted] [redacted] had the understanding that there had been problems relating to the approval of the facility by the state regulators and that the State wanted to control the Host homes, which were homes that families of patients would open up to other children who were experiencing behavioral problems [redacted] had the understanding STRAIGHT lost its accreditation from the State for their Dallas facility. [redacted] then advised that she and her son moved to [redacted] in an attempt to continue the counseling and treatment with STRAIGHT [redacted] advised that there were numerous counselors, both psychiatric and psychological, although she could not recall their names. In reference to the fees charged, [redacted] advised that this would have all been handled

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Investigation on 1/3/94 at [redacted] File # 209B-TP-28810

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by SA [redacted] /mh Date dictated 1/3/94

209B-TP-28810-103

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1954	

w/lost

CTF



1/1

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209B-TP-28810

Continuation of FD-302 of _____, On 1/3/94, Page 2

through her insurance company and that she was never involved in this process. _____ advised that the insurance carrier was through _____ and the telephone number is _____ with the contact persons either being _____

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When asked about any testing that was done by STRAIGHT INCORPORATED, _____ advised that in fact drug testing and other types of testing were done on the patients and the results of such tests were discussed with the parents. In reference to the \$600 medical payment required upon admission, _____ advised that she had no idea what would have been included in that payment. _____ did advise that her recollection was that the price for admission ranged from \$6,000 to \$8,000. _____ did state that at the time of admission she was given a complete breakdown of how each dollar figure was arrived at.

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In reference to anyone being described as an "inpatient" at STRAIGHT, _____ advised that neither the facility in Orlando nor the one in Dallas was a facility that provided room and board. Therefore, the patients were placed in Host homes and the homes were paid a flat fee of approximately \$10 per day. _____ explained that in each Host home there may be an average of four patients with at least one or two of the patients having almost successfully completed the counseling necessary for graduation. A third patient would be midway through the program and the fourth patient may represent a new patient who had just arrived at STRAIGHT, INCORPORATED for help. _____ advised that although the patient stayed in the host homes they were all required to be at the STRAIGHT facility from approximately 8:30 a.m. until 6:00 p.m., each day.

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In reference to refunds from STRAIGHT, INCORPORATED, _____ advised that in fact she did receive a refund from STRAIGHT, INCORPORATED for her Host home fees that she had paid for her son during his involvement with STRAIGHT while in the Dallas area. _____ advised that initially she paid these fees up front and it was after she and her son moved to _____ for the continuation of the program that her insurance company reimbursed STRAIGHT for _____ out of pocket expense. _____ advised that, in fact, she had followed up on the receipt of this reimbursement with _____ or _____ (LNU), who was the accountant at the STRAIGHT office in _____. _____ stated that eventually she did receive full reimbursement from STRAIGHT by way of payment from her

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/3/94, Page 3

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insurance company [REDACTED] advised that she recalled hearing other parents talk about problems with receiving refunds due them from STRAIGHT, INCORPORATED, although she was never sure whether or not the problems were resolved. [REDACTED] did not have available any names of any individuals to be contacted. [REDACTED] advised that she merely heard rumors among the other parents.

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[REDACTED] advised that she was never informed of any scholarship or Government funding program relating to the treatment and counseling that her son received. [REDACTED] advised that the insurance company that covered her son's treatment was very good and it paid 100 percent and therefore, she had no need of additional financial support to pay for the treatment.

[REDACTED] advised that she was very pleased with the results of STRAIGHT, INCORPORATED. [REDACTED] advised that her son never actually graduated from the program because in the spring of 1992 the Orlando facility closed up. Once again [REDACTED] had the understanding that there were problems with State approval. [REDACTED] stated that her son [REDACTED] did not want to go to another facility. Therefore, she and her son returned to [REDACTED].

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[REDACTED] advised that [REDACTED] the one who initially referred her to STRAIGHT, INCORPORATED, has had one child who successfully graduated from the program and another child who is currently being treated through the STRAIGHT program. [REDACTED] advised that she has been very impressed with the results she has seen and that she personally felt that she was in no way violated financially.

[REDACTED] is described as follows:

Name: [REDACTED]
Race: White
Sex: Female
Date of Birth: [REDACTED]
Place of Birth: [REDACTED]
Social Security Number: [REDACTED]

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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 3/11/94

TO : SAC, TAMPA (PRA) (209B-TP-28810)
FROM : SAC, DALLAS (209B-TP-28810) (WCC5) (P)

SUBJECT :
ET AL;
FBW - INSURANCE;
OO: TAMPA

Re Tampa airtel to Atlanta, dated November 10, 1993, and Tampa airtel to Dallas, dated December 8, 1993.

Enclosed for Tampa are the following:

- 1) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 2) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 3) The original and one (1) copy of an FD-302 setting forth the results of an interview of
- 4) Three (3) 1-A envelopes containing the original interview notes of

3 - Tampa (Enc. 11) *dh*
2 - Dallas
MRH/eh
(5)

209B-TP-28810-104

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 16 1994	
FBI TAMPA	

W/C sent

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

209B-TP-28810

✓
5) Two (2) 1-A envelopes containing insurance
claims reviewed by [REDACTED]

Investigation is continuing at Dallas.

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2*

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA) (P) Date 3/10/94

From : SA [REDACTED]

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b7C

Subject: [REDACTED]

ET AL.;
STRAIGHT, INCORPORATED,
ST. PETERSBURG, FLORIDA;
FRAUD BY WIRE - INSURANCE
(OO: TAMPA)

The purpose of this memo is the update of the file.

On February 14, 1994, Special Agent (SA) [REDACTED] met with Assistant United States Attorney (AUSA) [REDACTED] regarding captioned matter. The focus of this meeting was on the absence of evidence in referenced matter [REDACTED]. [REDACTED] AUSA [REDACTED] was informed that SA [REDACTED] had scheduled an appointment with [REDACTED]. It was agreed during this meeting that the interview should be conducted [REDACTED].

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AUSA [REDACTED] advised that he would schedule grand jury [REDACTED]. [REDACTED] A meeting will be scheduled following this grand jury testimony to review the prosecutive merits of referenced investigation.

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② - Tampa
CB: cw
caw (2)

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209B-TP-28810-105

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1994	
FBI - TAMPA	

[REDACTED]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/16/94b6
b7C

[redacted] Texas
Commission on Alcohol and Drug Abuse (TCADA), 710 Brazos Street,
Austin, Texas, was contacted at his place of employment and
advised of the identity of the interviewing Agent. [redacted] was
informed that the nature of the contact was concerning his
agency's investigation regarding Straight, Inc.

According to [redacted] Straight is a non-profit
corporation chartered in the State of Florida providing
adolescent chemical dependency treatment. At the time of TCADA's
investigation, Straight was doing business at 2900 Gateway, Suite
600, Irving, Texas. Straight was licensed as a chemical
dependency treatment facility by TCADA on or about June 4, 1986.

[redacted] advised that as a result of numerous complaints
regarding Straight, his agency initiated an investigation in May,
1990. Complaints centered around the physical abuse of clients,
namely teenage children, while in treatment at Straight
facilities. Allegations of physical abuse consisted of clients
and staff restraining other clients, lack of food and bathroom
access, and the striking of clients.

In approximately November, 1991 Straight chose not to
renew its license to operate treatment programs for adolescents.
[redacted] said that this was the result of a formal hearing held in
September, 1991, wherein Straight officials were told that the
TDADA was going to pursue action in order to revoke their
license. In regards to medical billings associated with the
treatment, [redacted] stated that their investigation did not focus
on that area. Straight was licensed in the State of Texas as an
out patient treatment facility.

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[redacted] advised that as a result of the investigation,
his agency has approximately ten boxes containing documents and
records regarding Straight. Furthermore, [redacted] provided SA [redacted]
with a three ring binder containing the results of TCADA's
investigation.

Investigation on 3/3/94 at Austin, Texas File # 209B-TP-28810

by SA [redacted] /njm Date dictated 3/8/94

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20913-TP-28810-106
BT BT

w/c sent CIA  

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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 3/16/94

TO : SAC, TAMPA
 FROM : SAC, SAN ANTONIO (209B-TP-28810) (SQ. 12/ARA) (P)
 SUBJECT :
 ET AL;
 FBW - INSURANCE;
 OO: TAMPA

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b7C

Reference Dallas airtel to Tampa dated 1/26/94.

Enclosed for Tampa are the following items:

1. Original and two copies of an FD-302 reflecting interview of
2. One black binder provided by containing documents and reports associated with Texas Commission on Alcohol and Drug Abuse's (TCADA) investigation on Straight, Inc. (FD-192 attached).

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For information of Tampa advised that TCADA's investigation focused on physical abuse of adolescents being treated at the Straight facility. TCADA did not investigate the billing of client services, therefore does not have any first hand knowledge of fraudulent billing activities. Nevertheless stated that he would review TCADA's investigation records for information concerning billings and would recontact interviewing Agent.

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Investigation pending.

2 - Tampa (Encl. 5) *3/21/94*
 2 - San Antonio
 VMO/njm
 (4)

209B-TP-28810-107
 Bot Bot

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b7CApproved: *[Signature]*

Transmitted

(Number)

(Time)

w/urgent

209B-TP-28810

LEAD:

SAN ANTONIO DIVISION

AT AUSTIN, TEXAS:

Recontact in order to determine if billing information was collected during TCADA's investigation of Straight, Inc.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/10/94b6
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[redacted]
[redacted] white male, Date of Birth [redacted]
[redacted] was advised of the identity of the interviewing agent and
the purpose for the interview. Also present during this
interview was Attorney [redacted] of Tampa, Florida. [redacted]
then made available the following information:

C78

[redacted]
[redacted]

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Initially the organizers of the program did obtain a government grant for the implementation of the program. Due to regulations and administrative requirements of the Federal government, STRAIGHT, INCORPORATED, did not utilize this resource again. The program was based on the fact the treatment facility was for the well-being of the community; therefore, they were relying on community financial support. Parents would be responsible for 60 to 75 percent of the cost for their child, whereby the community would generate the remaining 25 percent in funds through various fund-raising activities. The success of STRAIGHT, INCORPORATED, led to clients requesting admission from all over the United States and internationally. In response to this, STRAIGHT, INCORPORATED, began expansion plans. During the late 1980's, there was an internal conflict between the staff members of STRAIGHT, INCORPORATED [redacted]

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[redacted]
[redacted] IN [redacted] was hired
by the board of directors to administer the STRAIGHT,
INCORPORATED, program. [redacted] was hired based on her
experience [redacted]

Investigation on 2/15/94 at St. Petersburg, Florida File # 209B-TP-28810

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by SA [redacted] CW Date dictated 2/15/94

20613-TP-28810-108

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 10 1994	
FBI - TAMPA	

CIA [redacted] 14

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 2/15/94, Page 2

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Under [REDACTED] administration, accounting functions and other administrative responsibilities were centralized at the national headquarters located in St. Petersburg, Florida. [REDACTED] opinion this is the decision that caused the decline of STRAIGHT, INCORPORATED. STRAIGHT FOUNDATION was created as a resource for raising funds for STRAIGHT, INCORPORATED. STRAIGHT, INCORPORATED, itself did not possess any assets. Instead of seeking support from the community, STRAIGHT, INCORPORATED, relied too heavily on the foundation. [REDACTED] programs located throughout the United States failed to obtain community support; therefore, becoming a financial burden to the St. Petersburg program and the national foundation.

[REDACTED] STRAIGHT, INCORPORATED, was an outpatient facility; however, it did obtain JACHO approval.

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED] In [REDACTED] learned that insurance refunds were not being returned to the families. [REDACTED] not aware that insurance refunds were not being returned as far back as [REDACTED] Information regarding lack of insurance refunds to parents was not volunteered by [REDACTED] but this information was made available to the board of directors only after the board was inquiring about their accounts payable and accounts receivable on their financial statements.

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In view of the fact STRAIGHT, INCORPORATED, could no longer pay for itself, the board of directors decided in 1993 to close the facility. The first concern of the board was to locate placement for the children under treatment. The patients under STRAIGHT, INCORPORATED, care were transferred to facilities in Orlando, Atlanta, and Detroit.

[REDACTED] discussions with [REDACTED] regarding the storage of the volumes of medical records. Initially [REDACTED] attempted to have the DEPARTMENT OF HEALTH AND REHABILITATIVE SERVICES (HRS) accept custody of the documents due

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 2/15/94, Page 3

to their confidential medical nature; however, HRS refused to accept these files. It was then determined that the documents should be destroyed because of the confidential nature of the information in the files [REDACTED] believed [REDACTED] was only disposing of medical records for the closed programs and children no longer under the care of STRAIGHT, INCORPORATED, which he described as "dead files." [REDACTED] no conversation regarding the destruction of financial records and was unaware if an inventory was maintained when the files were destroyed.

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[REDACTED] no information as to the compensation packages for the executive staff, to include the utilization of company vehicles and/or credit cards [REDACTED] recall a trip where [REDACTED] had travelled to Spain to attend an international drug meeting [REDACTED] was concerned whether or not STRAIGHT, INCORPORATED, was paying for this trip; however, he was informed by [REDACTED] that STRAIGHT, INCORPORATED, was not financing this trip [REDACTED] not aware that four individuals travelled to Spain at the expense of STRAIGHT, INCORPORATED [REDACTED] no information regarding a "reward" convention in California. [REDACTED] no information as to why corporate credit cards would have been utilized for personal expenses; however, if they were, he assumed that a method of reimbursement would have been established.

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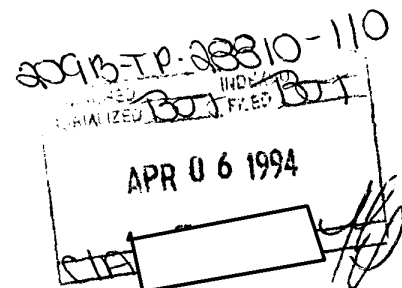
- 1 -

209B-28810
CFB:rp

The following investigation was conducted by Special Agent (SA) [REDACTED] on March 22, 1994.

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[REDACTED] FEDERAL BUREAU OF INVESTIGATION, Headquarters (FBIHQ), extension 3223, advised that she is in receipt of a computer backup tape for STRAIGHT, INCORPORATED, however, she has been unable to address this assignment. [REDACTED] advised that it would be sometime in the future where the computer data could be retrieved.



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w/c sent

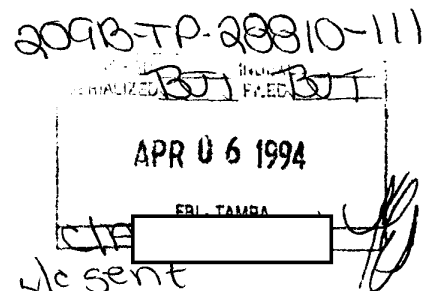
- 1 -

209B-28810
CFB:rp

The following investigation was conducted by Special Agent (SA) [redacted] on March 22, 1994.

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[redacted]
[redacted] advised that
files for [redacted]
[redacted] cannot be retrieved or located at his financial
institution.



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209B-28810
CFB:rp

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The following investigation was conducted by Special Agent (SA) [redacted] in Clearwater, Florida on March 22, 1994.

A review of the STRAIGHT, INCORPORATED Board minutes from July 25, 1991 until July 23, 1993 was conducted. At no time is it reflected in these Board minutes that [redacted]

[redacted] From April 1, 1991 onward, the Board minutes notes reflect a continual problem with cash flow, payments to vendors, and problems with accounts receivable. In July 1993, a decision was made to close the Tampa Bay program due to the financial conditions of the program.

209B-TD-28810-112

SEARCHED	INDEXED
SERIALIZED	FILED
APR 06 1994	
[redacted]	

Wlc sent

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Memorandum



To : SAC, TAMPA
(ATTN: SA [redacted]) Date 3/29/94

From : SA [redacted] ((209B-TP-28810)) (SQ.3) (P)

Subject: [redacted]

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

Reference Tampa airtel to Atlanta, dated June 25, 1993.

Enclosed for Pinellas RA are the following:

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- * Original and one copy of FD-302 on [redacted]
- * 1A envelope containing original notes of interview with [redacted]
- * 1A envelope containing original documents pertaining to STRAIGHT obtained from [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]
- * Original and one copy of insert on [redacted]
- * 1A envelope containing original notes from telephonic discussion with [redacted]

③ - Tampa
(2 - PRA Encs. 13)

RR0:rro
(3)

209B-TP-28810-113
SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
APR 1 1994
FBI - TAMPA
wlc sent

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209B-TP-28810

The FD-302 and all of the inserts will reveal that the individuals that were contacted as requested did not have any information concerning insurance coverage for the services provided by STRAIGHT since their carriers would not cover these services.

In view that all investigation has been completed in Hillsborough and Hernando counties, Squad 3 considers all leads convered.

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04-07-94

[redacted] was interviewed at the Dallas office of the Federal Bureau of Investigation (FBI), 1801 North Lamar, Dallas, Texas. After being advised of the identity of the interviewing agent [redacted] was informed that the interview pertained to his son's treatment at STRAIGHT, INCORPORATED. [redacted] provided the following information:

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[redacted] became involved with STRAIGHT after discussing his son's substance abuse problem with [redacted] a friend in [redacted] whose son had experienced the same problem. [redacted] recommended STRAIGHT because his son [redacted] had successfully undergone treatment in the STRAIGHT program. [redacted] was actively involved with STRAIGHT, but was not on the STRAIGHT payroll. In [redacted] had an intervention for his son [redacted] in which [redacted] participated. That same day, [redacted] drove his son to Irving, Texas to be admitted into the STRAIGHT program.

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[redacted] was admitted in [redacted] removed him from the program in [redacted] During the time [redacted] was a patient at STRAIGHT [redacted] was not informed which physicians or counsellors worked with his son [redacted] was also not told what type of treatment or care his son received. Because of his friend's success with STRAIGHT [redacted] was confident in the program, and therefore, did not ask questions regarding his son's treatment. By July, [redacted] had grown disenchanted with STRAIGHT, and subsequently pulled his son from the program.

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On the day [redacted] admitted his son [redacted] paid a fee of approximately \$4,000.00 to STRAIGHT. It was [redacted] understanding that the \$4,000.00 fee covered the cost of admission and initial drug testing; however [redacted] did not receive a break-down of the charges covered by the fee.

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In addition to the \$4,000 fee, [redacted] made a monthly payment to cover his 20 percent share of the STRAIGHT bill.

Investigation on 04-07-94 at Dallas, Texas File # 209B-TP-28810

by SA [redacted] /vlm Date dictated 04-07-94

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209B-TP-28810-114

SEARCHED	INDEXED
SERIALIZED	FILED
APR 12 1994	
FBI - TAMPA	
CTA	[Redacted]

wlc sent

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 04-07-94, Page 2

[REDACTED] did not receive a statement from STRAIGHT because the amount was a set, pre-determined amount. [REDACTED] also paid a fee of \$70.00 per week to cover the costs incurred by the host families who housed the patients. [REDACTED] went to STRAIGHT each Friday to leave a check for the host home fee, but he did not receive a statement.

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[REDACTED] insurance coverage was provided by TEAMSTERS which paid 80 percent of the STRAIGHT charges. [REDACTED] received a monthly profile statement from TEAMSTERS regarding his son's treatment; however, [REDACTED] does not believe the profile broke down the charges incurred at STRAIGHT. [REDACTED] provided the following contact numbers for TEAMSTERS: 800/323-5000, 800/323-2190. [REDACTED] could not provide a name of a representative at TEAMSTERS because he never contacted them regarding payments made to STRAIGHT.

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[REDACTED] did not receive the results of any tests provided by STRAIGHT. [REDACTED] received a bill from a physician for the drug testing; however, it was [REDACTED] understanding that this service was covered in the \$4,000.00 admission fee. [REDACTED] sent a letter to the physician advising him to collect the fee for drug testing directly from STRAIGHT. [REDACTED] was required to pay \$4,000.00 upon admission, not \$600.00, and he was not informed of what was covered by the admission fee.

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When [REDACTED] was admitted to STRAIGHT, [REDACTED] was notified that patients lived in host family homes. [REDACTED] understood that STRAIGHT expected the parents to participate as host families; however, [REDACTED] lived too far away in [REDACTED] to participate. [REDACTED] was informed that the \$70.00 fee he paid weekly was given to the host family; however, [REDACTED] learned from other parents that some host families were paid on an erratic basis or were not paid at all. [REDACTED] did not know if STRAIGHT billed TEAMSTERS for room and board. [REDACTED] did not recall seeing charges for room and board on the profile statement; however, [REDACTED] did not think the statements had an itemized list of charges from STRAIGHT.

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When [REDACTED] took his son out of STRAIGHT in [REDACTED], [REDACTED] had a credit balance of \$1,500.00 at STRAIGHT. [REDACTED] did not receive a refund of any money from STRAIGHT, not even the \$1,500.00 that had been prepaid.

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209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 04-07-94 , Page 3

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[REDACTED] was not informed of any scholarship or government funding programs. STRAIGHT did offer to finance the \$4,000.00 admission fee; however [REDACTED] obtained the money through a loan at his own bank.

[REDACTED] did not interact with STRAIGHT facilities in St. Petersburg, Florida or any other location. [REDACTED] contact with STRAIGHT was limited to the Irving facility. [REDACTED] could only recall the name of [REDACTED] at STRAIGHT in Irving. [REDACTED] met with [REDACTED] and admitted his son on the day [REDACTED] presented [REDACTED] for treatment. One of [REDACTED] major complaints with STRAIGHT was the procedure for contacting STRAIGHT with regards to getting information or voicing a complaint. Parents were required to put the request or complaint in a letter and leave the letter in a designated mail slot at STRAIGHT. The parents were informed that the staff would respond to each letter; however, sometimes it took months to receive a reply from the STRAIGHT staff.

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[REDACTED] could not recall the names of other parents or patients at STRAIGHT. [REDACTED] does not know if he or his wife [REDACTED] kept any of the records related to his son's treatment at STRAIGHT; however, he will look through his records to see if he could find any pertinent information, including the insurance profile statements and billing records. [REDACTED] advised he would send any pertinent items to the FBI, Dallas Office.

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[REDACTED] provided the following identifying information:

Name:
Race/Sex:
Date of birth:
Social security number:
Address:

[REDACTED]
White, male

Telephone number:
Employer:
Work telephone number:

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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 4/7/94

TO : SAC, TAMPA (PRA) (209B-TP-28810)
 FROM : SAC, DALLAS (209B-TP-28810) (WCC3) (P)
 SUBJECT :
 ET AL;
 FBW - INSURANCE;
 OO: TAMPA

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Re: Tampa airtel to Atlanta, dated November 10, 1993, Tampa airtel to Dallas, dated December 8, 1993, and Dallas airtel to Tampa, dated March 11, 1994.

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Enclosed for Tampa are the original and two (2) copies of an FD-302 reflecting the interview of and one (1) 1-A envelope containing the original interview notes of

could not recall names nor remember specifics regarding bills from STRAIGHT, INC. does not know if he kept any records related to his son's treatment; however, he will look for any documents, including insurance statements, and will send them to Dallas. Any items received from will be forwarded to TAMPA upon receipt.

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3 - Tampa (Encl. 4) *U*
 2 - Dallas
 VLM/vm
 (5)

209B-TP-28810-115

Approved: *[Signature]*

Transmitted

(Number) (Time)

Per

APR 12 1994

FBI - TAMPA

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Memorandum



To : SAC, TAMPA (209-TP-28810) (PRA) (P) Date 4/7/94

From : SA [redacted]

Subject: [redacted]
ET AL;
STRAIGHT INCORPORATED,
ST. PETERSBURG, FLORIDA;
FBW - INSURANCE;
OO: TAMPA

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The purpose of this memo is to update file.

AUSA [redacted] advised SA [redacted] he had learned that

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[redacted] advised she had in
her possession financial records and documents [redacted]

On March 29, 1994, AUSA [redacted] and SA [redacted] met with

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in [redacted] STRAIGHT was a profitable enterprise. [redacted]

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[redacted] also suggested that [redacted]

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[redacted] be contacted regarding
her knowledge of STRAIGHT.

[redacted] advised SA [redacted] that she had approximately
[redacted] which are currently
in storage at another location [redacted] agreed to obtain these
files and make them available for review by SA [redacted]

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②-Tampa
CFB:lm
(2)lm

209B-TP-28810-116

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c/a [redacted] w/ sent

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209-TP-28810

LEAD:

TAMPA DIVISION

AT [REDACTED]

Re-contact [REDACTED]
to schedule date for review of documentation; interview [REDACTED]
[REDACTED] and make contact with [REDACTED] at
[REDACTED]

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On March 4, 1994, SA [] conducted the following investigation:

[] residing at [] telephone number [] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT, INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child. [] stated that she and her husband [] admitted their son to STRAIGHT in [] stated that she thinks that her son was in the program for seventeen months. [] stated that she recalls that their insurance paid for their son as an out-patient for part of the expenses, and they paid \$400.00 per month. [] stated that she could not recall who their insurance carrier was at the time of their son's treatment, nor could she recall how long her son was treated by STRAIGHT.

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[] stated that the STRAIGHT program "brainwashed" the parents of the children who were being treated. [] stated that the STRAIGHT personnel told the parents that their children would "die out in the streets" if they did not complete the program. [] stated that she had a breakdown when her son was going through the program and had to be admitted to a hospital.

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[] stated that she recalls talking to [] at STRAIGHT's headquarters facility in St. Petersburg, FL. [] stated that she does not know the educational background of [] stated that it is her understanding that none of the STRAIGHT employees had degrees in psychiatry or social work; they were people who had been through the program.

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[] stated that she believes that STRAIGHT had adolescents in the program who did not need to be there, but STRAIGHT had convinced the parents to put them into the program.

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[] stated that she saw a list of people's names who had given donations to STRAIGHT, but the STRAIGHT personnel told her and her husband that they were going broke.

[] stated that she would obtain the insurance information from her husband and get back to the interviewing agent. After several attempts by the interviewing agent to obtain the insurance information from [] stated that the documents in their possession did not contain any information concerning insurance.

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209B-TP-28810-117
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SERIALIZED [] FILED []

APR 15 1994

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On March 8, 1994, SA [] conducted the following investigation:

[] residing at [] telephone number [] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [] stated that she has no insurance records pertaining to her son's [] treatment at STRAIGHT because she and her family have moved twice since that time. [] stated that her son was admitted to STRAIGHT in [] stated that she could not recall how long her son stayed in the STRAIGHT program [] stated that she thinks that her family's insurance carrier in [] was AETNA [] SIPLES stated that she recalls paying \$1,000.00 upfront on her credit card for her son to receive a physical and/or blood test set up by STRAIGHT, and AETNA covered approximately \$2,000.00 of the costs.

[] stated that while her son was being treated at STRAIGHT, she requested some medical information from STRAIGHT that she never received [] stated she believes her insurance carrier was double billed.

When asked by the interviewing agent if she was informed of any scholarship or government funding programs, [] stated that the STRAIGHT personnel may have mentioned a scholarship during their son's "intake", but she cannot recall any specifics because it was an emotional time [] stated that STRAIGHT took advantage of the parents when they were stressed over their children's problems. [] stated that there were parents who mortgaged their homes and sold personal possessions in order to keep their children in STRAIGHT.

[] stated that she pulled her son out of STRAIGHT, because she saw that they allowed for the adolescents' clothes to be ripped, and because she recalls that people from STRAIGHT spit in his face [] stated that she did not like their method of treatments.

[] stated that the one person from STRAIGHT's headquarters in St. Petersburg, FL, that she had contact with was []

209B-TP-28810-118

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SERIALIZED	FILED
APR 15 1994	
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On March 14, 1994, SA [redacted] conducted the following investigation:

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[redacted] residing at [redacted]
[redacted] telephone number [redacted]
was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [redacted] stated that her daughter was admitted to STRAIGHT over four years ago. [redacted] stated that her insurance did not cover the services provided by STRAIGHT. During the first telephone conversation [redacted] stated that her insurance was with FEDERATED, but on March 15, 1994 [redacted] telephonically contacted the interviewing agent and advised that her insurance carrier was ADJUSTCO.

209B-TP-28810-119

SEARCHED	INDEXED
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APR 15 1994	

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On March 28, 1994, SA [redacted] conducted the following investigation:

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[redacted] residing at [redacted]
[redacted] telephone number [redacted] was telephonically contacted in order to set up an interview to discuss her family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child [redacted] stated that she does not think their insurance company, CONNECTICUT GENERAL, paid for the treatment received by their son.

[redacted] stated that she thinks their son was in the STRAIGHT program for four months until her ex-husband removed him. [redacted] stated that she recalls paying STRAIGHT \$1,000.00 for their services and wanted her ex-husband to pay for the rest, which she thinks was another \$1,000.00.

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209B-TP-28810-120

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1994	
[redacted]	

CTE [redacted] [signature]

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On March 15, 1994, SA [] conducted the following investigation:

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[] working at []
[] telephone number [] and home telephone number [] was telephonically contacted in order to set up an interview to discuss his family's involvement with STRAIGHT INCORPORATED (STRAIGHT), and their insurance carrier's coverage of the treatment provided by STRAIGHT to their child. [] stated that it was his ex-wife [] who placed their son in STRAIGHT's program four or five years ago while he was out of town. [] stated that he does not think the insurance company covered any of the expenses. [] stated that his son was "rescued" from STRAIGHT after two or three weeks. []

[] stated that the interviewing agent could contact [] to confirm how STRAIGHT was paid for its services at telephone number []

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On March 16, 1994, [] telephonically contacted the interviewing agent and advised that the insurance company used by [] at the time of their son's STRAIGHT treatment was CONNECTICUT GENERAL, policy number []

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SERIALIZED	FILED
APR 15 1994	
[]	

Handwritten signature/initials over the stamp.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/14/94b6
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[redacted] white female, date of birth [redacted]
[redacted] Social Security Account Number [redacted]
[redacted] place of birth [redacted] residing at [redacted]
[redacted] telephone number [redacted]
[redacted] was advised of the identity of the interviewing agent and
the nature of the interview. She then provided the following
information:

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[redacted] stated that she became aware of STRAIGHT,
INCORPORATED (STRAIGHT) from a friend of the family [redacted]
[redacted] stated that [redacted] knew someone who
had gone to STRAIGHT. [redacted] stated that her older son,
[redacted] was [redacted] years old at the time, and had a bad
behavior problem. [redacted] stated that her son did not have a
drug problem. [redacted] also stated that her son drank beer,
but he did not have a drinking problem.

[redacted] stated that when she admitted her oldest
son to STRAIGHT, she was under extreme duress. [redacted]
stated that her older son was "out of control" and had a "bad
temper". [redacted] stated that before her older son went to
STRAIGHT [redacted]
[redacted]
[redacted]

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[redacted] stated that she thinks that her older son
went into STRAIGHT in [redacted] three to six weeks after
[redacted] stated that two weeks
after her older son entered STRAIGHT, STRAIGHT convinced her to
admit her younger son [redacted]

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[redacted] stated that she owes STRAIGHT approximately
\$8,000.00 for treatment provided to her younger son. [redacted]
stated that because of this debt her credit has been ruined.

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When asked by the interviewing agent about the accuracy
of the services rendered by STRAIGHT [redacted] stated that her

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Investigation on 3/7/94 at Tampa, Florida File # 209B-TP-28810
by SA [redacted]:rro Date dictated 3/14/94

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Continuation of FD-302 of _____

, On 3/7/94 , Page 2

two sons benefited from their program, but STRAIGHT "scared them to death." _____ stated that her younger son experienced "alot of trauma" at STRAIGHT. When asked by the interviewing agent what she meant by "scared to death" and "alot of trauma", _____ stated that the interviewing agent would have to talk to her sons for specific information, but she was told by them that there was "physical violence" going on at the facility. _____ stated, however, that she believes that STRAIGHT did not render services that were worth what they charged. _____ stated that STRAIGHT was just a warehouse where the counselors met with the adolescents from 8:00 A.M. until 6:00 P.M., and the adolescents were never allowed outdoors during this time period. _____ stated that she recalls that STRAIGHT's program involved a lot of group therapy. _____ stated STRAIGHT did not keep its patients overnight; its program involved the adolescents staying over each others homes. _____ stated that she questions the qualifications of the STRAIGHT staff, because the teamleaders for the group therapy were not professionals; they were just adolescents who had advanced through the program. _____ also stated that there was a big turnover with the teamleaders.

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_____ stated that she does not have any insurance documents or any other pertinent insurance information to provide the interviewing agent, because her ex-husband's insurance carrier, AETNA or HUMANA _____ cannot recall which insurance company it was for sure.) would not cover the services provided by STRAIGHT because it believed STRAIGHT's services were not medically necessary. _____ stated that she recalls that she was told that STRAIGHT's services would cost approximately \$30.00 per day. _____ also stated that she recalls being told that if she did not have insurance the cost of the services would be cut in half. _____ stated that she believes that STRAIGHT over charged her for their services. _____ provided the interviewing agent with a letter from STRAIGHT's Collections Officer _____ dated August 2, 1990, which provides detailed information of STRAIGHT's charges for her sons' treatment. _____ stated that she believes that STRAIGHT's itemization of services rendered was very vague, which is reflected on this August 2, 1990 letter. _____ stated that she does not remember what the STRAIGHT personnel originally told her about fees, because she was "so out of it." _____ stated that she "would have signed anything" at that

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Continuation of FD-302 of _____

, On 3/7/94, Page 3

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particular time in her life _____ stated that her mother, _____ assisted her with the STRAIGHT expenses.

_____ stated that she recalls that her ex-husband's insurance carrier paid the incurred expenses when her younger son got hurt while he was at the STRAIGHT facility.

_____ stated that she was not informed of any scholarship or government funding programs.

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_____ stated that she had contact with the headquarters facility in St. Petersburg, FL. _____ stated that her contact at STRAIGHT was _____. _____ stated that _____ came to her house and checked it out to see if it was suitable for the adolescents to stay there overnight.

_____ stated that she recalled that when STRAIGHT sued her, _____ appeared on behalf of STRAIGHT and said that _____ signed a STRAIGHT contract committing to pay for STRAIGHT's services. _____ stated that she also recalls talking to a counselor named _____ Last Name Unknown (LNU). _____ also stated that she remembers meeting _____.

_____ stated that _____ talked to all the parents when they brought their children to the facility. _____ stated that _____ was a "smooth marketer" and a "straight-laced" individual. _____ stated that she thinks _____ was the owner of STRAIGHT.

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_____ stated that there was a judgement filed against her by STRAIGHT, because she did not pay all the money that STRAIGHT claimed she owed. _____ stated that the only reason STRAIGHT stopped trying to sue her was because STRAIGHT went out of business.

_____ provided the interviewing agent with the following documents concerning her younger son: 1. STRAIGHT Tampa Bay Physical, 2. Admission Medical History, 3. Psychiatric Evaluation, 4. Biopsychosocial, and 5. Discharge Summary.

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_____ stated that she cannot find these same documents for her older son.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/7/94

[redacted] white female. Date of Birth (DOB) [redacted]
[redacted] place of employment [redacted]
[redacted] was advised of the identity of the
interviewing Agent and the purpose for the interview. Also
present was Attorney [redacted] thereafter provided
the following information:

[redacted] advised that she has been employed with [redacted]
[redacted] had limited
involvement with STRAIGHT, INCORPORATED (STRAIGHT) and was only
associated with them as [redacted]
[redacted] did attend the
Board of Directors meeting for STRAIGHT, in view of the fact the
operation of STRAIGHT was to be terminated.

During the shut-down phases of STRAIGHT [redacted]
[redacted] to STRAIGHT to review the activities at the
facility. During one of these trips [redacted] inquired of
[redacted] what was to happen regarding the files.
[redacted] advised she did not visibly see the records, although they
observed the cabinets that supposedly contained these files. The
date of the visit was [redacted]

[redacted] informed [redacted] she had attempted to place these files with
the Department of Human Resources in Florida; however, they
refused to accept custody. Because of the medical information
contained in the documents [redacted] advised she would
personally have to review the files before their disposal. There
was no other discussion regarding destruction of files or the
business records. At this time, the interview with [redacted] was
concluded.

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Investigation on 3/31/94 at St. Petersburg, FL File # 209-TP-28810by SA [redacted] lm Date dictated 4/1/94

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/15/94b6
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[redacted]
[redacted] telephone number [redacted] were interviewed at their residence [redacted] who had previously been advised of the nature of the interview, were advised of the identity of the interviewing agent prior to being interviewed. They provided the following information:

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[redacted]
[redacted] son, [redacted] white male, date of birth [redacted] is presently residing in the home.

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[redacted] became involved with STRAIGHT, INC., as a result of a self-help group called TOUGH LOVE they were involved with as a result of severe problems they were having with their son. [redacted] became involved with TOUGH LOVE sometime in [redacted] and had STRAIGHT, INC. recommended to them as a program which had a promising success rate. The program at STRAIGHT, INC. (SI) was pursued based upon other parent's recommendations.

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[redacted] became involved with SI in approximately [redacted] as a result of his cocaine addiction. He was a patient of SI until approximately [redacted] a period of 21 months.

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[redacted] advised that his understanding of the program was that his son would be working with a peer group who would help him deal with his emotions, that parents were expected to participate in the program at SI regardless of their distance from the program and that SI's program was a long term 12 step program. He also knew that there would be no visiting privileges with his son until [redacted] reached a certain phase of treatment. [redacted] advised that SI had trained counselors and he believed that there was one doctor of psychiatry on the staff at

Investigation on 3/8/94 at [redacted] 209B-TP-28810 (HRA)

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by SA [redacted] : am _____ Date dictated 3/10/94

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Continuation of FD-302 of _____, On 3/8/94, Page 2

SI.

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The intake process at SI basically involved _____ speaking to a counselor and a peer group prior to his admittance. The counselor told _____ that _____ was definitely using drugs and should be admitted to the program at SI. _____ advised that the fees of SI were thoroughly explained to he and his wife. He is aware that there were some up front fees for _____ original admittance to SI, however, he could not recall exactly what these fees were for. He knows that after the initial fee that there was a monthly \$500 fee which was partially paid by his insurance company and partially paid by him. The _____ insurance company was the MUTUAL OF OMAHA INSURANCE COMPANY. _____ were insured under group number _____ and certificate number _____.

_____ could not recall if he and his wife received the results of any of _____ treatment, however, _____ advised she did recall receiving the results of some of _____ blood tests and perhaps some other reports. These reports were not available.

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_____ advised that as far as they were concerned their son was an in-patient at SI. _____ advised that his insurance company initially was not going to cover _____ treatment because they initially did not consider that SI's program was in-patient treatment. _____ advised that he communicated with his insurance company (see attached letter) and was able to get the MUTUAL OF OMAHA INSURANCE COMPANY (MOIC) to pay for _____ treatment. He advised that the MOIC was well aware that _____ was staying with other SI parents in the evening hours and that his treatment was actually occurring at SI. _____ advised that any insurance payments from the MOIC went directly to SI. _____ did not expect any money to be returned to them from SI.

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_____ never dealt with anyone from SI's facilities in Florida. They did deal with individuals from the Springfield, Virginia office, however, they could not recall the names of these individuals. _____ advised that the various parents who had sons or daughters attending SI were required to make many meetings throughout the course of their child's stay at SI. During almost all of these meetings there were discussions among parents as to how their child's stay at SI would be funded. _____

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Continuation of FD-302 of [REDACTED], On 3/8/94, Page 3

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explained that many of the parents had financial difficulties in that SI's treatment was expensive. All of the parents looked for as many options as they could in paying for the services their sons or daughters were receiving and there may have been some discussions regarding government funding which could be available to help defray some of the costs of treatment at SI. [REDACTED] did not receive any money from any government agency for their son's treatment.

[REDACTED] was asked about the \$600 payment required of them upon the admission of their son to SI. She could not recall what this payment was specifically for. [REDACTED] advised she supported SI's program for the majority of the time their son attended the facility. In retrospect she believes there were things that were done there that affected [REDACTED] in a negative way. [REDACTED] advised he was happy with the treatment their son received at SI.

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[REDACTED] advised that SI had a sensitivity to the financial problems of its clients and worked with parents in allowing them to make payments on their account. [REDACTED] advised that when his son left SI he still owed a substantial amount of money to them. Prior to this time [REDACTED] was able to have an advertisement placed for SI in a secondary telephone book published in [REDACTED] area. As a result of these ads [REDACTED] asked SI if they could forgive some of the obligation he owed them. As a result SI forgave \$900 of his outstanding balance.

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[REDACTED] explained that one of the items that irritated her regarding SI was the fact that they were always having fund raising activities that parents were required to participate in. This included Christmas tree sales, candy sales, wrapping paper sales and fruit sales. The parents found out that this money was going to St. Petersburg, Florida and not to the facility that their son was at. Many parents were angry about this fact.

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[REDACTED] did not have any list which would contain individuals who had their children attend SI. [REDACTED] did list several names of individuals who had children at SI. These names follow:

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[REDACTED]

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Continuation of FD-302 of

[Redacted]

, On 3/8/94, Page 4

[Redacted]

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It is [Redacted] belief that none of these individuals had insurance coverage for their childrens stay at SI. In addition, [Redacted] and it is his belief that they would not be the best individuals to interview regarding any treatment their son may have received at SI.

[Redacted] provided billing information from his files as they pertain to his son's stay at SI. He advised that if any other information is needed by the FBI that he will attempt to assist in any way that he can.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/30/94b6
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[redacted]
[redacted] was interviewed at the Harrisburg Resident Agency. [redacted] who knew the purpose of the interview, was advised of the identity of the interviewing agent prior to being interviewed. He provided the following information:

[redacted] is a white male who provided his date of birth as [redacted] and his SSAN as [redacted]. He has a home telephone number of [redacted].

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[redacted] is married to [redacted] white female, date of birth [redacted].

[redacted] son is [redacted] white male, date of birth [redacted] is residing at home.

[redacted] started off the interview by indicating he did not have any paperwork from STRAIGHT, INC. (SI), available to him. He stated that there is paperwork, however it is in the possession of [redacted] an attorney located in Fairfax, Virginia. [redacted] has attempted to obtain this paperwork back from [redacted] however [redacted] has been uncooperative in that he never returns [redacted] telephone calls or acknowledges [redacted] attempts to contact him.

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[redacted] is an individual who had a son in the program offered by SI. [redacted] who lives in [redacted] has conducted an extensive investigation regarding SI. It is believed that the FBI has already contacted [redacted] at some point in the past.

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[redacted] first came into contact with SI sometime prior to [redacted]. Around this period of time [redacted] who was [redacted] years of age at the time, was heavily into drugs and guns. The family tried to help their son by involving themselves with an organization called TOUGH LOVE, however after three or four months with TOUGH LOVE [redacted] was still out of control.

Investigation on 3/22/94 at Harrisburg, Pennsylvania File # 209B-TP-28810(HRA)

by SA [redacted] am Date dictated 3/23/94

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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.

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2096B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/22/94, Page 2

[REDACTED] advised he was very desperate to find help for his son in that he felt his son would not make it past his teenage years unless he received a substantial amount of help. [REDACTED] advised he had considered having an organization located in Utah kidnap his son in order to provide treatment for him; however, after this outfit was checked out he decided against this tactic. The family first heard about SI from [REDACTED] counselor. This individual, whose name is unknown, mentioned this organization to [REDACTED]. Subsequent to this initial referral an individual from Hershey, Pennsylvania contacted the [REDACTED] and subsequently put them in touch with [REDACTED] another parent who had a son at SI.

[REDACTED] visited SI's facility in [REDACTED] [REDACTED] but were initially unable to take their son on this visit as their son had run away and could not be found. After deciding to have their son attend SI [REDACTED] had to literally locate and kidnap their son in order to transport him to SI's facility in Springfield, Virginia. The admittance procedure involved taking [REDACTED] into an intake interview situation and taking the parents into another room. After the initial interview with [REDACTED] were told [REDACTED] needed help and that \$7,000 was needed in order to admit him to SI's program [REDACTED] remembers that \$1,000 of the \$7,000 fee included two months treatment for [REDACTED]. Other portions of this money were to go toward a psychological evaluation, a physical evaluation and other testing. [REDACTED] advised this testing apparently never happened. In addition, [REDACTED] never saw a psychiatrist while he was at SI except that on the last day he did see a psychiatrist.

[REDACTED] advised he was charged for at least 30 doctors visits he does not feel ever occurred. He explained that two doctors would come to SI's facility for a few hours and that they would subsequently bill all of the hundreds of parents who had children at SI's facility.

Another complaint [REDACTED] had with SI's program was that the parents who had children at SI had to do everything that he assumed a legitimate program would naturally do. The parents had to bring food to the Monday and Friday meetings of SI and were also required to have all kinds of fund raising events which would raise money for SI. Ultimately, this money went to SI's

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Continuation of FD-302 of [REDACTED]

, On 3/22/94, Page 3

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facility in Florida rather than helping the kids who were enrolled in SI's program.

[REDACTED] stayed at a host home and not at SI's facility. [REDACTED] advised he initially thought his son was staying on the premises where SI's facility was located, however, he subsequently found out that this was not the case. Although some of the host homes were run by parents, several of the homes were run by several of the older children enrolled at SI. [REDACTED] advised that one of these homes was located at [REDACTED] Apartment Complex. The older children acted as enforcers in this home. The home was where any child who did not fall in line with SI's program was sent. These children were subsequently spat upon, and put in closets by these older children. The children being disciplined were physically and mentally abused to such a degree that they would admit to things that they did not do. The older children would then use this information to blackmail these individuals.

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[REDACTED] attended SI from [REDACTED] until [REDACTED]. [REDACTED] advised that he took his son to a psychiatrist after checking him out of SI's program and that psychiatrist advised [REDACTED] to keep his son away from SI.

[REDACTED] believes that the monthly fee at SI was \$500 or \$600 per month. The rates were different for residents and non-residents, however, there was not that much of a difference in the price. Bills were sent by SI to [REDACTED] insurance company, Blue Cross and Blue Shield of Central Pennsylvania. [REDACTED] noted that after his son was checked out of SI's program they owed \$600 to SI. SI submitted a bill to [REDACTED] Blue Cross and subsequently received a \$2,500 reimbursement from Blue Cross and Blue Shield. None of this money was sent back to Blue Cross and Blue Shield or to [REDACTED] despite [REDACTED] attempts to have this done. [REDACTED] advised he was told by an

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2096B-TP-28810 (HRA)

Continuation of FD-302 of [REDACTED]

, On 3/22/94, Page 4

[REDACTED] never had any money refunded to them from SI. With regard to Government funding, [REDACTED] advised that the parents did discuss Government funding for SI's services on numerous occasions. Representatives of SI, who answered questions for the parents group after each meeting, told the parents that this was not a viable option. [REDACTED] believed this type of funding was not pursued because the Federal Government would then have partial control of SI's program. [REDACTED] advised he is not aware of any government funding received by any parents; including his family.

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[REDACTED] advised he never met anyone from SI's Florida facility. He also indicated that he never met the person who was in charge of SI's facility in Springfield, Virginia.

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[REDACTED] advised that there were many individuals in the Central, Pennsylvania area who had children attending SI's facility in Springfield, Virginia. He advised he did not have a list available for the FBI.

[REDACTED] could not provide any further information regarding SI. He advised that he would be willing to assist the FBI in its investigation of SI should any further information be required of him.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/14/94b6
b7C

[redacted]
[redacted] was interviewed at her residence.
After being advised of the identity of the interviewing agent
[redacted] provided the following information:

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[redacted] is a white female who provided her date of
birth as [redacted] and her SSAN [redacted] She has a
home telephone number of [redacted] She advised that she is

[redacted]
[redacted] date of birth of [redacted]
son. [redacted] date of birth [redacted] is a
[redacted]

[redacted] advised that in [redacted] she and her husband first
began attending sessions of TOUGH LOVE a parental support group
for parents who were having problems with their children. The
[redacted] attended TOUGH LOVE for a period of three to five
months due to the various behavior, drug and alcohol problems
their son was having. [redacted] first learned about STRAIGHT
INCORPORATED (SI), from a TOUGH LOVE parent whose name she could
not recall. [redacted] and a friend [redacted] subsequently
traveled to [redacted] to speak with a representative
of SI whose name [redacted] could not recall. After this meeting
[redacted] and her husband spoke and decided to enroll their son at
SI. This was in [redacted]

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[redacted] advised that prior to his admittance at SI her
son was [redacted]
[redacted] was taken to SI's
facility by [redacted]

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The intake process at SI involved a group meeting with
[redacted] his parents and SI personnel. [redacted]
believed that there was also a separate interview with [redacted]
[redacted] and a representative of SI.

Investigation on 4/12/94 at [redacted] File # 209B-TP-28810(HRA)

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by SA [redacted] am [redacted] Date dictated 4/12/94

209B-TP-08810-127

SEARCHED	INDEXED
SERIALIZED	FILED

APR 22 1994

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209B-TP-28810 (HRA)

Continuation of FD-302 of

, On 4/12/94, Page 2

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[redacted] was a patient of SI from [redacted] until sometime in [redacted] stated that she actually did not know the treatment her son received while a patient at SI. She noted that according to individuals from SI there was some counseling provided to her son, however, she did not believe that her son dealt with any psychiatrist during the entire time he was a patient at SI. [redacted] believed her son had a physical prior to admittance at SI, however, she noted that she and her husband never received the results of any testing, psychological or physical, that may have been conducted on her son.

[redacted] paid \$6,526 to have their son admitted at SI. She produced check number 129 which was issued on her [redacted] account (account number [redacted] was unable to state how this \$6,526 was allocated by SI. She noted that she and her husband paid the entire amount of their son's stay at SI themselves due to the fact that the family's Blue Cross and Blue Shield coverage had already paid for a month stay at [redacted] and a subsequent one month stay at the [redacted] for their son.

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[redacted] and the other patients of SI stayed in parent's homes and not at SI's facility. She noted that she and her husband had to pay \$8 a day for housing their son at a parent's home. The family also was encouraged to bring groceries with them to various meetings they had to attend at SI. These groceries were to be divided up between the various SI parents who had children staying in their homes.

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[redacted] did not ever have any money refunded to them by SI, however, as noted previously, the family did not have any insurance coverage for their son's stay at SI.

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[redacted] indicated the names of several individuals who had children attending SI's program. These included [redacted] and [redacted] did not know where [redacted] resided.

[redacted] never spoke with anyone from SI's facility in Florida.

209B-TP-28810 (HRA)

Continuation of FD-302 of _____, On 4/12/94, Page 3

b6
b7C

As an SI parent _____ were required to go to all Friday night meetings if at all possible. Those parents who lived far away from SI's facility were excused from the regular weekly meeting of SI.

_____ noted that she had to take a covered dish for supper for each of these meetings she attended. She and the other SI's parents then had to buy their individual dinners even though they all brought a covered dish.

The meetings attended by _____ involved a situation in which the parents were in an audience and the children were on a stage. The parents were unable to speak with their children until their children earned "talk time". If the child did not earn talk time then the parents would not be able to speak with their child. She noted that she and her husband did not get to speak with their son until at least late _____ or early _____.

b6
b7C

_____ advised that on several occasions she was required to rent a hotel room and take several of SI's patients from the group home they were staying at so that these parents were able to have a break from their responsibilities.

_____ believes that her son's daily "treatment" involved counseling sessions in which other children acted as peer counselors. She noted that her son did not go along with the program and never became a peer counselor.

b6
b7C

When asked why their son was withdrawn from SI's program she stated that in _____ father spoke with his son and hinted to his son that the program was not going to be continued. _____ subsequently ran away from SI's facility and called his parents to come and get him.

After _____ left SI's program representatives of SI called and tried to get _____ to bring their son back to the facility. Representatives were irritated at the _____ for not bringing their son back to the program.

_____ produced an account statement which listed the various doctors on staff at SI (these matched other previously submitted documents from other interviews). Mrs.

209B-TP-28810 (HRA)

Continuation of FD-302 of _____, On 4/12/94, Page 4

b6
b7C

_____ stated that she and her husband paid a total of between \$25,000 and \$30,000 for their son to be a patient at SI. This amount includes all of _____ expenses, most of which went to SI.

_____ advised that she would cooperate with the FBI in any way that she could. Due to the fact that she and her husband did not have any insurance coverage for their son's stay at SI no documents were retrieved from _____. She advised that she will maintain the documents that she has from SI in her possession. She noted that most of the documents are canceled checks.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

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

Date 4/14/94

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

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b7C

STRAIGHT, INC.;
 Gandy Boulevard,
 St. Petersburg, Florida;
 FBW-Insurance;
 OO: TAMPA

Re TP airtel to AT and other offices dated 11/10/93
 and PH airtel to TP dated 1/31/94.

Enclosed for TP are the following:

1. An original and two copies of a 3/10/94 FD-302
 pertaining to an interview of as well
 as a 1A envelope pertaining to that interview.

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b7C

2. An original and two copies of an FD-302
 pertaining to the 3/22/94 interview of as well
 as a 1A envelope pertaining to that interview.

3. One packet of information containing billing
 information received from

2-Tampa (Enc. *3 me*)
 1-Philadelphia (209B-TP-28810) (HRA)

GBL:am
 (3)

209B-TP-28810-128

SEARCHED ☒ SERIALIZED ☒ FILED ☒

APR 21 1994

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b7CApproved:

Transmitted

(Number)

(Time)

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209B-TP-28810

4. An original and two copies of a 4/12/94, FD-302 pertaining to an interview of [REDACTED] as well as a 1A envelope pertaining to that interview.

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b7C

For the information of TP the interviews of [REDACTED] were conducted as expeditiously as possible, however, the [REDACTED] interview and [REDACTED] interview was delayed due to the unavailability of these individuals for interview.

TP should note that [REDACTED] were the only individuals who had insurance paperwork available to them at the time of these interviews. Additionally, [REDACTED] did not have any insurance coverage for their son's stay at STRAIGHT INCORPORATED (SI).

In that all work with regard to this case in the Philadelphia Division has been completed, this case is being placed in an RUC status.

Date 4/5/94

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle ☒ Other DL photo

To <u>IA</u>	[Redacted]	Buded
Return to <u>IA</u>	[Redacted]	File number <u>209 B-TP-28810</u>

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

[Redacted]

Addresses

Residence [Redacted]

Business [Redacted]

Former [Redacted]

Lead filed 4/18/94 ab

*Date and place of marriage
(if applicable)

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

Birth date [Redacted]	Birthplace
--------------------------	------------

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

Social Security Number [Redacted]	Drivers License Number [Redacted] <input checked="" type="checkbox"/> D/L Photo <input type="checkbox"/> Other
--------------------------------------	--

Specific information desired

please return DL photo to [Redacted]

Results of check

209 B-TP-28810-129



order 4/5
DONE 4-21-94 but
LEAD COVERED 4-18-94
ld assn in computer

BTBT BTBT
APL 1994

CIA [Redacted] *N.*

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/06/94

On April 1, 1994, Special Agent (SA) [redacted] interviewed [redacted]. After being made aware of the identity of the interviewing Agent and the purpose of the interview, he voluntarily provided the following information:

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[redacted] advised that his position at STRAIGHT, INC. was [redacted]. His supervisor was [redacted]. At the beginning of his employment, [redacted] made it clear to [redacted] that he is not the type of person who would ever fraudulently bill someone and if he was ever expected to he would quit. [redacted] indicated that he would never be asked to ever do that. [redacted] indicated that, to his knowledge, no fraudulent billing existed and he stated, "I assure you I have not done any fraudulent collecting."

[redacted] reported that all executives at STRAIGHT, INC., had corporate credit cards. [redacted] was not close enough to [redacted] to know if he was using his corporate credit card for personal use. [redacted] did not have a corporate credit card.

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[redacted] indicated that it became apparent that there was an inadequate cash flow to the company and the more junior employees were all asked to take a cut in pay. It never appeared that the executives took a cut. [redacted] stated that had he been aware of STRAIGHT, INC.'s financial situation when he first sought employment there, he would have never taken the job.

[redacted] was shown a photocopy of a memo dated December 17, 1991, [redacted] regarding "Negotiated Settlements", attached hereto and made a part of this FD-302. [redacted] could not recall the memo, but stated he very possibly could have seen it. After reviewing the memo, [redacted] identified [redacted] as [redacted] and [redacted] as [redacted] at STRAIGHT, INC. [redacted] stated that the memo referred to taking a reduced payment for accounts that had been past due for four to five years and were approaching the Statute of Limitation where STRAIGHT, INC., could

Investigation on 04/01/94 at West Palm Beach, Florida # 209B-TP-28810

by SA [redacted] PJS:cjr Date dictated 04/04/94

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b7C

809B-TP-00810-130

SEARCHED INDEXED
SERIALIZED FILED

APR 25 1994

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w/c sent

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209B-TP-28810

Continuation of FD-302 of

, On 04/01/94, Page 2

no longer collect. By accepting, for example sixty percent of the total amount due in one payment and crediting the account paid in full rather than wait for small installments towards the amount due, they would increase the cash flow to the company. The phrase in the memo "make us all some good money, but especially STRAIGHT, INCORPORATED," referred to this increasing the cash flow and avoiding the Statute of Limitations running, making the accounts uncollectible. It did not mean personal gain.

[] reported that families of patients at STRAIGHT, INC., became involved through several facilities around the country in Atlanta, Georgia, Michigan and St. Petersburg, Florida. The patients came to STRAIGHT, INC., from referrals and through the advertising. To the best of [] knowledge, the patients did receive psychiatric and psychological counseling and were probably treated on an average of three to four months.

[] indicated that all fees for services rendered were explained on a UB82 (insurance form) or an HCFA 1500 form. He could not state what the fees were, but insisted that the families of patients had the fees fully explained to them.

[] could not comment on any services provided for the \$600 medical payment required upon admission. [] was on the collecting end at the end of treatment and was not familiar with aspects of admission. As far as [] knows, STRAIGHT, INC., refunded money to families of patients from their insurance reimbursements. [] is not aware of any scholarships or government funding programs available to the families of the patients for treatment costs. [] stated that families of patients would deal directly with STRAIGHT, INC. headquarters in St. Petersburg, Florida.

[] indicated that he did nothing improper while employed at STRAIGHT, INC., and if necessary he would be available to testify at trial. [] will be staying with

[] telephone number [] until he moves to Florida permanently. His telephone number in [] is []

209B-TP-28810

Continuation of FD-302 of

[Redacted]

, On 04/01/94 , Page 3

b6
b7C

[Redacted] is described as follows by observation and interview:

Name:

[Redacted]

Race:

White

Sex:

Male

Height:

Weight:

Hair color:

Eye color:

Date of birth:

Place of birth:

[Redacted]

12-17-91

MEMORANDUM

TO: [REDACTED]

FM: [REDACTED]

RE: NEGOTIATED SETTLEMENTS.

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Using [REDACTED] as an example, [REDACTED] pays \$50 per month like a champ. At his current balance of \$7835.00 it will payoff in 156 month... or (13) years.

It is important we somehow identify these "payment plans" previously established in each program but especially the washington program, so as to address these accounts and try to make them an offer they cannot refuse to 1) payoff Straight at a discount for cash or 2) double, triple or quadruple the payment each month to Straight at a reduced balance amount, to be determined in the negotiations.

I would suggest we can backtrack to discover those accounts who paid payments last month or the month(s) previous, run ledger histories on those accounts to identify those who "pay like a champ" and make contact with those people.

I recommend I handle/contact those in the wasington program, [REDACTED] in the FL programs for now, to see if the proposal does any good. If it does, we can expand on the idea and make us all some good money, but especially Straight, Inc.

1991 COPY

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

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

Date 4/12/94

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

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

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

Enclosed for Tampa Division are the original and two copies of an FD-302 concerning interview of dated 4/1/94 and one FD-340 containing the original interview notes.

The enclosed FD-302 is self explanatory. Since no further investigation remains in this Division, this matter has been placed in RUC status.

② - Tampa (209B-TP-28810) (Enc 4) *ay*
 1 - Miami
 PJS:bsb
 (3)

209B-TP-28810-131

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

APR 21 1994

Approved: *GAC/18*

Transmitted

(Number)

(Time)

w/ sent

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b7Cb6
b7C

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/25/94b6
b7C

[redacted] was interviewed at her place of employment: [redacted]

[redacted] After being advised of the identities of the interviewing agents and of the nature of the interview, [redacted] provided the following information:

[redacted] Prior to this, she was employed with STRAIGHT, INC. She began with STRAIGHT as [redacted] office in [redacted]. In [redacted] she was transferred to [redacted] office where she served as [redacted]. Finally, in [redacted] she moved to the [redacted] office where she again served as [redacted] until she separated from STRAIGHT in [redacted] of that year.

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STRAIGHT was described as a program for youth aged 12 to 18 years old who were diagnosed with substance abuse problems. Routinely, these "clients" were referred by their parents. An average length of stay for this "intensive outpatient" program was about one year and costs averaged about \$10,000. Upon entry, a client and his family would meet with a clinician and the fiscal representative of STRAIGHT to determine a method for payment. Then, the client would be examined by a pediatrician within 48 hours and a psychiatrist within 72 hours. All medical doctors at [redacted] were on contract with STRAIGHT. The contract pediatrician was [redacted] the contract psychiatrists were [redacted]. All clients were accepted only after approval from STRAIGHT corporate headquarters in Tampa.

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Clients were scheduled to be in the program from 9 to 5 each day. Initially, they were housed at night by "host" parents, that is, parents with children already partly through the program. It was up to the parents of the new client to reimburse the host parents for their room and board. During the day, clients participated in various group meetings and

Investigation on 4/22/94 at [redacted] File # 209B-TP-28810
by SA [redacted] Date dictated 4/25/94

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209B.TP. 28810 - 132

INDEXED
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APR 29 1991

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209B-TP-28810

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Continuation of FD-302 of [REDACTED], On 4/22/94, Page 2

activities, similar to the 12-step program for alcoholism. Only rarely was a client examined by a medical doctor and then only when extraordinary circumstances warranted.

Clients went through a series of phases in their treatment. During phase one, when the client was residing at the host home, they were involved in substance abuse education. Phase two included work with the client and his family. During phase two, the client was allowed to return home. Phase three afforded the opportunity for the client to return to school. In all phases, the clients participated in group activities which were conducted by a variety of people, usually by program counselors and para-professionals. Initially, it was not customary in the industry to have licensed providers direct group activities. This only became an issue in the early 1990s. Occasionally, a group would be coordinated by a physician when the topic to be discussed was medically related. At its peak, the Springfield STRAIGHT program enrolled 200 clients but continually declined as a result of licensing issues in Virginia.

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Many insurance companies did not cover children on their parents' policies [REDACTED] believed that parents paid STRAIGHT out of their pockets and then claimed reimbursement from their insurance, if available. Beginning in the late 1980s and early 1990s, STRAIGHT began to contact the insurance companies directly, providing them with the client's diagnosis and projected length of stay. Although unaware of the exact procedures with regard to parents' authorization regarding insurance company payments [REDACTED] knew that STRAIGHT received payments directly from insurance companies for their clients. She did not know if these parents had paid up front. The fiscal affairs for STRAIGHT headquarters were handled by [REDACTED]

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STRAIGHT operated programs in California, Orlando, Dallas, Atlanta, Detroit, Boston, Cincinnati and Virginia Beach as well as Springfield, Virginia. As soon as [REDACTED] she became aware of problems within the organization. Things began to change for the worse within corporate management once [REDACTED] took control in [REDACTED] program was subject to a civil lawsuit from a client, the details of which [REDACTED] was not aware of. She also noted that [REDACTED] would travel every other month to Dallas from Tampa

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 4/22/94, Page 3

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because he said he liked the way someone in Dallas cut his hair.

[REDACTED] was transferred to [REDACTED] to address problems there. She had earned a salary of [REDACTED] and was promised an increase of [REDACTED] upon her relocation in [REDACTED]. However, an across-the-board salary cut was implemented by headquarters of 20% which left her with a salary of [REDACTED]. She had heard rumors that corporate managers only took a 5% cut. She remembered that corporate had instituted a credit card for use by its personnel [REDACTED].

Corporate officials continued to use the card.

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Upon arriving at [REDACTED] she found about forty employees under the control of corporate official [REDACTED] who had taken charge after [REDACTED].

[REDACTED] The number of employees dropped after the salary cut. [REDACTED] discovered that [REDACTED] has lost its license from [REDACTED].

[REDACTED] although they continued to receive JACHO certification [REDACTED] immediate decision was to terminate the program for several reasons.

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[REDACTED] program had consistently neglected the state licensing board, shelving its recommendations until [REDACTED] got there, which caused the program to lose its license. Additionally, the corporate office paid all of the bills incurred by its programs throughout the country. [REDACTED] office had no operating funds and no local bank account at its disposal. This created problems for [REDACTED] as she discovered that the [REDACTED] office's bills had not been paid for quite some time. She was immediately harrassed by irate vendors demanding payments. She attempted to resolve the outstanding debts between corporate and the local vendors but was unsuccessful. At one point a warrant had been issued for her arrest by a local vendor who had named her as the only representative of STRAIGHT he knew. [REDACTED] demanded that corporate acquire a lawyer to handle the situation but they refused. She retained one anyway and eventually got some of the bills paid.

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[REDACTED] said that financially things may have been tight at the corporate offices. STRAIGHT was expanding and had just opened a program at Virginia Beach which quickly closed.

209B-TP-28810

Continuation of FD-302 of _____, On 4/22/94, Page 4

Census was declining, especially in _____ due to the licensing issue. At this point, corporate had decided to relocate _____ program to _____. _____ disagreed with _____ over this effort and told him she would terminate her employment with STRAIGHT before moving a disorganized and poorly run program to another district. _____ had even suggested that _____ approach the parent group at _____ to contribute funds to pay for the move to _____. The program eventually did move from its location at _____ to _____. _____ quit before the move was final. She said that when _____ office closed, she had heard that STRAIGHT left everything behind including records and patient files. She does not know what happened to them.

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b7C

While at _____ said, communications often bypassed her from corporate and contact was made directly with the fiscal office and the medical doctors. She was often unaware of the direction that corporate was giving to them. She surmised that these direct contacts started when the program was between administrators. In her position as administrator, she reported to numerous corporate officials as the organizational structure kept changing. Regarding _____ she recalled that he was a corporate official who began in the finance office in the Orlando program before becoming administrator there. _____ was the executive director prior to _____ (phonetic) was the marketing director for _____.

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b7C

_____ resides at _____.
_____ Her home telephone number is _____.
Her Social Security Account number is _____. She is
described as _____

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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 4/25/94

TO : SAC, TAMPA (209B-TP-28810)
 FROM : ADIC WMFO (209B-TP-18810) (C-14) (RUC)
 SUBJECT : [REDACTED]

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

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 b7C

Enclosed for Tampa Division, Pinellas Resident Agency, are the original and one copy of an FD-302 report of an interview with [REDACTED] and a 1A envelope containing the notes of this interview.

As no further leads remain outstanding, WMFO considers this matter RUC.

② - Tampa
 1 - WMFO
 dcc
 (4)

209B-TP-28810-133

INDEXED
 SERIALIZED FILED

APR 29 1994

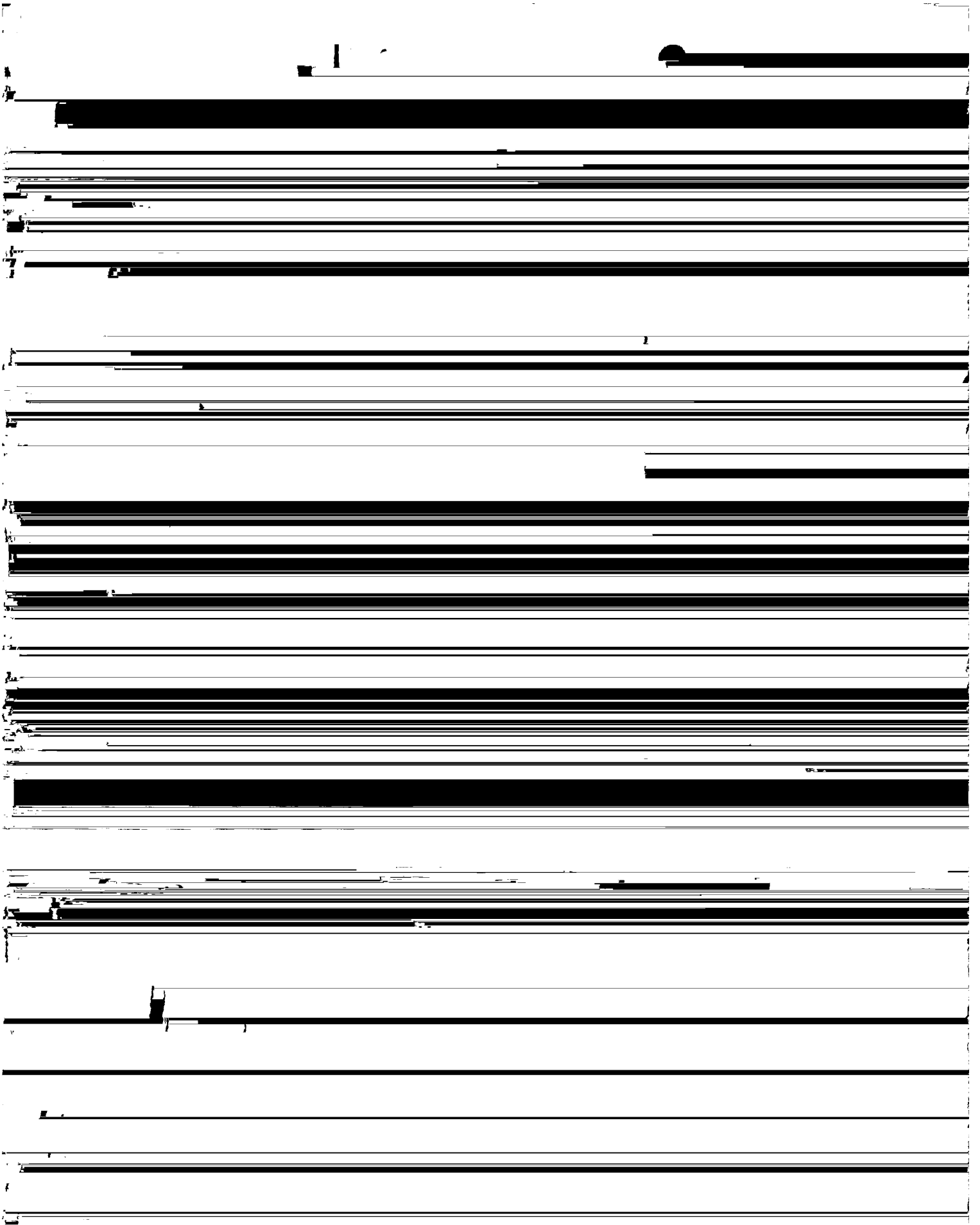
FBI-TAMPA

[REDACTED]

w/c
 sent

b6
 b7C

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)



Human Services Guide

COMPULSIVE DISORDERS SUPPORT GROUPS

Alcoholics Anonymous
Orange County 847-3333
Ocala County 987-8700
Emotions Anonymous
FL Council on Compulsive Gambling
Toll Free 1-800-426-7711
Gamblers Anonymous 236-8286
Narcotics Anonymous 426-8187
Overeaters Anonymous 678-2711

COUNSELING - FAMILY/MARRIAGE

Catholic Social Services 688-1818
Central Counseling Center 841-1841
Christian Service Center 894-7188
Church Street Counseling Center 423-2368
Devereux Residential Treatment Center of Florida 426-4491
Episcopal Counseling Center 426-3827
Family Care Counseling 639-1132
Green House Family Counseling Ctr. 894-1542
Interact Counseling Associates 740-8855
Jewish Family Services 644-7853
Lakeside Alternatives, Inc. 878-3700
740-8858
Lutheran Counseling Services 644-4852
Mental Health Center (Sem. Co.) 891-2417
Mental Health Services (Osc. Co.) 846-0023
Navy Family Service Center 646-4230
Park Lake Presbyterian Counseling Center 246-1253
WAY UP Christian Counseling Services 298-3162

CRIME REPORTING

Crime Line 423-8477
Toll Free 800-423-8477

Dial 740-6500 or
870-2900 When
asked, enter the 4-digit
TeleYellow™ Code



CRISIS INTERVENTION

See also Emergency & Crisis Services
Help Now, Inc. 847-8811
Help Line, Central Florida 740-7477
Lakeside Alternatives, Inc. 878-3700
Mental Health Center (Sem. Co.) 321-4387
Mental Health Services (Osc. Co.) 933-0077
Spouse Abuse, Inc. 898-3986
We Care, Crisis Center, Inc. 426-3824
Teen Line 841-2413

DEAF/TEXT TELEPHONE (TDD) SERVICES

Center for Independent Living
Text Telephone (TDD) 623-1188
Or (TDD) 623-1070
Florida Relay Service
Voice 800-665-8770
Text Telephone 800-958-8771
Human Services Council 897-8468
Library System, Orange Co. 426-8668
Vocational Rehabilitation 892-7850
We Care, Crisis Center, Inc. 426-3824

DISASTER SERVICES

Red Cross
Orange County 894-4141
Ocala County 847-2700
Seminole County 323-2886

DRUG ABUSE TREATMENT/ EDUCATION/SUPPORT

Center for Drug Free Living 423-8812
Center for Psychiatry/Florida Hosp. 897-1800
Fresh Start Ministries 382-3232
Grove Counseling Center 323-1706
Interact Counseling Associates 740-8858

DRUG ABUSE TREATMENT/ EDUCATION/SUPPORT (Cont'd)

Lakeside Alternatives, Inc. 878-3708
MADD Education/Support 422-8233
Mental Health Center (Sem. Co.) 321-4374
Mental Health Services (Osc. Co.) 846-0023
Narcotics Anonymous 423-8187
Project III 423-4387
S.A.F.E. 231-4387
Temporary Living Center 898-7758

EDUCATION - ADULT

Adult Literacy League 423-1848
East Orange Community Action 273-2841
Mid-Florida Technical Institute 898-8860
Orange Co. Public Schools - Adult Education 848-3288
Orlando Vocational Technical Center 426-2786
Ocala County Public Schools - Adult Education 847-3147
Seminole Community College 328-1488
Valencia Community College 298-8008
Westside Vo Tech Center 988-2861
Winter Park Adult Vocational Center 647-8368

EDUCATION - HANDICAPPED

Cerebral Palsy of Cen. FL, Inc., United 841-4676
Children's School 298-9707
C.I.T.E. 898-3177
East Seal Society/ Early Intervention 898-2288
Harbor School 898-8802
I.S.I.S. (Individualized Support Through Innovative Services) 426-8048
Learning Disabilities Resource Center 294-3282
Morning Star School 298-3077
Pace School 898-3882
Priarose Center 898-7201
Public Schools
Orange County 848-3228
Ocala County 878-4800
Seminole County 323-1262
Second Step Center 898-8088
Threshold, Inc. 871-7080

EDUCATION - PARENTING

Family Resource Center (Osc. Co.) 848-8100
Parent Resource Center
Orange County 426-3643
Seminole County 323-1480 Ext. 878

EDUCATION - PRE-SCHOOL

Community Affairs, Org. Co. Dept. of Headstart Program 836-4444
Community Coordinated Child Care Headstart Program
Ocala County 848-3600
Jewish Community Center 846-8833
Parent Resource Center 426-3643
Seminole County-4C Headstart Program 321-3888

EMERGENCY & CRISIS SERVICES

Crisis Intervention
Adult Abuse Hotline 898-842-2873
Central Florida Helpline 740-7477
Center for Drug Free Living 423-8812
Child Abuse Hotline 800-862-2873
Help Now, Inc. 847-8811
Project III 423-4387
Spouse Abuse, Inc. 898-3986
We Care, Crisis Center, Inc. 426-3824
Teen Hotline 841-2413
Crisis Units
Orange Co. - Lakeside Alternatives, Inc. 878-3700 Ext. 830
Ocala Co. - Mental Health Services 892-0077
Seminole Co. - Mental Health Center 321-4387
Disaster Relief Services Red Cross
Orange County 894-4141
Ocala County 847-2700
Seminole County 323-2886

EMERGENCY & CRISIS SERVICES (Cont'd)

Domestic Violence
Help Now, Inc. (Osc. Co.) 847-8811
Spouse Abuse, Inc. 898-3986
Poison Control 800-282-3171
Rape & Sexual Assault Response - Sexual Assault Resource Center
Orange County 246-8007
Seminole County 740-8408
Ocala County 846-7288
Victim Advocate Programs
Orange County Sheriff's Office 838-4020
Victim Services Program
Seminole County Sheriff's Dept. 320-8600 Ext. 322
Runaway/Missing Children
Boys Town Hotline 800-448-3000
Missing Children Center 327-4403
Missing Children Information Clearinghouse 800-342-0821
Runaway Hotline - Florida 800-786-2829
Runaway Switchboard - National 888-621-4000
Text Telephone (TDD) 800-621-0394
Suicide Prevention/Intervention
Help Now, Inc. (24 hour) 847-8811
We Care, Crisis Center Inc (24 hour) 426-3824
Women's Residential and Counseling Ctr. 426-3888

EMPLOYMENT COMPENSATION SERVICES

Unemployment Compensation Program 623-1278
Worker's Compensation Program 423-8488

EMPLOYMENT TRAINING/PLACEMENT

Area Agency on Aging of Central FL JTPA Program 623-1338
Center for Independent Living 623-1070
Center for Women (VCC) 628-1978
Displaced Homemakers Program (VCC) 628-3511
Job Services of Florida 897-2880
Private Industry Council of Cen. FL 897-2770
Private Industry Council of Ocala County 848-3521
Private Industry Council of Sem. Co. Schools, Public - Adult Education 321-8827
Seminole Community College 323-1488
Senior Community Service Employ. Prgm. 841-3282
Vocational Rehabilitation Services 897-2700
Valencia Community College 298-5008

FINANCIAL COUNSELING

Consumer Credit Counseling Services
Orange County 423-2227
Naval Training Center Branch 846-4286
Ocala County 846-7867
Seminole County 323-8111

FOOD ASSISTANCE

See also Meal Services
Catholic Social Services 898-1818
Christian Service Center 426-2823
Community Affairs, Org. Co. Dept. of Community Service Center 836-4448
Frontline Outreach, Inc. 298-3008
Jewish Family Services 846-7848
Kittimnee Ministerial Association 846-8794
Loaves and Fishes 898-4086
Navy-Marine Corps Relief Society 846-4486
Rescue Outreach Mission of Sanford 321-8224
St. Cloud Community Parish 892-7070
Salvation Army
Orange County 423-8883
Ocala County 931-4368
Seminole County 322-2842
Sanford Christian Sharing Center 323-2818
So. Seminole Christian Sharing Center 240-8188

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/11/94

[] was contacted at his place of business where upon he was advised of the identity of the interviewing agent and the purpose for the contact. [] recontacted the interviewing agent and provided the following information:

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[] was unable to find receipts concerning bills tendered by the STRAIGHT ORGANIZATION. [] son, [] was admitted into the STRAIGHT PROGRAM in Dallas, Texas. [] created a payment list to keep track of the fees paid to STRAIGHT. He advised that five payments were made between March of 1991 to July of 1991. [] could not locate his actual Explanation of Benefits (EOB) from the insurance company. He advised that only a few of the bills were submitted to his insurance company.

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[] was told that the monthly fee with the STRAIGHT PROGRAM was \$500. The parents continually held fundraisers to raise money for the STRAIGHT ORGANIZATION. [] advised that the fundraiser money went to the Florida office of STRAIGHT and then was supposed to go back out into the STRAIGHT PROGRAM to the various divisions. [] had heard rumors that the personnel in Tampa, Florida office of STRAIGHT took several trips to Mexico and that there was special office in Guadalajara, Mexico.

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[] work telephone number is []

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Investigation on 3/2/94 at Houston, Texas File # 209B-TP-28810

by SA [] ids Date dictated 3/9/94

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/11/94

[redacted] appeared at [redacted]
[redacted] He was advised of the identity of the
interviewing agent and the purpose for the contact. He provided
the following information:

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[redacted] remembers a man by the name of [redacted]
who was a staff member described at a large black male. The
other staff members were kids in the program or commenced from
the program. Finances were never discussed with [redacted] and
he had no dealings with the STRAIGHT personnel [redacted] heard
rumors concerning scholarships available after successful
commencement from the program but he never followed up on the
information.

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When [redacted] first entered the program in Dallas, Texas,
he had a doctor give him a physical and a blood test. This was
done a few days after he entered the program. This was the only
time that he ever saw the medical doctor. During his admission
process, two other kids came into the room where [redacted] was
located and asked questions. This lasted for a couple of hours
and consisted of only conversation. One of the kids who
conducted the interview was [redacted] was actually
younger than [redacted] and commenced the program one month
before [redacted]

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Once or twice a week, a white male, in his 50s, came in
to talk to different children in the program. [redacted]
[redacted]
[redacted]

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[redacted] Sometimes the staff members at STRAIGHT would go and
get the medicines out of the office to dispense to the kids. The
kids would also ask the staff for medicines like prescription
medicine, Prozac, and the next day the staff would have the
medicines available for the children.

Investigation on 3/9/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted] ids Date dictated 3/1/94

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209B-TP-28810

Continuation of FD-302 of

[Redacted]

, On 3/9/94, Page 2

The following is a description of [Redacted] through observation and investigation:

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Race: White

Sex: Male

Date of Birth:

Employment:

Home Address:

Home Telephone:

[Redacted]

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/22/94

[redacted] voluntarily met with the interviewing Agent at [redacted] place of business located at [redacted]. [redacted] was advised of the identity of the interviewing Agent and the purpose of the contact. He provided the following information:

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[redacted] son, [redacted] had a drug abuse problem and was admitted into [redacted] for approximately 30 days. This program did not produce any positive results, therefore [redacted] asked different friends concerning other drug rehab programs. [redacted] learned of an organization by the name of STRAIGHT. [redacted] went to Dallas, Texas, and visited the facility run by the organization STRAIGHT. [redacted] was admitted into the program in [redacted] and commenced the STRAIGHT program in [redacted].

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While [redacted] was in the STRAIGHT program, he experienced some asthma/bronchitis illnesses. The doctor bills from [redacted] were sent directly to [redacted]. [redacted] remitted payment directly to the doctor. On some of the bills, [redacted] submitted their bills for reimbursement to BLUE CROSS/BLUE SHIELD INSURANCE COMPANY, other paid bills were never submitted to their insurance company by [redacted].

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The parents group, where the parents all met at meetings in Dallas, Texas, were asked to perform fund-raisers and provide donations to the organization. One of the fund-raisers involved a golf tournament that was organized by [redacted]. This fund-raiser raised approximately \$10,000 - \$15,000. Two women from the STRAIGHT organization, one which was from [redacted] Office, flew to [redacted] picked up the donation check and then left. [redacted] thought this behavior was strange and portrayed the typical "greed" of the personnel of the STRAIGHT organization.

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Investigation on 1/25/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted] mgk Date dictated 2/4/94

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Continuation of FD-302 of [REDACTED]

, On 1/25/94, Page 2

The children stayed in host homes which were run by the parents who had children admitted in the program. There was a monthly fee per couple that was due to the host home. There were two ways to pay these fees, first [REDACTED] initially paid a fee per month which was paid to STRAIGHT PARENT GROUP. The second way was when the child was assigned to a permanent host home where they paid the host home directly. The host home where [REDACTED] son [REDACTED] was housed, was [REDACTED]. Later, he went to [REDACTED].

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Part of the billing from STRAIGHT was submitted to [REDACTED] which was [REDACTED] insurance at that time. The other bills were submitted to BLUE CROSS/BLUE SHIELD for reimbursement. The psychological counseling for [REDACTED] was not discussed with [REDACTED] nor did [REDACTED] ever met [REDACTED]. There was no interaction between [REDACTED] and the STRAIGHT personnel located in Tampa, Florida. The personnel at STRAIGHT always appeared to be unorganized and always in the need of money. Sometimes, the parents wondered if the chaos created by STRAIGHT was by design.

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[REDACTED] recalls that the STRAIGHT staff discussed a scholarship program that entailed that if [REDACTED] passed the STRAIGHT program and commenced, his college would be paid for by state funds. No other information was provided on this program. There was never any monies refunded by STRAIGHT to [REDACTED].

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[REDACTED] provided numerous documents relating to Explanation of Benefits in billings from STRAIGHT. Also included were some notes written to and from the insurance company concerning payments, Explanation of Refund Policies by STRAIGHT, Assignment of Benefits, and some spreadsheets created by [REDACTED] in an attempt to track the monies that were paid to STRAIGHT by the insurance companies. Copies of these documents were provided to writer.

The following is a description of [REDACTED] through investigation and observation:

Name:

[REDACTED]

Race:

White

Sex:

Male

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Continuation of FD-302 of , On 1/25/94, Page 3

Date of Birth:

Place of Employment:

Home Address:

Home Telephone:
Number

Mother's Name:

Mother's Telephone:
Number

Spouse Name:

Son's Name:

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- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/93

[redacted] voluntarily met with the interviewing agent at her residence, located at [redacted]. She was advised of the identity of the interviewing agent and the purpose for the contact. She provided the following information.

When [redacted] son, [redacted] was [redacted] years old he had drug abuse problems and eventually ran away from home. [redacted] had [redacted] put into a rehabilitation facility in [redacted]. That facility cost [redacted] approximately \$60,000 for three months. [redacted]

[redacted] was referred to STRAIGHT by a friend who had experienced some good results with the program.

[redacted] knew that most of the other parents, participating in the STRAIGHT program, were also in a desperate situation with their children and with their finances. Many of the families came to STRAIGHT when they were at the end of their insurance coverage benefits.

The insurance which covered [redacted] was the TEXAS OIL MARKETERS ASSOCIATION (TOMA). [redacted]

[redacted] TOMA would not pay any part of the cost for the first rehabilitation center where [redacted] was admitted. TOMA also refused [redacted] request to cover any of the cost associated with STRAIGHT. [redacted] does not know how STRAIGHT was able to obtain payment from TOMA, but she believes that TOMA paid approximately \$300 a month to STRAIGHT.

[redacted] was admitted to STRAIGHT in Dallas, Texas on [redacted] and commenced (graduated) the program on [redacted]. The fee for STRAIGHT was \$500 a month. There were [redacted]

Investigation on 12/22/93 at Houston, Texas File # 209B-TP-28810

by SA [redacted] tac Date dictated 12/28/93

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Continuation of FD-302 of [REDACTED], On 12/22/93, Page 2

additional fees due, some of which went to the Host Homes, (approximately \$310 per month) and the expense of the once or twice a month provision of food for the children at the host homes. A Host Home was one of the parent's homes that had a child in the STRAIGHT program. The children were provided room and board at the Host Home. The actual monthly cost would vary but averaged approximately \$1200 per month. STRAIGHT administrators told the parents to make the checks, for the host homes and the donations from the parents to STRAIGHT, payable to cash.

STRAIGHT always had the parents performing fund raisers. The parents group requested to see a financial statement from STRAIGHT to see exactly where the money was being spent. STRAIGHT would not release that information.

The personnel in Florida and Dallas were always changing. They appeared to be totally unorganized and always in need of more money. The parents group attributed the organization's lack of money to the mounting debts that were incurred when other STRAIGHT facilities were closed down and also due to the fact that many of the parents were not paying their bills. The staff, that ran STRAIGHT, was very secretive about information concerning the organization.

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[REDACTED] learned that the TEXAS ALCOHOL BUREAU was investigating STRAIGHT. The problems that she perceived were that kids were being held against their will and the possible use of physical restraints. The restraints did not seem unusual to [REDACTED] due to the fact none of the kids wanted to be in the program.

The program was run on peer pressure at the Host Homes. There was approximately eight to ten children in a home. The older kids acted as junior staff counselors to the newer kids. To [REDACTED] knowledge none of the staff had their Bachelors of Social Work (BSW) and there was no psychologist or psychiatrist on staff. [REDACTED] was never seen by a medical doctor except for when he was sick and then the host family would take him to a private doctor. [REDACTED] believes that there was a medical doctor on staff for approximately two months.

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[REDACTED] felt that STRAIGHT controlled the parents group by fear. The parents were afraid that if they spoke out or ask

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Continuation of FD-302 of [REDACTED], On 12/22/93, Page 3

too many questions, that the STRAIGHT administrators would find a way to take it out on their kids. The parents that brought their children to this program saw no other option for their kids, therefore they submitted to this type of program. [REDACTED] felt that her son would end up in prison or dead if he did not find successful treatment.

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There was an initial admission charge for the psychological testing performed on [REDACTED] was never given any results of the tests, nor did she ask for the results. At the time of the STRAIGHT tests [REDACTED] had already been seen by other psychologists and had not seen any improvement, therefore [REDACTED] lost whatever confidence she had in psychiatrists or psychologists.

[REDACTED] (LNU) was brought in to the Dallas office, as the head of fund raising, by the Florida administration office. [REDACTED] advised [REDACTED] that government funding, in relation to STRAIGHT, was difficult to obtain but she never told [REDACTED] about any scholarships or grants.

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The head of the parent group in Dallas, Texas was [REDACTED] telephone number [REDACTED]. One of the staff counselors in Dallas was [REDACTED] telephone number [REDACTED].

For a short period of time, the head of the Dallas program was [REDACTED]. A business card for [REDACTED] showed an address of [REDACTED] and a telephone number of [REDACTED]. The Dallas facility was closed down in November of 1991.

[REDACTED] provided numerous documents concerning the insurance payments and information from STRAIGHT, including initial fees paid. Copies of these documents were made and retained by writer.

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[REDACTED] was aware that insurance companies for several of the parents were billed after their children commenced the program at STRAIGHT. Some of these parents were due a refund but they were never paid. Due to these facts [REDACTED] did not pay the last three months of fees to STRAIGHT because she did not want to lose any money that would be owed to her. When the Dallas facility personnel began to question the Florida's office ethics,

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Continuation of FD-302 of

, On 12/22/93 , Page 4

Florida administrators fired the entire staff in Dallas. The Dallas facility was closed down in November of 1991.

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The following is a description of [redacted] through investigation and observation.

Race White

Sex Female

Date of birth

Place of birth

Home address

Home telephone

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/10/94b6
b7C

[redacted] voluntarily met with interviewing agent at their place of business located at [redacted]. The name of their business is [redacted]. They were advised of the identity of the interviewing agent and the purpose of the contact. They provided the following information.

[redacted] advised that [redacted] advised her that a friend had sent their children to a rehabilitation program called STRAIGHT and had good results. The [redacted] son, [redacted] began to get into trouble about age [redacted]. At age 17, [redacted] admitted their son into the STRAIGHT program. [redacted] was the administrator in Houston at that time. In order for their son to be admitted into the STRAIGHT program, parents had to attend meetings each weekend in Dallas, Texas. The Houston administrator explained the finances and fees that STRAIGHT would charge. There were two payments, the first payment was for treatment, and the second payment was for host home fees. It was explained that there are five phases to the program and that their son would need to complete each phase in order to finish or commence the program. [redacted] never received any written confirmation of psychological exams performed on their son. [redacted] were told by a counselor (name unknown) that their son was at a certain level of drug addiction.

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The STRAIGHT program personnel always portrayed the program as being underfunded. They were always asking for donations and for the parents to perform fund raisers. There was also a high turnover of employees working for STRAIGHT. The [redacted] never met any of the administrators from the Tampa, Florida office. Every weekend, [redacted] would help out in the host home and brought groceries to the host home in order to feed the children. The host homes were run by parents located in Dallas who also had children in the program.

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Investigation on 1/25/94 at Houston, Texas File # 209B-TP-28810

by SA [redacted]/krc Date dictated 1/25/94

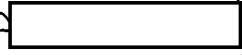
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Continuation of FD-302 of _____

, On 1/25/94, Page 2

_____ insurance company was TIME INSURANCE COMPANY. The initial fees for their son's treatment was \$425 a month; it later went up to \$500.00 a month. The organization of STRAIGHT would bill _____ and when she received the receipt, she would send the bill in for reimbursement by her insurance company. At one point, a female (name unknown) in Dallas submitted STRAIGHT's bills directly to her insurance company. When _____ was informed of this, she advised the female not to directly bill her insurance but instead to send the receipts to _____ and she would bill the insurance company.

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_____ provided copies of the Explanation of Benefits (EOB) showing the amounts billed by STRAIGHT to their insurance company. In _____ the fee was increased to \$500.00 per month. The _____ bills were the two billings that STRAIGHT directly billed to the _____ insurance. The only discrepancy _____ ever determined on her bills was an \$1,100.00 payment that the insurance company held from _____. In _____ the insurance company reimbursed _____ the \$1,100.00.

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_____ were never advised of any information concerning scholarships or government funding concerning the program. _____ are not familiar if a physician attended the therapy groups or not. Any physician bills that were sent to the _____ were sent to them by the organization STRAIGHT. The personnel at STRAIGHT appeared to keep their business very secretive, and parents were often chastised and/or scolded by other parents. The organization was run by peer pressure on the children and at the parents meetings. The parents were required to meet certain levels of responsibility much like the children who were reprimanded by the older children and in essence kept in line.

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_____ is now _____ years of age. His date of birth is _____. He still resides in _____. _____ recall the Dallas personnel as _____

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_____ date of birth is _____ and _____ date of birth is _____ is _____ is the adopted son of _____

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Continuation of FD-302 of [REDACTED], On 1/25/94, Page 3

[REDACTED] provided several copies of EOBs and miscellaneous letters written to and/or from the insurance company.

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[REDACTED] was admitted in [REDACTED] to the STRAIGHT program and continued in the program until approximately [REDACTED].
[REDACTED] He did not official commence the program.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/22/94b6
b7C

[redacted] met with interviewing Agent at their place of business located at [redacted]. [redacted] were advised of the identity of the interviewing Agent and the purpose for the contact. They provided the following information:

In [redacted] were having difficulties with their daughter, [redacted]. They attended a TOUGH LOVE GROUP, which was a parent support group for children who were rebellious and/or abusing drugs. The parents in the TOUGH LOVE GROUP needed an additional option to attempt to help their children. A man by the name of [redacted] spoke to the TOUGH LOVE GROUP about the group STRAIGHT. [redacted] had the most contact with the personnel at STRAIGHT. [redacted] advised that she always had a "bad" feeling about the program. [redacted] spoke to a man by the name of [redacted] Last Name Unknown (LNU), located in Houston, Texas, about the program.

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The parents had several requirements placed upon them in order for their children to be in the program. Among these requirements were: they were to attend two meetings a week in Dallas, Texas; volunteer to speak about the organization STRAIGHT at other organizations; and perform fund-raisers to raise money for the organization. These requirements were placed so that the parents could "earn rights" to see their daughter. [redacted] started the program when she was [redacted] years old and stayed in the program on and off for approximately two months. [redacted] ran away from the host home where she was housed three times. After the third time she ran away [redacted] canceled their contract with STRAIGHT.

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There were several problems with STRAIGHT, among them were that the personnel had a high turnover, the organization was always in need of money, and always appeared to be very disorganized. [redacted] allowed STRAIGHT to bill their insurance company directly [redacted] insurance company at that time was CHUBB LIFE AMERICAN. The finances involved with

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Investigation on 1/26/94 at [redacted] File # 209B-TP-28810

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by SA [redacted] mgk Date dictated 2/4/94

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209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 1/26/94 , Page 2

the STRAIGHT organization were explained to [REDACTED] by personnel in Dallas, Texas.

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When [REDACTED] went into the treatment, she was given a physical by a doctor. [REDACTED] never met the doctor. [REDACTED] was never admitted to a hospital. [REDACTED] stayed at a host home with other children admitted in the program. A host home was run by the parents of one of the children that participated in the program. [REDACTED] paid a specific amount per month for host home fees, these fees were paid to STRAIGHT and then put into a STRAIGHT account and then divided up between the host homes. [REDACTED] also sporadically bought food to the meetings for the parents in Dallas, Texas. [REDACTED] never visited the host home because they did not stay in the program long enough to make it to that level of involvement.

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When [REDACTED] was admitted to the program, she went through a questionnaire and conversation process with the personnel in Dallas, Texas. There was not a copy of the psychological test provided to [REDACTED] nor did they ask for one. [REDACTED] had no dealings with the Administrative Personnel in Florida Office of STRAIGHT. There were never any discussions of scholarships and/or government funds that could be provided for the children participating in STRAIGHT. [REDACTED] never received any doctor bills directly from the doctor.

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[REDACTED] said that STRAIGHT would bill the insurance company directly. A man from STRAIGHT, name unknown, advised [REDACTED] that with his insurance it should cover any of the extra cost, and that they (STRAIGHT) had ways to cover the extra cost billed by STRAIGHT. In the beginning of the program, STRAIGHT wanted [REDACTED] to make their host home checks out to the parents of host home. Later, they went to a system where the host home fees went into a fund at STRAIGHT and then was divided up among the host homes. STRAIGHT also billed [REDACTED] insurance for group therapy sessions. [REDACTED] began to notice on his Explanation of Benefits from his insurance company that the insurance company was paying more than what was quoted to him as the fees due to STRAIGHT. [REDACTED] questioned STRAIGHT about the bills and the STRAIGHT personnel advised him that they were trying to collect more from the insurance company in a shorter period of time so that [REDACTED] would not owe any money at the end of the year. [REDACTED] stopped paying

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209B-TP-28810

Continuation of FD-302 of [REDACTED], On 1/26/94, Page 3

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[REDACTED] STRAIGHT because the insurance was over paying to STRAIGHT [REDACTED] [REDACTED] remembers that a flat fee deal was negotiated with STRAIGHT, and he believes that amount was \$18,000 a year or \$1,500 a month. [REDACTED] was under the impression that he had exhausted all his insurance benefits before ever beginning the STRAIGHT program but he advised that the insurance did pay. Neither [REDACTED] ever saw any STRAIGHT bills that were submitted to the insurance company. [REDACTED] physician bills were sent directly to the insurance company, and copies of the same were sent to [REDACTED] were also billed for room and board by STRAIGHT, even when [REDACTED] ran away from the home. The host home/STRAIGHT advised that they reserved a spot for her, therefore they needed to bill for her, even though she was not at the home.

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[REDACTED] never talked to the same person twice at STRAIGHT. If [REDACTED] was not doing well in the program, the parents could not talk with anyone unless they went through an appropriate chain of command with the request forms provided by STRAIGHT. [REDACTED] broke their contract with STRAIGHT about the same time that the Dallas Office of STRAIGHT was closing. Several of the other parents also broke their contracts at the same time.

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[REDACTED] currently resides [REDACTED]
[REDACTED]

[REDACTED] provided one copy of an Explanation of Benefits which reflected a service date from [REDACTED] to [REDACTED] of total charges of \$3,960.60 (a copy of which was provided to writer). [REDACTED] also provided to writer a copy of a letter sent to [REDACTED] by [REDACTED] describing the problems with the STRAIGHT organization. [REDACTED] have contacted their insurance company to obtain additional documents, namely Explanation of Benefits, to provide to writer. All the documentation previously in the possession of [REDACTED] was destroyed by [REDACTED] during one of their moves and after the divorce.

209B-TP-28810

Continuation of FD-302 of , On 1/26/94, Page 4

The following is a description of through observation and investigation:

b6
b7C

Name:

Race:

White

Sex:

Female

Date of Birth:

Home Address:

Home Telephone:
Number

The following is a description of through observation and investigation:

b6
b7C

Name:

Race:

White

Sex:

Male

Date of Birth:

Home Address:

Home Telephone:
Number

Work Address:

Work Telephone:
Number

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/4/94

[redacted] voluntarily met with the interviewing agent at her home located at [redacted]. She was advised of the identity of the interviewing agent and the purpose of the contact. She provided the following information.

[redacted] is currently employed at [redacted] with a work number of [redacted]. Her home telephone number is unlisted. Her telephone number is [redacted]. [redacted] advised that in [redacted] she had problems with her son, [redacted]. [redacted] frequently ran away from home and possibly experimented with illegal drugs. At the same time, [redacted] was having trouble with her older son.

[redacted]

[redacted]

In [redacted] was admitted to the STRAIGHT PROGRAM which is a rehabilitation program located in Dallas, Texas. She took him out of the program in [redacted] due to several family problems. STRAIGHT billed her insurance company directly except for the host home fees and the pharmacy bills which were sent to her, and she filed the claims with her insurance. In order to afford entering her son into the program, she needed to take money from her Individual Retirement Account (IRA) to pay off the opening of the account. Her insurance which STRAIGHT billed was HEALTH NET. The Group Number for HEALTH NET was 164000. The address for HEALTH NET is 9494 Southwest Freeway, Suite 300, Houston, Texas 77074. The two telephone numbers for HEALTH NET are (713) 776-2885 and (713) 776-2886. [redacted] dealt mostly with [redacted] (female) at the Benefits Department; that telephone number is (713) 540-7954 or (713) 540-7878.

Investigation on 3/8/94 at [redacted] File # 209B-TP-28810

by SA [redacted] krc Date dictated 3/11/94

209B-TP-28810-142

Bot Bot

1 1 1

CIA
w/c sent



[Handwritten signature]

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209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 3/8/94, Page 2

[REDACTED] advised that at that time in [REDACTED] life, she would have done anything in an attempt to help him. He was a chronic runaway and had started using marijuana. The STRAIGHT personnel advised [REDACTED] that she needed to tell her insurance carrier that [REDACTED] had a drug problem in order to have the insurance cover her bills. She is not clear as to which personnel advised her of such but believes it may have been [REDACTED]. There was a high turnover of personnel at STRAIGHT, and the organization always appeared to be run very poorly and in a disorganized manner. STRAIGHT always had the parents holding fund raisers in order to obtain more money for the program. When [REDACTED] entered the STRAIGHT PROGRAM, [REDACTED] did not receive a break down of fees. When [REDACTED] called the STRAIGHT personnel to inquire about fees, they explained that it depended on what host home her son would be in or whether he would be in a host home.

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[REDACTED] learned of STRAIGHT through [REDACTED] who formerly worked at [REDACTED]. [REDACTED] had a son in the program by the name of [REDACTED]. [REDACTED] was told there would be a \$500.00 a month fee and there was a medical service fee of \$600.00. STRAIGHT did not explain what the \$600.00 fee was nor did she ask. She is not familiar with what the final care at a cost of \$2,850.00 and the special care cost were for. She was told there were group counseling sessions, and she was told later that the kids in the program ran the program. [REDACTED] was disturbed because STRAIGHT did not have a nurse on-site to attend to medical needs. The host home parents would give out the medications to the children. The parents would leave the medicines in vials labeled but not marked with the prescription label. [REDACTED] believes that the STRAIGHT personnel, in the beginning of [REDACTED] stay at STRAIGHT, gave him medicine to sleep.

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[REDACTED] was never advised of scholarships or government funding concerning the STRAIGHT PROGRAM. She did not have any interaction with the personnel in the Florida office. To the best of her knowledge, there were no oral or written test administered to her son. She does believe there was a physical and blood alcohol level test done on her son [REDACTED]. [REDACTED] is not familiar with any of the doctors or information concerning the doctors. The parents were not allowed to talk with each other concerning the program. The only person [REDACTED] spoke with was [REDACTED] another parent in the program.

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209B-TP-28810

Continuation of FD-302 of

, On 3/8/94

, Page 3

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In January of 1991, things began getting worse and worse at STRAIGHT. In December of 1990, STRAIGHT had really pushed for more money and if the parents missed a meeting or did not bring in enough money, they would be stood up and chastised by the other parents. did not commence the program but at present is in good condition

provided copies of paperwork associated with STRAIGHT and/or the billings and insurance related to STRAIGHT to writer.

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The following is a description of through observation and investigation:

RACE:

White

SEX:

Female

DATE OF BIRTH:

PLACE OF BIRTH:

EMPLOYMENT:

WORK TELEPHONE:

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/30/94

[redacted] voluntarily met with the interviewing agent at her place of business, located at [redacted]. She was advised of the identity of the interviewing agent and the purpose for the contact. She provided the following information:

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[redacted] son, [redacted] was admitted to the STRAIGHT PROGRAM on [redacted] commenced the STRAIGHT PROGRAM in [redacted]. The insurance company billed for the STRAIGHT PROGRAM was the TRAVELER'S INSURANCE. This insurance was coverage on her former husband [redacted]. [redacted] cannot remember how she learned of the STRAIGHT PROGRAM.

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[redacted] made several telephone calls to Houston personnel, and believed that she received a fee schedule from a female, located in Dallas, Texas, with the STRAIGHT PROGRAM. [redacted] advised that STRAIGHT was run like a cult. [redacted] spent every weekend in Dallas and advised that the other parents with children in the program seem to be brainwashed.

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[redacted] was quoted an estimated initial price for her son being in the program. The fees were broken down as follows:

Admission/Accessment fee for 2 months at the fee of \$6800; Monthly Service fee at \$500 a month for a total fee \$5,000; Host Home fees for a total estimated cost of \$3600; and After Care Host Home fees at a estimated value of \$1800. The total for all of these charges came out to \$17,200.

Initially [redacted] wrote checks to STRAIGHT for the Host Home fees, later she made her checks directly to the parents. It was the parents group that wanted the system changed to where the parents received the checks directly. The parents that ran the host home also had children in the program and usually took in two to three children that were in the program. The children took care of the house. [redacted] was to approve any medical

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Investigation on 3/1/94 at Houston, Texas File # 209B-TP-28810

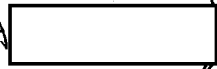
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by SA [redacted] ids Date dictated 3/9/94

209B-TP-0881043

But But

CIA



who sent

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209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 3/1/94, Page 2

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procedures that were to be done. It was [REDACTED] impression that a lot of the staff had gone through the STRAIGHT PROGRAM and had become group leaders. The parents were not allowed to attend the group meetings with the children during the week. When the children reached certain levels of achievement in the STRAIGHT PROGRAM, their parents could meet with them in meetings during the weekend.

The parents were always pressured to raise money for STRAIGHT. They held fund raisers and asked for donations from friends. The STRAIGHT personnel appeared to be very disorganized and there was a high turnover of employees [REDACTED] did not deal with the staff in Florida. She was never advised that there were scholarships available to the children who attended the STRAIGHT PROGRAM.

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[REDACTED] was told that if her son completed the STRAIGHT course and strayed drug free, he would be eligible to obtain government funding for a trade school or college course. She was told that this funding was available through the Texas Rehabilitation Commission. Neither [REDACTED] or her son ever checked into this reimbursement program.

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When [REDACTED] first spoke with the STRAIGHT personnel, she advised them that she could not afford the program. They asked her if she owned her car free and clear, and when she advised yes, they told her to sell it and pay for the program. [REDACTED] advised them no. She believes that her former husband received the majority of the Explanation of Benefits (EOB) concerning her son. [REDACTED] stop paying STRAIGHT when they closed the program. She still owed approximately \$2,000 but because they had advised her they were going to provide aftercare for her son and did not provide such care, she did not feel that she needed to pay the remaining fees.

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[REDACTED] remembered when all the staff was fired in Dallas because of a disagreement with the Florida office [REDACTED] [REDACTED] at one time was the business manager for the [REDACTED] office.

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[REDACTED] provided writer with various documents, including EOBs, concerning the STRAIGHT PROGRAM.

209B-TP-28810

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Continuation of FD-302 of

, On 3/1/94

, Page 3

The following is a description of
through observation and investigation:

Race:

White

Sex:

Female

Date of Birth:

Home Address:

Home Telephone:

Place of Employment:

Work Telephone:

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

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

Date 5/4/94

TO : SAC, TAMPA (209B-TP-28810)
 FROM : SAC, HOUSTON (209B-TP-28810) (Squad WC1) (RUC)
 SUBJECT :

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

Reference Tampa airtel dated 12/8/93 to Houston and telcall from Houston to Tampa, 4/94.

Enclosed for Tampa are the original and one copy of FD-302s, original interview notes, and documents*, of the following people:

- 1) *(No documents provided) ✓
- 2)
- 3)
- 4)
- 5)

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- ② - Tampa (encl. 30)
 2 - Houston
 TAC/tac
 (4)

209B-TP-28810-144

TSJ TSJ
 MAY 20 1994

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b7CApproved: MDW/WCC

Transmitted

(Number) (Time)

Per

wlc sent

209B-HO-28810

6) [redacted] * (No documents provided)✓

7) [redacted]✓

8) [redacted]✓

For information of Tampa, all the above persons were interviewed concerning captioned matter [redacted] son of [redacted] and former patient at STRAIGHT, possessed no documents but documents were obtained from [redacted] was repeatedly contacted in regard to the production of his documents and as to the expected time frame for delivery; [redacted] continually advised that he would send the documents asap. To date, no documents from [redacted] have been received by Houston.

Limited documents were received from [redacted] but he advised that his insurance company would send him copies of the EOBs related to captioned matter. [redacted] was repeatedly contacted concerning the production of the documents, but no documents have been produced, by the insurance company, to date. Houston will forward these documents under separate cover if received. It is possible that Tampa may need to issue federal grand jury subpoenas to the individuals or insurance companies to obtain the needed documents.

Interviews revealed that each family was treated differently concerning the billing process. Examples of which are: different amounts and different services billed to the insurance companies and medical bill receipts that were or were not provided for different procedures. All the interviewees advised that the personnel at STRAIGHT were disorganized and were always soliciting the parents for money. All the parents were required to attend the weekly meeting held in Dallas, Texas and they all expressed the same opinion that they felt that the STRAIGHT staff was attempting to "rule" the kids and the parents by fear. All advised that there was a Host Home fee separate and apart from the fee paid to STRAIGHT.

The following advised that they submitted the bills directly to their insurance companies for payment: [redacted] and [redacted] The following advised that their insurance companies were directly billed by STRAIGHT for services rendered:
[redacted]

As all logical investigation regarding captioned matter has been completed, Houston considers this matter RUC.

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/02/94b6
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[redacted] Date of Birth (DOB) [redacted]
[redacted] Social Security Account Number (SSAN) [redacted] Place of
Birth (POB) [redacted] address [redacted]
[redacted] telephone [redacted] occupation
[redacted] was advised of the identity of
the interviewing Agent and the purpose for the interview.
[redacted] thereafter provided the following information:

and
97B

[redacted] advised that he was employed [redacted]
[redacted] of STRAIGHT INCORPORATED (STRAIGHT) for approximately

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[redacted]

[redacted] His responsibilities
included [redacted]

[redacted]
[redacted] STRAIGHT's structure included the national
headquarters located in Tampa, Florida; nine treatment programs
located throughout the United States; and satellite offices which
were affiliated with the nine programs.

[redacted] advised that the accounting operations of
STRAIGHT were centralized at the national headquarters. Although
each program administrator was responsible for their own billing
and fund raising, they did not have check writing authority.

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[redacted]
[redacted] Because of financial constraints
at various times, especially after 1991, priorities had to be
established in regards to payment of vendors and refund of
insurance payments to parents. Utmost in the minds of the Board
of Directors and Executive Staff was to make executive decisions
which would allow for the continuation of the operation of
STRAIGHT and the treatment of their clients.

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In 1991, STRAIGHT began experiencing severe financial
problems [redacted] stated that approximately \$5 million in
account receivables had to be discharged because people refused
to pay for services rendered. In addition, fund raising

Investigation on 5/17/94 at [redacted] File # 209B-TP-28810

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by SA [redacted] lm Date dictated 5/20/94

209B-TP-28810-145
dmb dmb
dmb

C/A 



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209B-TP-28810

Continuation of FD-302 of

[Redacted]

, On 5/17/94 , Page 2

activities and resources decreased because of changes in tax laws and the economic condition of various companies who, in the past, had donated scholarships and funds to STRAIGHT.

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[Redacted] stated that 1991 was the first year in which STRAIGHT experienced a year end deficit. Prior to that time, STRAIGHT was able to meet its obligations and, in fact, in 1989 experienced revenue and operations of \$13 million. During this time period STRAIGHT did have a cash reserve which would be invested daily through an account at [Redacted]

[Redacted]

[Redacted]

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[Redacted]

b3
b6
b7C
b7D

[Redacted]

[Redacted]

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/17/94, Page 3

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[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED] doubted the Board of Directors would have taken any action without [REDACTED] STRAIGHT was losing money, the Board of Directors waited to close STRAIGHT [REDACTED] At no time did anyone on the executive staff or the Board of Directors ever challenge [REDACTED] directives.

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[REDACTED] advised when STRAIGHT began losing money in 1991, the Board of Directors failed to react to the problems. There was limited or no discussion regarding the generating of funds; however, the Board of Directors did recommend the reduction of some costs. Payroll costs were reduced which included a 20 percent decrease in executive staff salaries.

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[REDACTED] advised that personal use of credit cards was strictly prohibited. When travel was authorized, receipts had to be provided to support the expenditures. STRAIGHT adopted credit card usage for their administrative staff in an effort to portray a professional image to the public. Staff members were encouraged to take physicians and other members of the community to lunch to discuss recruitment of patients and fund raising activities.

Individuals who travelled for the company were permitted to utilize the corporate credit cards for gasoline purchases. Program directors were responsible for reviewing their staff members credit card expenditures, a vice president of STRAIGHT reviewed the program administrators, [REDACTED] [REDACTED] was unaware as to who reviewed [REDACTED] credit card expenses; however, he believes it is possible that no one reviewed her credit card usage.

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209B-TP-28810

Continuation of FD-302 of [REDACTED]

, On 5/17/94, Page 4

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[REDACTED] advised following [REDACTED] appointment as Executive Director in 1988, STRAIGHT began the process to obtain JACHO approval. Eventually, the Boston and Dallas programs lost their JACHO approval; however, because of financial losses, STRAIGHT decided to terminate operations at these facilities.

As a result of this accreditation process, STRAIGHT began to replace their client/student counselors with professional licensed counselors. This conversion also assisted in obtaining approval of payment by insurance companies.

[REDACTED] advised that each insurance company maintain different standards for reimbursement of medical expenses. STRAIGHT received various descriptions of their facility to include outpatient treatment with host families, outpatient care, and inpatient care. Throughout the history of STRAIGHT and the evolution of health care, their reimbursement procedures were continually changing.

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[REDACTED] stated STRAIGHT did not maintain a full time physician because the cost was prohibitive. A psychiatrist did supervise all treatment of the clients, and a medical doctor was on call and all patients were evaluated upon admission into the program.

[REDACTED] stated STRAIGHT did receive CHAMPUS payments for some clients, however, he did not know the volume of this type of reimbursement.

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[REDACTED] had no knowledge of [REDACTED] expenses reflected on his credit card was a charge based on relocation fees for an employee of STRAIGHT. At no time did [REDACTED] use or authorize anyone to utilize their credit card for personal use [REDACTED] did suspect some employees were using their credit cards for personal use, specifically, he recalled [REDACTED] challenged receipts submitted by [REDACTED] however, because [REDACTED] threatened a lawsuit and STRAIGHT had limited funds, STRAIGHT agreed to meet this credit card obligation.

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[REDACTED] believed [REDACTED] was invited by [REDACTED] to travel to Spain to assist individuals in that country in opening a facility similar to STRAIGHT. [REDACTED]

209B-TP-28810

Continuation of FD-302 of [REDACTED], On 5/17/94, Page 5

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accompanied [REDACTED] on this trip. [REDACTED] believed [REDACTED]
[REDACTED] travelled to Spain because of their experience in
the industry and their ability to speak Spanish. [REDACTED] was
unaware of who paid for the costs of this trip or any personal
expenditures charged to the company as a result of this travel.

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

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

Date 6/16/94

TO : SAC, TAMPA

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

SUBJECT : [REDACTED] ET AL;
FBW - INSURANCE;
OO: TAMPA

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Reference San Antonio airtel to Tampa, 3/16/94.

For information of Tampa, [REDACTED] Texas Commission on Alcohol and Drug Abuse (TCADA), recontacted interviewing Agent advising that billing information was not collected during TCADA's investigation of Straight, Inc.

Therefore, inasmuch as all investigative leads have been conducted in the San Antonio Division, this matter is considered RUC'd.

② - Tampa
1 - San Antonio
VMO/rlr
(3)

1*

Approved:

Transmitted

(Number)

(Time)

Per

JUN 23 1994

FILE - TAMPA

209B.TP-28810-146

SEARCHED INDEXED
SERIALIZED *Charles* *Charles*

Per JUN 23 1994

FBI - TAMPA

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b7C

Memorandum



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

Date 7/29/94

From : CS [redacted]

Subject: [redacted]

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

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Re SA [redacted] memo dated 4/22/94, and SA [redacted]
telcall to writer, 7/25/94.

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Per SA [redacted] information requested in rememo is no longer needed to the declination of prosecution; therefore, the floppy disks received are being returned to SA [redacted] and the lead set regarding this matter should be closed.

① - Tampa
RSM:rm

(1)

209B-TP-28810-147

SEARCHED *Amk* INDEXED *Amk*

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[Handwritten signature]

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Memorandum



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

Date 8/4/94

From : SA [REDACTED]

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Subject: [REDACTED]

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

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Reference telephone call of SA [REDACTED] to [REDACTED] on 7/26/94.

On 4/22/94, a memo was submitted requesting computer assistance in retrieval of records. This request is now terminated because AUSA [REDACTED] has advised that his office has declined prosecution in referenced matter.

② - Tampa
CB: CWB
(2)

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209B-TP-28810-148

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 04 1994	
FBI - TAMPA	

C/A [REDACTED] [REDACTED]

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U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No. 209B-TP-28810

500 Zack Street, Suite 610
Tampa, Florida 33602
August 9, 1994

Honorable Donna A. Bucella
Acting United States Attorney
Middle District of Florida
500 Zack Street, Room 410
Tampa, Florida 33602

Attention: [Redacted]
Assistant United States Attorney

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b7C

Re: [Redacted]
Straight, Incorporated
Gandy Boulevard
St. Petersburg, Florida
Fraud By Wire;
Health Care Fraud

Dear Ms. Bucella:

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The purpose of this letter is to confirm a conversation between Assistant United States Attorney (AUSA) [Redacted] and Special Agent (SA) [Redacted]. AUSA [Redacted] advised SA [Redacted] that the United States Attorney's Office (USAO), Middle District of Florida, would be declining prosecution in referenced matter due to the fact there is lack of evidence to substantiate federal prosecution.

In view of this, our office will close referenced matter.

Sincerely,

Allen H. McCreight
Special Agent in Charge

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By: [Redacted]
Supervisory Senior
Resident Agent

1 - Addressee
③ - Tampa
(1 - SAC MCCREIGHT)
CFB: [Redacted] (4)

209A-TP-28810-148

SEARCHED
INDEXED
SERIALIZED
FILED
C/A [Redacted] 1/5

Memorandum



To : SAC, TAMPA (209B-TP-28810) (PRA)(C) Date 8/25/94

From : SA [redacted]

Subject: [redacted]
STRAIGHT, INCORPORATED
FRAUD BY WIRE - INSURANCE
(OO: TAMPA)

done Close #5

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The purpose of this memo is closure of referenced matter.

AUSA [redacted] UNITED STATES ATTORNEY'S OFFICE, advised that his office would be declining prosecution in referenced matter due to lack of evidence. All copies of evidence maintained in the Pinellas Resident Agency has been destroyed.

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It is requested that the evidence clerk [redacted] dispose of the evidence provided by [redacted] which is currently in evidence in Tampa.

In view of the above information, it is requested that this case be closed.

② - Tampa
(① - 209B-TP-28810)
(1 - [redacted] Evidence Clerk)

CFB:cwaw

cm (2)

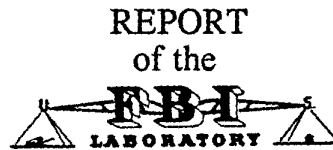
b6
b7C

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209B-TP-28810-150

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 25 1994	
FBI - TAMPA	

C/A [redacted] *[signature]*



FEDERAL BUREAU OF INVESTIGATION
WASHINGTON, D. C. 20535

To: SAC, TAMPA (196B-TP-28810)

August 8, 1994

FBI FILE NO. 196B-TP-28810

LAB NO. 31118046 D ZC

Re:
ET AL;
STRAIGHT INCORPORATED;
FBW-INSURANCE;
OO: TAMPA

b6
b7C

Examination requested by: Addressee
Reference: Communication dated November 16, 1993
Examination requested: Magnetic Media
Specimens received: November 18, 1993

Specimens:

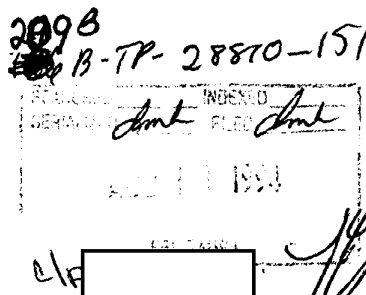
Q1 One Verbatim data cassette

The Q1 data cassette was analyzed using the computer resources currently available to the FBI Laboratory.

Attempts to access the Q1 cassette were negative.

The specific backup device used to create the Q1 data cassette could not be determined.

The Q1 specimen is being returned separately by overnight express to the contributor.



b6
b7C

FBI/DOJ

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

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

Date 9/7/94

TO : SAC, DALLAS
 FROM : SAC, TAMPA (209B-TP-28810) (PRA) (C)
 SUBJECT :
 ET AL;
 FBW;
 OO: TAMPA

ReDLairtel to Tampa dated 4/15/94, and Philadelphia airtel to Tampa dated 4/14/94.

Enclosed for the Dallas Division is a 1A envelope containing documents supplied by

Enclosed for the Philadelphia Division is a packet of information containing billing information from

^{1/3} Enclosed for San Antonio Division is a ~~confidential~~ STRAIGHT, INCORPORATED binder obtained from of the TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE.

Referenced investigation has been concluded in the Pinellas Resident Agency of the Tampa Division, and receiving offices are requested to return enclosed documents and evidence.

2-Dallas (Enc. 1)
 2-Philadelphia (Enc. 1)
 2-San Antonio (Enc. 1)

①-Tampa
 CFB:lm
 (7) dr

209B-TP-28810-152
 SEARCHED
 INDEXED
 SERIALIZED
 FILED

1*

1/3² - TO FBI San Antonio 9/21/94
 KE 855-246-801

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

FEDERAL BUREAU OF INVESTIGATION

Precedence: DEADLINE 10/17/2001

Date: 10/03//2001

✓ **To:** Tampa

Attn: Squad PRA

From: Information Resources
IMS/EADSU/ROOM 4965

Contact: [REDACTED]

Approved By: [REDACTED]

Drafted By: [REDACTED]

Case ID #: 62-HQ-C1039976 (Pending) - 10031
209B-TP-28810 (Closed) - 153

Title: NAME CHECK SUMMARY FILE

Synopsis: The Bureau is in receipt of a name check request from

[REDACTED]

"Straight, Incorporated," a not-for-profit adolescent drug rehabilitation facility, was investigated by the FBI in 1994 after a disgruntled employee accused the organization of illegally collecting insurance benefits. The complaint was found to have no merit. [REDACTED]

Administrative: We are authorized to conduct name checks for federal executive branch agencies under MAOP, Part 2, Section 9, 9-2.4.

Details: Tampa is directed to its case 209B-TP-28810 captioned [REDACTED] where Straight, Incorporated, is referenced.

Tampa is requested to review its file and submit an EC and LHM suitable for dissemination, setting forth the facts of the case that can be disseminated to [REDACTED] and Straight, Incorporated, to the attention of [REDACTED] Executive Agencies Dissemination Subunit, Room 4965. (Do not include Grand Jury 6(e) material or Bureau techniques in this LHM.)

b6
b7C

b6
b7C

b6
b7C

To: Tampa From: Information Resources
Re: 62-HQ-C1039976, 10/03//2001

LEAD(s):

Set Lead 1:

TAMPA

AT TAMPA, FLORIDA

b6
b7C

Tampa is requested to review its file and provide an EC
and LHM suitable for dissemination to [REDACTED]
and Straight, Incorporated. by close of business 10-17-2001.
This EC should include [REDACTED]
[REDACTED]

CC: 1 - [REDACTED]
1 - [REDACTED]

♦♦

FEDERAL BUREAU OF INVESTIGATION

Precedence: DEADLINE 10/17/2001

Date: 10/15/2001

To: Information Resources

Attn: IMS/EADSU/Room 4965

b6
b7C

From: Tampa

Squad 8

Contact: SA [REDACTED]

Approved By: [REDACTED] *JAM*

Drafted By: [REDACTED]

srg *SP*

Case ID #: 62-HQ-C1039976 (Pending)
209B-TP-28810 (Closed)

Title: NAME CHECK SUMMARY FILE

Synopsis: Summary of facts in case file 209B-TP-28810 [REDACTED]
[REDACTED]

b6
b7C

Enclosure(s): The original and five copies of LHM summarizing
case file 209B-TP-28810 [REDACTED]

Details: As per the request from [REDACTED]
Information Resources, Tampa case file 209B-TP-28810 was reviewed
[REDACTED]

[REDACTED] A summary of the
facts of the case is set forth in the enclosed LHM.

All investigation requested of Tampa Division has been
completed.

209B-TP-28810-154

To: Information Resources From: Tampa
Re: 62-HQ-C1039976, 10/15/2001

LEAD(s) :

Set Lead 1:

INFORMATION RESOURCES

AT WASHINGTON, DC

Read and clear.

♦♦