

LAW.COM

Select 'Print' in your browser menu to print this document.

©2002 Law.com

Page printed from: <http://www.law.com>

[Back to Article](#)

Keeping 'Cult' Out of the Case

Tim O'Brien
New Jersey Law Journal
07-07-2003

How do you convince a jury that your client was a victim of a cult?

For Philip Elberg, you don't present expert witnesses and you don't utter the word. Through witnesses and records, you let the story tell itself.

For the past three weeks, the partner in Newark's Medvin & Elberg has been presenting evidence to a Hudson County jury about why his client should be compensated for the 13 years she spent in a rehabilitation center.

Lulu Corter of Wanaque was signed into Kids of North Jersey Inc. in Hackensack by her parents on Oct. 27, 1984, when she was a 13-year-old with learning problems. In August 1997, she bolted from what dozens of teenagers have described as a living hell.

Like many participants in the program, Corter had no drug or alcohol problem. Today, those who ran Kids of North Jersey cannot say why she was admitted because her records have disappeared. They say only that she had behavior problems, though they cannot recall the specifics.

Elberg, who won a \$4.5 million settlement for another Kids of North Jersey patient in 1999, did give the jury a road map in his opening on June 12 before Superior Court Judge Maurice Gallipoli.

"This [program] is not about tough love. It's about destroying families as they existed, and creating a new family with [V.] Miller Newton as the father and Ruth Ann Newton as the mother," Elberg told the eight-member jury hearing *Corter v. Kids of North Jersey*, L-3578-00.

The suit is seeking compensatory but not punitive damages because Newton is in bankruptcy in Florida. It alleges that Newton violated Corter's civil rights, provided treatment that deviated from the standard care, and caused emotional, physical and psychological damage.

Newton is the 63-year-old rehabilitation guru who ran Kids of North Jersey from 1984 to the early 1990s, then moved the operation to Secaucus after stiffing the landlord for \$400,000. State authorities finally cut off his Medicaid payments in 1998 and sued him in 1999 for \$1 million in Medicaid overbillings. Kids of North Jersey closed in 1999.

Newton's operation was also shut down by state officials in California, Florida and Utah, where a prosecutor called the program "a sort of private jail, using techniques such as torture and punishment."

Newton's wife, Ruth Ann, served as a clinical director and second in command. Both are defendants, along with their organization, under several names, and four psychiatrists. Elberg and his partner and co-counsel in the case, Alan Medvin, previously gained settlements from carriers on behalf of three of the psychiatrists. The fourth, now dead, was dropped as a defendant.

Though Elberg has assiduously avoided the "cult" word, three witnesses testified to being brainwashed. He says that even

<http://www.law.com/isn/printerfriendly.isn?c=PubArticle&t=PrinterFriendly...> 7/9/2003

an expert for the defense said in a report that Lulu was brainwashed.

Testimony was elicited that Miller would routinely require patients to shun their families, or parents to shun their children who left the program before graduating. For example, Lulu Corter testified that Newton discouraged her and her mother from attending her older sister's wedding because that sister had left the program prematurely.

Last Thursday, one of the questions from a juror to another psychiatric expert for Newton asked about whether teenagers could be conditioned to think a certain way.

And there seems little doubt that the three weeks of testimony -- which includes tales of escapes, kidnappings, beatings, and physical and mental punishment -- have had an impact on Gallipoli.

Last Thursday, shortly before lunch break during Newton's cross-examination, Gallipoli began a series of sharp questions for the witness. Noting that Lulu was in Kids of North Jersey for years for an eating disorder and compulsive behavior, Gallipoli asked Newton whether such disorders and compulsive behaviors could be treated on an outpatient basis.

Newton said they could.

When the jury was ushered out, defense attorney John O'Farrell objected to the judge's queries, saying they were "too skeptical."

Gallipoli responded, "They are skeptical." When O'Farrell, of Morristown's Francis & O'Farrell, pressed his objection, the exasperated judge snapped, "We're just about walking through a fantasy land, and there comes a time when the court just can't sit there and accept this like a bump on a log."

Asked by a reporter whether he thought the judge went too far in expressing his opinion, O'Farrell said only, "What do you think?" adding that he had high regard for Gallipoli.

The exchange followed 90 minutes of cross-examination by Elberg that included a rundown of Newton's qualifications, including a Ph.D. in 1981 from The Union Institute in Cincinnati in public administration and urban anthropology. The school bills itself as an "alternative learner-directed" organization without classes or the need to show up anywhere.

Newton has described the degree on resumes as being in "medical anthropology" and then "clinical anthropology." Newton says those titles describe what he studied. He also says he is a "board certified ... medical psychotherapist." When pressed, he says it is a "peer certification."

SETTING UP THE 'DOCTOR'

Before the cross examination of Newton, with backers on one side of the courtroom and angry former patients and staffers on the other, the jury heard from five former patients who say they were victims of Kids of North Jersey. Elberg says he was able to call those witnesses by invoking a rule of evidence allowing him to rebut testimony he contends is not true.

When Ruth Ann Newton was on the stand, Elberg pressed her about comments by former patients in the past two decades in court, on television shows and to reporters.

Specifically, he asked four questions: Could patients leave when they turned 18? Did Kids of North Jersey routinely try to get parents to sign in siblings once one child was admitted? Did the program encourage kidnappings of those who escaped from the program? And was it common for patients to offer false or exaggerated confessions about how bad they use to be so they could advance through the program's phases and ultimately graduate?

Ruth Ann Newton said no to each query, at which point Elberg put on his rebuttal witnesses. "If she had admitted those things, I could not have brought those victims on," Elberg said in an interview.

The five told their horror tales, which included sitting in chairs, ramrod, for 12 hours of group therapy each weekday. Those in the first phase of treatment could not speak, and most could not write letters, read, make telephone calls, talk to each other or make eye contact.

There was no privacy. "Old-timers" or "peer counselors," those who had graduated but were coerced to stay on as staff, accompanied newcomers to the bathroom, where there were no doors on the stalls.

The tiniest infraction, such as eating a cookie, could send patients back to the first phase. This, the victims testified, was the ultimate hammer, causing many to lie in the hope of getting out.

Jeffrey Stallings, for years the No. 3 official at the facility, testified that he quit to avoid breaking the law. He had testified in an earlier case that Newton altered records in anticipation of visits by regulators and withheld some records.

Two weeks before Elberg filed his complaint in the current case in 1999, he filed a show cause order, ex parte, with Gallipoli, asking that Kids of North Jersey's records be seized to prevent the disappearance of more files. The judge signed the order, and the state's Office of Insurance Fraud Prosecutor seized the records from a warehouse in Glen Rock.

Stallings said he stayed for years and remained loyal. "Looking back, I realize I was brainwashed."

██████████ Holmgren-Richards testified that she made up stories while "relating" during group therapy because when she told the truth she was told to sit down, thus harming her chances of advancing. "Lulu admitted she ate sugar, but she didn't, and I said I pushed my poop out because I was there for anorexia, but I lied." Lulu, in fact, made up stories of having sex with a dog and being molested by her uncle so she could move up, she testified.

Stallings testified that many patients had only three options: sit tight and try to go along; rebel; or lie to move through the phases.

As to why so many patients went along with such abuse, many have said that if they told their parents, their parents would go to Newton and he would convince them that their child was lying.

"I never told my dad," testified ██████████ Calderone, a former patient. "He would question it, and call up the Newtons, and I'd be accused of manipulating and would be put back to phase one."

As for why so many patients would stay on as trainee staffers and later as paid peer counselors, many say Newton coerced them by telling them they had to "give back [and] carry the message" as is done in Alcoholics Anonymous.

"He guilted you," ██████████ Goodman, a former patient, staffer and program nurse, said in an interview at the courthouse. Just out of nursing school and lacking experience, Goodman ran the laboratory and developed the eating disorder protocol after speaking with seven patients who allegedly had eating disorders, she says.

Newton and his operation have been sued many times, and his carriers have paid out more than \$5.8 million. He's been investigated criminally in Florida and New Jersey, but never prosecuted. But one by one, agencies have cut off the payment of claims, sometimes after exposes by the television shows "60 Minutes," "20/20" and "West 57th Street."

As for Lulu, the real tragedy is that she was the victim of sexual abuse by her older brother before she entered the program, and the program knew that, according to documents and testimony. Yet, she was not diagnosed as an incest victim until 1990, six years after being at Kids of North Jersey.

Newton testified it is often difficult to determine whether a young girl is just experimenting or participating in sexual play.

Throughout Kids of North Jersey's stint in New Jersey, the staff psychiatrists, according to their own depositions, rarely saw patients, let alone treated them. In his complaint, Elberg accuses Newton of "renting licenses," with the peer counselors using rubber-stamps to sign the psychiatrists' names to reports to collect private and Medicaid insurance.

"I never saw a psychiatrist once," says ██████████ Johnston, a former patient and staffer who traveled from San Diego to watch the trial.

Newton admitted on the stand that his program routinely does not talk to a potential patient's teachers or doctors before making a diagnosis, saying it is not that important and takes too much time.

The jury in the case has been active, taking notes and asking hundreds of questions through the judge -- dozens of Newton alone. Based on those questions, they appear skeptical.

Elberg did call Newton a cult-like leader in court papers in the case that led to the \$4.5 million settlement in 1999, *Ehrlich v. Kids of North Jersey*, HUD-L-4592-95. And he had a cult expert ready for both cases.

"But I decided not to call him or use the term 'cult' because that could have turned the trial into one about the meaning of

a cult, rather than about this girl who was yanked out of school and forced to go through what she went through."