FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-28810-1a58

Field Office Acquiring Evidence WMFO

Serial # of Originating Document _____

Date Received 4/22/94

From _____
(City and State)

b6
b7C

By SA _____
(Name of Special Agent)

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title: _____

ET. AL.
STRAIGHT INCORPORATED,
GANDY BOULEVARD
ST PETERSBURG, FLORIDA
FBW - INSURANCE

b6
b7C

Reference: _____
(Communication Enclosing Material)

Description: ☑ Original notes re interview of

_____

http://survivingstraightinc.com

rapidly went downhill - procedures changed
- she brought in a lot of her friends

[redacted]

b6
b7C

everything in prog office went thru Corp office
- All bills were paid thru corporate.

probs

① Licensing issues w/ state
- they neglected things.
state had made recommendations but
Straight had put them on a shelf until
she got there
Inquiry by "Mental Health + Retard..."?

② uncomfortable to have access state laws.

b6
b7C

③ [redacted]

[redacted]

http://survivingstraightinc.com

[redacted] took over when negotiations got underway re [redacted]

b6
b7C

employees
1st year she came to VA Corporate staffed at 40 across the bd 20% payout
she was left w ~ 40 employees
secretaries
forget people
clinicians 4

MD's were on contract [redacted]

b6
b7C

highest level clinician employed by
Straight was Masters level person
some licensed, some certified.

long term intensive outpatient treatment
- students there 9-5
12 - 18 yoa
Tx averaged ~ a year, ~ $10K/yr.

Tx:
client assessed by clinician, pediatrician, psychiatrist
All within ~ 3 days
1st 5 phases of Tx
1st phase - Cure - Keep home

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2nd phase - family work
- go to our house vs. host
3rd - go to school

group work in all phases
~ 6 kids
conducted by diff. people
most conducted by - prog. counselor
- psych professionals

Wash program had ~ 200 kids
went to ~ 80

Springfield started ~ '81 - '82
5515 Bucklick Rd

psyc MDs
did one on ones
med. monitoring
didn't do grps. frequently

Licensing became an issue in 190 - 191

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Insurance

Some did some didn't cover bills

parents pd out of pocket then collect from their ins. co.

Late '80's & '1990 –

Straight would contact ins. co. & give them diagnosis & projected length of stay

Always had to clear admissions thru corporate.

[redacted] b6 b7C

Straight received payments from ins. cos, so parent prob. agreed to let ins. co pay Straight.

DSM 3 diagnosis – given to ins. co

60/40 – ~~CD/ODD~~ 60% dual diagnosis

Drs dealt w/ corp too

not out of question they may have been told ne dual diagnosis

[redacted] b6 b7C did some licensing

[redacted] dtf go to [redacted]

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Straight didn't do much advertising
mostly word of mouth

WASH. prog Marketing Dir was

[redacted]

Emphasis changed to $ when [redacted] came b6 b7C
to Straight

Straight opened prog in Cal[illegible] ~1990
Orlando – mid '80s
DALLAS – "
VA Beach –
TAMPA – corp office – '77
ATLANTA
WDC
Detroit
Boston
Cincinnati

Law suits ~6
~~W.D.C. Detroit~~

Mgmt salaries were cut 20% too
Corp office took a 5% cut only b6 b7C

[redacted]

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V.P. of operations would check Dallas office
b/c he liked someone there who cut his hair
earned 50K in Dallas
$58K in DC but w/ 20% less actually earned
$47K

IACHO ~~was~~ Approved
Lost it - VA & moved to Columbus

~~No $500 entry fee~~

physicals, psyc evals - fees were broken down
monthly fee

DAT Agent - [redacted]
[redacted] Asked her to go to the parent group
+ ask for more $.

[redacted] - Approved - [redacted]
- in finance - applied to
become Administration of Orlando prog.
- went to Corp

b6
b7C

Who was the person who ~~called~~ waived ins. copays?
- would have to be approved thru corporate.
- she's not sure.

left Straight [redacted]

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FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-28810-1a59

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

_____

b6
b7C

By _____

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

b6
b7C

_____

Description: ☒ Original notes re interview of

_____ (3/8/94)

http://survivingstraightinc.com

March 8, 1994

[redacted] called [redacted]

[redacted]

She had a horrible situation
She requested med info & straight
Del billing - she thinks occurred
Aetna was her insur. co.
Son was [redacted] yrs. ago
Her son plastered on Inside Edition
Have moved twice since then.
They may have moved or maybe a scholar.
They have had a very emotional time.
They talk adv. of what peo.
stress.
There were 2's that [redacted]
hassles & old pers. possess's
to keep kids in straight.

Had contact w/ peo. fr HQ
one pers. was [redacted]
BK guy was administrator.
He was only [redacted] for 3 mo's.

b6
b7C

b6
b7C

http://survivingstraightinc.com

I pd $1000 upfront on credit card. supposed to cover drug visits didn't know specifically.
will do phys. or blood test - they will not give med. info.
Pulled out!
Bc of what I saw - ripped clothes, spit in his face to Mattis - I didn't like.

They got restraining orders for Pls to convince to stay in.

Aetna covered @ $2M

[redacted] w/ Aetna

info.

b6
b7C

http://survivingstraightinc.com

FD-340 (Rev. 8-18-89)

Universal File Case Number 2098-TP-28810-1a60

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

b6
b7C

By [redacted]

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

b6
b7C

Description: ☒ Original notes re interview of [redacted] (3/14-15/94)

http://survivingstraightinc.com

March 14, 1994

[redacted] called [redacted]

Her insur did not cover it. Federated Insur.
over [redacted] yrs. ago daughter
went to it.
I'm pretty sure we pd for
Straight's services.
She wd ck w/ her hus. to make
sure & call me bk

b6
b7C

http://survivingstraightinc.com

March 15, 1994

[redacted] called [redacted]

[redacted] ok [redacted]

[redacted] called ok was

Adjusted was her insur.

CO. [redacted]

Pers. life was shot.

b6
b7C

209B-TP-28810

1a60

http://survivingstraightinc.com

FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-2481D-label

Field Office Acquiring Evidence _____

Serial # of Original Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

b6
b7C

By _____

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

b6
b7C

Description: ☒ Original notes re interview of

_____ 13/15-16/94

http://survivingstraightinc.com

March 18, 1994

[redacted] called

b6
b7C

MEMORANDUM OF CALL

Previous editions usable

TO: [redacted]

[redacted]

OF (Organization)

[redacted]

☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

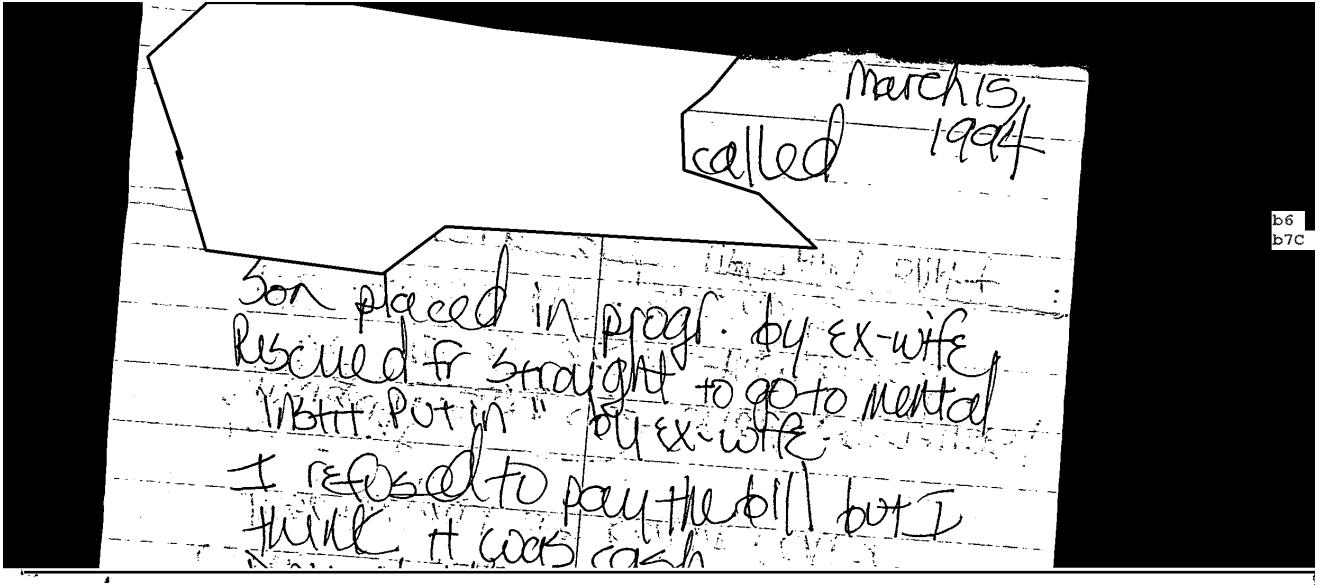
Connecticut General Insurance Policy # [redacted]

RECEIVED BY [redacted] DATE 3-16 TIME 2:30

63-110 NSN 7540-00-634-4018 STANDARD FORM 63 (Rev. 8-81)
Prescribed by GSA
FPMR (41 CFR) 101—11.6

☆ U.S. G.P.O.: 1993 342-198/80017

http://survivingstraightinc.com



b6
b7C

[redacted]

http://survivingstraightinc.com

(1) She was psychotic & had to be hospitalized at [redacted]

[redacted]

It was $2m they owed [redacted] called us - she was 11PM 7AM shift

[redacted]

b6
b7C

http://survivingstraightinc.com

FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-2281D-1a62

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

b6
b7C

By [redacted]

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

b6
b7C

Description: ☒ Original notes re interview of [redacted]

3/28/94

http://survivingstraightinc.com

March 28, 1994

[redacted] called [redacted] - she wcb.

[redacted]

I don't think our insur. paid it - I had to pay part of our bill.
He was to go 1st 3 mo. with addiction to using drugs

& one more ex-felon ex hus - snatched him ct - General was insur. walked thinks pd $1,000. ex-hus to pay part of it.

b6
b7C

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FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-28810 - 1a63

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

b6
b7C

By _____

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

b6
b7C

Description: ☒ Original notes re interview of

_____

http://survivingstraightinc.com

March 4, 1994

[redacted] called [redacted] & spk to his wife
[redacted]
They sued us along w/ 19 other ppl for remainder of payment our basis for not paying was bc they were putting him bk w/ the 5 steps (17 mo.) bc of short host homes.
our kid was exemplary in going thru the program.
son: [redacted] He was a good ex & [redacted] provided alot of support in the program - like a cult.
I dn't know if he would've recovered w/o the program. They brainwash you if you dn't finish kid will die out in the sts.
[redacted] got in program ending up paying ½ of $ owed to straight
[redacted] straight's Head Counsel

b6
b7C

b6
b7C

http://survivingstraightinc.com

our insur. pd as out-patient &
we pd $400/mo.
Licensed pshych. — no one had a
degree in " try or social wk -
just peo. who had gone thru
the prob.
was supposed to be a family treatment
center but it wasn't.

Had kids in program who didn't need
to be in - they just needed
counseling - convinced the
P's to put them into program.

She saw list of donations but told
them they were going broke

March 8, 1994 => [redacted] called

[redacted]

b6
b7C

http://survivingstraightinc.com

FD-340 (Rev. 8-18-89)

Universal File Case Number 209B-TP-28810 -1a64

Field Office Acquiring Evidence Dallas

Serial # of Originating Document _____

Date Received 04-07-94

From _____
(Name of Contributor)

_____
(Address of Contributor)

_____
(City and State)

By [redacted] b6 b7C
(Name of Special Agent)

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title: [redacted]
et al;
FBW—Insurance;
00: Tampa

Reference: _____
(Communication Enclosing Material)

_____ b6 b7C

Description: ☒ Original notes re interview of

[redacted]

http://survivingstraightinc.com

[redacted]

b6
b7C

[redacted] years when in program)

(1) → friends in [redacted]
who had son in program [redacted]
Straight, Inc in [redacted]
[redacted] involved with program
(not on payroll)
- had intervention for son with Cx participation
- drove to Straight Inc. (Sat)

b6
b7C

(2) started [redacted] — took out [redacted]
was not told what physician involved
counselors or staff
manager — [redacted]
[redacted] met w/ [redacted] admitted on
the Sat brought
Was not told program
brainWashed — structured

not ~~familiar~~ aware of what going on
friends son had success — confident
that success rate better than other places

(3) Insurance paid 80% (Teamsters)
≈ $4000 up front to admit
$70/wk host home fee (paid every Friday)
Wife [redacted] more familiar w/ costs
— never saw bills, received ms. profile
— when took out son had $1500 credit balance
never got the money
went through bank for loan for $4000
paid 20% (set fee) once a month

b6
b7C

(4) Teamsters
800/323-5000
800/323-2190
— no other contact except monthly profile
— may still have

(5) never received results of test
→ $4000 supposed to cover admission, drug testing
however received bills from MD for drug testing
didn't pay — wrote letter saying collect from Straight

(6) Stayed in peoples homes
don't believe profile ~~did not~~ break down charges
don't recall seeing charge for room & board

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(7) never refunded any $

(8) not informed of scholarship or govt funding program

(9) no contact w/ St. Petersburg
Contact limited to Irving facility
can't recall names of anyone else

Problems

→ went to faculty every Fri to give $
chain of command for complaints
every one had mailbox
had to leave letter
Sometimes months for reply

→ host families were not getting paid or erratically
despite payments of $70/wk

→

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FD-340 (Rev. 8-18-89)

Universal File Case Number 209B TP 28810 1A 65

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received 5/17/94

From _____
(Name of Contributor)

_____
(Address of Contributor)

_____
(City and State)

By [ ] _____
(Name of Special Agent)

b6
b7C

To Be Returned ☐ Yes ☑ No
Receipt Given ☐ Yes ☑ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title: [ ] et al

Straight Inc
FBW, Ins

OO: TP

Reference: _____
(Communication Enclosing Material)

_____

Description: ☑ Original notes re interview of

_____ [ ] _____

b6
b7C
b7D

http://survivingstraightinc.com

[redacted]

b6 -
b7C
b7D

Straight [redacted]

Responsibility [redacted]

[redacted]

Programs not successful - caused by National
attended Board Regional meeting - monthly Executive
Executive Board (committee) [redacted]
Treas Based on reviewed

Straight Foundation - attended

Boss [redacted]

[redacted] - add more press
therefore more coverage

1988 JACHO approval accredited
Reviewed all procedures - each dept
and Corp over program -
3 yr renewal

Boston, Dallas JACHO determined corrective action
not taken not renewed
closed facilities

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People not Paying 5M discharged
RSs
could not get people to Pay - Bad debts

- collection services
used Atty firm [redacted] b6 b7C b7D

Fund - raising decreased - [redacted] ch tax laws
Co. could n't donate

IRS suits didn't real hurt

- Financial Problem yrs.
1991 year end deficits
1992
had cash reserve until 91 - 92 lost one
1M - consolidated operations -
o
most Revenue 1989 - 13M.
over night repurchase acct - transfer acct
25000 balance excess invested [so night

1990 was Paying
Program were or had input into payment
Conference calls - funds available
Priorities - payroll, utilities
Conference calls to verify

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