

Boynton Beach addiction treatment center's CEO, operator arrested

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State Attorney Dave Aronberg announces arrests from the county's Sober Home Task Force with state and local law enforcement. (Richard Graulich / The Palm Beach Post)



James F. Kigar



Christopher Hutson

Speculation that a [two-year corruption investigation](#) into Palm Beach County's addiction treatment industry would yield no arrests ended Tuesday when law enforcement officials raided Whole Life Recovery, a Boynton Beach treatment center, and arrested its owner and manager.

Chief Executive James Kigar, 55, of Boca Raton, and operations consultant Christopher Hutson, 36, of West Palm Beach, face multiple counts of patient brokering, a third-degree felony. Both were released on bonds of \$3,000 Tuesday evening.

“This is a major first step,” Palm Beach County State Attorney Dave Aronberg said Tuesday at a news conference. Flanked by officials from the FBI, U.S. Attorney’s Office, Florida Division of Insurance Fraud, Palm Beach County Sheriff’s Office and police chiefs and officers from Delray Beach, Boynton Beach and elsewhere, Aronberg vowed more arrests.

“We’re going to hold those accountable who have destroyed lives so needlessly,” Aronberg said.

Secret recordings

The investigation began in June when a confidential informant told a Delray Beach detective that Kigar was paying the informant a finder’s fee for every addict with medical insurance that the informant brought for treatment to Whole Life Recovery, the police reports say.

The informant said Kigar referred to the payments as “case management” fees. The informant, who runs a sober house, received between \$400 and \$500 per week for every addict enrolled in Whole Life Recovery. The reports say Whole Life officials never visited the sober homes where they were paying for case management.



The FBI, Boynton Beach Police and Palm Beach County Sheriff’s Office raid the offices of Whole Life

Recovery in Boynton Beach on Tuesday. (Thomas Cordy / The Palm Beach Post)

Treatment centers have been making large profits, [The Palm Beach Post has reported in a series of stories dating to August 2015](#), by charging insurers for numerous and often-unnecessary drug-screening tests, quickly running up bills in the thousands of dollars.

Conversations between the informant and Hutson were recorded secretly over several months. None of the recorded conversations included Kigar, a yoga instructor and founder of Yoga South in Boca Raton, but he signed the checks that went to the informant, police said.

For Hutson, his arrest Tuesday was not his first for his role in an addiction-related business scheme. In 2011, Hutson was sentenced to five years in federal prison and one year of probation after he pleaded guilty to conspiracy to commit racketeering in a \$40 million pill mill empire operated by Wellington brothers Christopher and Jeff George.

According to court records, Hutson ran an illegal internet steroid business and sold steroids on behalf of Jeffrey George.

Hutson also posed as a patient and obtained prescriptions for oxycodone — which he sold to others. Christopher George financed a medical-testing facility for Hutson, which referred patients to the pain clinic.

Hutson, recently released from prison and on probation, vowed to the confidential informant, police said, that he never would go back to prison.

“No one is ever gonna come here and try to set me up or do anything that is gonna hurt me in any kind of way,” Hutson is quoted in a police report as saying on a secret recording. “‘Cause I’ll tell you what, it ain’t gonna happen this time.”

Angered by the report

Hutson told the informant that he and Kigar attended a meeting of Aronberg’s Sober Home Task Force with their attorney, Jeffrey Lynne, on Aug. 8. After that, they decided to “switch to a new format” because the state attorney believed paying a sober home operator for clients is illegal patient brokering.

Instead, the informant would become an employee of Whole Life Recovery and be paid \$1,200 to \$1,250 a week as a marketer for four clients. A bonus would be paid for more than four clients.

Hutson said “Lynne was assisting him with completing the new contracts,” the police report said.

Lynne, an expert on drug treatment laws who often speaks out about unethical industry practices, was surprised and furious to learn his name was mentioned in the report.

He said he was approached in March by one of Whole Life Recovery’s owners, lawyer Brian Mangines, and gave him some advice. He believes he met Kigar, too, but he vehemently denied ever knowing or representing Hutson.

“I couldn’t pick this scumbag out of a (expletive) lineup,” he said. “I am beyond upset right now that I’m even remotely associated with this guy.”

He said he never would have advised Whole Life’s owners to set up the kind of arrangement described by police.

“That is patient brokering. That is paying your patients’ rent, and that’s illegal,” Lynne said.

For Palm Beach County’s \$1 billion drug treatment industry, the arrests are a long time coming.

For years, advocates have pleaded with authorities to crack down on the fraudulent insurance claims, patient brokering and kickbacks plaguing the industry. Corruption was so rampant that Cigna stopped selling policies on Florida's insurance exchange.

The only signs of enforcement were two 2014 FBI raids, of Kenneth Bailynson's Good Decisions treatment center in West Palm Beach and Eric Snyder's Real Life Recovery and Halfway There.

Brokering illegal

No one has been arrested in those cases. Still, the raids rocked the industry. Some sober homes and treatment centers closed. Others changed their business and billing practices. However, as time passed and no arrests were made, the industry rebounded and industry sources say corruption resumed.

Until this year, local prosecutors largely were not involved in the investigation, dominated by federal and state players. Although an industry insider said he warned Aronberg in 2014 about the industry's problems, Aronberg didn't take action until the Florida Legislature this year awarded his office \$275,000 to create a task force to look at changing the laws.

Aronberg appointed Chief Assistant State Attorney Al Johnson to head the task force. At a September task force meeting, Johnson clearly spelled out that any "bonus, rebate or kickback" to sober home operators was illegal, no matter its form.

"Sober home operators brokering residents to a specific provider under the guise of providing services to that provider is illegal," Johnson said.

Asked when other arrests will be made, Johnson demurred. "It's counterproductive to be impatient," he said.

What is patient brokering?

Florida law prohibits medical providers, such as drug treatment centers, from paying for patient referrals. In this case, prosecutors say Whole Life Recovery paid a sober home operator up to \$525 per patient per week to bring clients to Whole Life for addiction treatment.

What The Post Found

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