

Marketing for Alcohol and Drug Rehabilitation Programs and Procuring Insurance for Patients



Due to the recent surge in investigations of drug treatment

program marketing and recruiting practices in California. As well as a relaxed history of enforcement, the drug rehab space has developed a liberal culture of paying marketers for patients. Additionally, many young patients in need of addiction treatment do not have insurance and marketers are illegally signing them up for insurance in order to “sell” them to drug rehab facilities. Also, many drug rehabs are utilizing separate nonprofits through which people may donate to buy insurance coverage for patients in need. Insurance companies regard these practices as abusive.

Date/Time: April 13th, 2016 at 12:00 noon PST

Join Nelson Hardiman and the American Addiction Treatment Association on April 13th for their latest online webinar Marketing for Alcohol and/or Drug Rehabilitation Programs and Procuring Insurance for Patients. Our presenters include [Harry Nelson](#), Esq. and [Kathryn Russo](#), JD with Nelson Hardiman, a firm that works closely with the widest range of behavioral care providers, giving strategic advice on new opportunities and advising on traditional business, transactional, and regulatory matters. Firm clients include providers who specialize in behavioral and mental health care, addiction and recovery, as well as autism and family services. The firm has extensive experience representing residential centers and group homes for recovery communities, the developmentally disabled, and patients with mental health issues. With unmatched experience and expertise, Nelson Hardiman is the law firm for behavioral care providers.

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What will be covered: What types of financial arrangements are allowed between alcohol and drug treatment programs and marketers? What are the legal ramifications of helping/assisting patients to get insurance in advance of drug treatment?

- Illegal marketing arrangements
 - a. A sober living residence recruits a patient and then refers a patient to an outpatient drug treatment program and in exchange the outpatient program pays a “bed fee” to the sober living.
 - b. A marketing company finds addicts, signs them up for insurance coverage, and then shops them to drug rehabs, which pay thousands of dollars for the patient referral.
- Legal marketing arrangements
 - a. Contract for marketing services based on fair market value of services, not a “per bed” fee.
- Procuring insurance
 - a. The nonprofit must be genuinely independent, and not a ‘shell’ for the benefit of a particular drug treatment program.