

FBI or Faux BI?

As we recently [described](#), reports of FBI “raids” on Southern California drug rehabilitation centers have sparked concern within the addiction treatment industry. Denials of such raids led to our suspicion of possible misinformation circulating. Based on our research, it appears that the source of these reports may have been former FBI agents, now employed as private investigators for a local company, [Franklin Global](#), who had been hired by Health Net in connection with its recent “[investigation](#)”. These private investigators apparently referenced their former status with the FBI in the course of their visits to local treatment centers.

A review of Franklin Global’s [website](#) reflects that many of its investigators have experience with the Federal Bureau of Investigations and detail the number of years “in the FBI” or “in federal law enforcement” with references to specialization in “insurance fraud [and] health care fraud[.]” The firm describes its “mission statement [as] based upon the FBI principles of Fidelity, Bravery and Integrity.”

While there is nothing that prohibits investigators from sharing their employment histories and experiences, the impression that these investigators were visiting in connection with FBI investigations is troubling. There is a significant distinction between payment disputes between insurance plans and healthcare providers, such as treatment centers, and criminal investigations by federal law enforcement agencies. Insurers like Health Net are within their rights to staff their special investigations units (SIUs) with former law enforcement personnel, as they have done, for purposes of privately investigating fraud and abuse. They cross the line, however, when employees or contracted outside private investigators present themselves inaccurately as being part of government investigations. In many cases, companies like Health Net have their SIUs work up files and offer them up to state and federal law enforcement agencies in the hope that they will deem them worthy of criminal prosecution. Nothing prevents these cooperative arrangements, which have become widespread. However, it is important for any investigator to ensure that the people they visit do not misunderstand them to be visiting on behalf of a government agency or representing themselves as part of a government task force.

Private investigators have significantly fewer rights than law enforcement officers. They cannot obtain search warrants from courts, and are essentially limited to the same rights as other private parties. While they may have gun permits, they are essentially private citizens. They may have old badges from past work, but it is unethical and illegal for them to present themselves as still representing those law enforcement agencies. If your facility receives a visit from an individual purporting to be from the FBI and you suspect such individual is actually a private investigation, you should have a senior manager within your organization identify the lead officer and ask to see his or her credentials and to be provided with his or her business card or other identifying information including name and position and a copy of any documents presented. While it is a matter of individual choice whether or not to speak to someone from FBI, other law enforcement agencies, or private investigators, our general recommendation is to request the presence and advice of your own legal counsel and to let employees know that counsel will be provided to represent them. In several cases, the sole purpose of investigator visits to treatment centers appears to have been to see what information could be solicited outside of dialogue with treatment center attorneys. In general, our experience is that these interactions often trigger anxiety responses from those questions, which invites overreaching inquiries. The best strategy to avoid confusion and ensure clarity is to direct the questioners back to legal counsel in a friendly but firm manner. If you are aware of circumstances in which private investigators have held themselves out as law enforcement at addiction treatment facilities, please let us know.

Article co-authored by [Harry Nelson](#) and [Kathryn Russo](#).

This article is provided for educational purposes only and is not offered as, and should not be relied on as, legal advice. Any individual or entity reading this information should consult an attorney for their particular situation. For more information/questions regarding any legal matters, please email info@nelsonhardiman.com or call 310.203.2800.