



ALLIANCE FOR THE

## Safe, Therapeutic & Appropriate Use of Residential Treatment

### Deceptive Marketing in the “Troubled Teen” Business

The wilderness programs and therapeutic boarding schools that market to parents of “troubled teens” may seem like small, locally-owned, well-regulated nonprofits. But the truth is, with few exceptions, **these are lightly-regulated for-profit businesses owned and operated by large corporations—businesses with sophisticated marketing teams making millions on the fears of families and the suffering of teens.**

ASTART has received many reports from families who felt deceived by programs that had not delivered the care and education they advertised. In addition, parents often agree to a short stay of a few weeks or months, usually in a wilderness program. In truth, many programs separate youth from their families for as long as possible, and the child’s stay grows from weeks to months to years while the costs pile up.

We hope parents will choose to be smart consumers by learning to spot manipulative sales practices used by many residential programs for “troubled teens.”

#### Protect Your Family and Your Wallet

- Read ASTART Warning Signs
- Read ASTART Licensing Concerns
- Read ASTART “Treatment Research Lacks Good Science”
- Read FTC Warning Signs; lodge a complaint if you experience illegal trade practices

[www.astartforteens.org](http://www.astartforteens.org)

### DECEPTIVE MARKETING PRACTICES AND HIGH-PRESSURE SALES ARE COMMON

Urgent, high-pressure sales tactics and deceptive marketing practices have been documented in detailed investigations.

- Three investigative reports by the Government Accountability Office (GAO), available here as [GAO Report 1 Oct 2007 Gregory Kutz](#), [GAO Report 2 Apr 2008 Greg Kutz](#), and [GAO Report 3 Apr 2008 Kay Brown](#), **showed deceptive marketing practices are common.**
- **The Federal Trade Commission has issued a warning statement** to parents and family members, available here as [FTC Warning Signs 2009](#).

## **CORPORATE GIANTS MAKE MILLIONS ON STRUGGLING TEENS**

The teen years are challenging for youths and families alike, and risk-taking behavior by teens causes many parents to despair. Many well-meaning parents who seek help on the Internet or through educational consultants thus become easy prey for profitable wilderness programs and therapeutic boarding schools with slick websites and aggressive salespeople calling themselves “admissions counselors.”

Two corporations dominate the “troubled teen” industry:

- CRC Health Group, Inc., a global multinational corporation, owns and operates Aspen Education Group, and 27 of the largest residential programs for teens.
  - In the first six months of 2011, CRC Health reported revenue from youth residential programs of \$27.6 million, and from youth outdoor behavioral programs of \$13.5 million—total revenue of \$41.1 million. The average length of stay was up 18.1-19.5%.
  - **Outdoor programs, however, are far more profitable. In the first six months of 2011, CRC Health Group reported net revenue at residential programs of \$369.04 profit per youth per day, while outdoor programs brought in net revenue of \$541.42 profit per youth per day.**
- Universal Health Services, Inc. is a Fortune 500 company that operates more than 200 behavioral health facilities in 37 states, Puerto Rico and Virgin Islands, including residential programs for youth and juvenile detention centers. In 2010, the behavioral health facilities produced revenues of \$1.3 billion, and net profits of \$252 million.

**Programs with homey-sounding names are very often corporate profit centers making big money off teens and their families**—not exactly the community-based businesses that are portrayed on the school websites. This false image of down-home help is the beginning of the deceptive marketing practices common to the industry.

## **POTENT EMOTIONS MAKE PARENTS VULNERABLE TO MANIPULATIVE SALES TACTICS**

Many parents who have turned to troubled teen programs say they did so while feeling a mix of powerful emotions:

- Frustration and anger at the child
- Fear and uncertainty about the child’s life and future
- Anxiety about the safety of others in the household
- Disappointment with schools and counselors
- Doubts about their own abilities as a parent
- Exhaustion after long months or years of struggle, and
- Longing for the drama and fear to end, and for peace and quiet to return to the household.

This is a potent mix of emotions. It creates a very poor environment for anyone making an important decision. **Most people don't think clearly when fearful and rushed. At such times, we become more vulnerable to unscrupulous salespeople who offer simple solutions to difficult and complex problems.**

According to reports from parents, “admissions counselors” at residential programs for teens commonly employ a technique of *heightening* the fears of parents to create urgency for the sale. During the first phone call with the parent, the salesperson very often will warn of horrible dangers that threaten the child unless immediate action—in the form of program enrollment—is taken to save the child's life.

## **SALES BONUSES AND OTHER UNDISCLOSED FINANCIAL RELATIONSHIPS**

There are many instances in which money may be changing hands when your child is placed in a program, including **financial incentives paid to educational consultants, to parents who will give a positive reference, and to “escort” transportation services.** There also may be **undisclosed financial relationships when a wilderness program refers a teen to a boarding school, or when a program receives money for help arranging a loan to parents.**

- Approximately 25-40 percent of placement referrals appear to come through educational consultants, people who are paid to assist students and families with educational decision-making. When an educational consultant refers you to a program, **beware: your educational consultant may be receiving a financial or non-cash incentive to place your child in the program.**
- When you are invited to contact other parents for references about a program, **beware: parents who endorse a program may be receiving a discount on tuition as an incentive.**
- When your child has completed a wilderness challenge program, and you are urged to send the child to a therapeutic boarding school, **beware: there may be a “bounty” paid between wilderness and boarding school facilities for the referral.**
- When a program strongly advises that you employ an “escort” company to physically transport your child to a program, **beware: the program may be paid a referral fee by the escort service.**
- When a program offers to arrange financing for your child's stay, **beware: the program may be receiving a loan generation fee by the financing company, or may be loaning the money to you at a profit.**

Unfortunately, these parties are under no obligation whatsoever to disclose their financial relationship to you. Buyer beware.

## **MISREPRESENTATION OF STAFF QUALIFICATIONS**

**We frequently see problems with residential programs not being staffed as advertised.** Sometimes staff qualifications are overstated; sometimes the children see qualified staff only rarely. It is important that you understand exactly who will be providing services to your child, and exactly how often.

As examples, some parents have been told that their children will be accompanied into the wilderness by a staff member trained as an Emergency Medical Technician, or “EMT.” What they were not told—and did not understand due to the similar-sounding terminology—was that the staff member was a “Wilderness EMT”—a much less rigorous designation more like a Scout leader trained in first aid than a medical professional who arrives with an ambulance.

At another facility, families were told that the school had a licensed psychiatrist “on staff.” What they were not told was that the psychiatrist was on site only once a month for four hours, during which time the doctor was to oversee the needs of more than 50 youths. One youth reported seeing his therapist one hour a week; considering the cost of the program, his therapy cost about \$2,300 per hour.

As another example, one program referred to a staff member as “Doctor,” when the person was only physician’s assistant. Similarly, some staff members may be called “Doctor” when the person holds an advanced degree in an unrelated field, such as History or Language Studies.

**Former students also report insufficient or unqualified teaching staff**, including being offered only a textbook for self-study in mathematics.

### **HIDING PAST CHILD ABUSE OR FINANCIAL MISMANAGEMENT**

Because programs are not monitored and regulated at the national level, states lack the ability to track program owners and managers with a history of abuse or neglect as they move between states, putting more youth at risk. They are under **no obligation to disclose past abuses or financial mismanagement to consumers**.

As the GAO reports documented, reports of abuse, maltreatment, neglect, and death in residential programs for teens were widespread. (See links on page 1.)

This is thoroughly alarming in itself. Even more worrisome is the finding that, due to insufficient federal oversight, it is possible for a program to be found responsible for a death, or ordered closed for abuses, then have the management continue to operate other programs in the same state, or move to another state and open a new school under a different name without any restrictions or increased oversight, and no requirement that potential customers be informed of past health and safety violations or reports of abuse or deaths. The GAO investigation identified gaps in regulation that provide for no systematic sharing of information between regulatory agencies to prevent this.

### **MISREPRESENTING INSURANCE AND TAX BENEFITS**

Tuition and expenses for placement in a residential program for teens are not tax deductible, nor to our knowledge are they typically reimbursable under major health plans; health plans generally do not consider these private, for-profit residential programs to meet their standards of proven, evidence-based outcomes. The forensic team at the GAO investigated marketing practices related to how program representatives discussed with parents the tax deductibility of tuition, and the likelihood of

insurance reimbursement for services. Misleading and even fraudulent behavior by programs was documented.

For example, one program instructed parents to ask friends and relatives to donate to a tax-deductible “scholarship fund,” and to write the child’s student number on the checks; these monies, they were told, would then be funneled to pay tuition for the specific child. This practice is illegal. Another practice that was uncovered was to instruct parents not to seek prior approval from their health insurance company for program expenses, but to wait until the child graduated and then submit all their expenses for reimbursement. Needless to say, families who believe such claims without investigating may be stuck with thousands of dollars of expenses, with no avenue for reimbursement or tax benefit.

### **DIAGNOSING A CHILD OVER THE PHONE OR INTERNET**

It is simply not possible to evaluate a child’s needs without a comprehensive assessment and in-person evaluation by a trained and licensed professional(s)—and yet **teens are routinely “diagnosed” by program sales staff based on a short conversation with a parent, or based on a questionnaire completed on the Internet.** The teen may be enrolled without qualified staff talking to the child, and without the parent ever seeing the facility or meeting the staff.

On one website for a prominent company that owns many facilities, visitors are invited to complete a questionnaire to find out if their child needs help. No matter what answers are provided to the questions, and no matter what widely varying symptoms are described, the results of the questionnaire point to the same conclusion: your child needs to attend our program. *Right now.*

### **BEWARE OF FACILITIES THAT WARN OF DIRE CONSEQUENCES**

Many programs unashamedly play on the fears and worries of vulnerable parents, caregivers and families. **Salespeople called “admissions counselors” or “admissions advisors” work to stoke—not calm—parents’ worst fears about their child’s future.**

Parents report contacting facilities and hearing advice such as this:

*You’ve called just in time. We’ve seen this before. You need to enroll your child without delay. If you don’t, your child is on a path to jail, a mental hospital, the gutter, or the morgue. It sounds like you’ve lost control as a parent, and the only way to get control back is to let us impose discipline in a controlled environment. Let me take your application—right now. Remember, your child is in danger and there is no time to lose.*

These are high-pressure sales tactics that should be a red flag for any parent, guardian or family member.

We recommend that before a placement is made, a young person should receive a thorough and independent evaluation from a mental health professional. If there is a crisis, the child can be placed in

a local hospital for a short time while the evaluation is being done, but decisions should not be made in haste, under pressure or without such an evaluation.

### **BEWARE OF A “ONE PROGRAM FITS ALL” APPROACH**

Adolescent mental health professionals express deep concern about using one approach to therapy for a group of youths with very different challenges—a “one program fits all” approach.

There is no evidence, for example, that wilderness experiences are appropriate for all types of behaviors or illnesses in teens. In fact, being removed from the familiarity of home and routine can be very detrimental for teens with certain difficulties, such as Asperger’s syndrome. Don’t assume that what works for other teens will work for yours, and **be cautious of facilities that offer long lists of behaviors, illnesses or conditions for which they offer services—as though all kids can be lumped together in one bucket, no matter what their individual challenges or needs.**

### **SHORT-TERM STAYS ARE RARE, BUT ARE PROMOTED AS THE NORM**

Many families find that what begins as a 6-week stay in a wilderness program soon grows into an 18-month to 3-year placement in a boarding school. The longer average stays are rarely mentioned up front. **Obviously, it is easier to persuade parents to send their child away for a matter of weeks than it is to suggest that the child will be separated for years from his or her parents, family, friends, school, athletics, arts programs, neighborhood and faith community.**

Once in a program, families are typically told that the child will be coming home very soon—they just need to be patient for a few more months, then a few more, then a few more, then a few more. In this manner, weeks become months become years. Parents who express their desire or intent to bring the child home again are warned of dire, dire consequences—they’re told that the child will wind up “dead, insane, on drugs or in jail” if removed from the program even one day before the staff okays it.

In this way, parents are cornered—in for a penny, in for a pound. They feel they dare not abandon the program when they have invested so much time and money at such an emotional cost. And so they keep writing checks.

### ***Wilderness programs are recruiting sites for long-stay boarding schools***

Wilderness programs are one significant “feeder” system of new recruits for the boarding schools. Research estimates that 40-45% of youth in wilderness programs are referred to long-term boarding schools. **Persuading parents to agree to an initial short-term separation is often essential for preparing to sell the parents on a long-term stay in a boarding school.**

It’s a warm and reassuring image to think of one’s child out camping and learning to survive in the elements. Residential programs for teens push the “transformative and healing power of the wilderness.” They do not promote the transformative power of uninterrupted years of forced isolation

and forced therapy in boarding schools. Yet it is unreasonable to expect that a short stay in a wilderness program will be sufficient to reverse long-term problems.

Because almost no residential programs for teens use an objective measurable set of criteria for graduation—graduation is based on a “levels system” and children can be punished or demoted back to a lower level on the judgment or whim of a staff person—**parents are given no firm, clear measures for ensuring the child’s progress towards graduation. Often, when graduation benchmarks are not met, the blame is assigned to the child, not the school.**

In this manner, a 6-week stay in a wilderness program at a cost of \$15,000 can easily balloon into a 1- to 3-year stay at a cost of up to \$250,000—and it often does.

### **RISKY BEHAVIOR AMONG TEENS IS NORMAL**

It is understandable that parents may come to feel they have reached their limit—that no one else can understand their worries, and that maybe the situation is just too much to handle. But families can, and do, hang in there with their teenagers until they reach adulthood. Risk-taking behavior by teens is normal, and usually passes as the youth gets older. **Parents coping with teen behavior need support and community-based resources, not high-pressure sales and deceptive advertising. They need a plan for keeping the family together, not physically separating one of its members for months or years.**

For centuries, parents have worried about the foolish, reckless, and even dangerous behavior of their children. Nearly all of us can look back at risky or illegal behavior we engaged in when we were young. Teens take risks, parents worry; it’s so universal, it’s cliché. The teenage years are challenging for all involved.

For some parents and caregivers, worry turns into a gripping cycle of fear. They see the risky or defiant actions of the teen as life-threatening. They continually worry that their child is in a cycle of risk that will only get worse. They may seek answers and guidance from counselors, clergy, or psychologists. Sometimes these advisors add to the parents’ fears, suggesting the parents are not alarmed enough. Parents are left in a panic, and with a sense that they lack good options and support.

The solution is not to send a child far away to “heal the family,” but to look again for help and support from family, friends, and the community.

### **HIGH-PRICED TUITION DOES NOT EQUAL EFFECTIVE CARE**

Residential programs for teens often charge tuition that is more than twice the cost of an Ivy League education. *Why?* **Located in remote areas, these programs operate with underpaid staff, on cheap real estate, with a pool of students who provide free labor as cooks, maids, and groundskeepers.** Tuition should be very economical. **Why inflate the cost not a little, but a lot?**

Marketers have long known that consumers perceive more value in goods for which they pay a higher price. All luxury brands are built on this principle.

**Price and value, in the case of residential programs for teens, are not just based on the high cost of the tuition, but also the high emotional price paid by families—especially parents—who are separated from their children for many months or years.** Parents describe it as the most gut-wrenchingly difficult decision they ever had to make: watching their child cry and plead and beg not to be left with strangers, promising to do better, be better, go to school, stop talking back—pledging anything, *anything*, if only they can return home with their parents.

Parents are in agony at this separation from their child, their flesh and blood—but the repeated message from the programs is that this is very hard, but absolutely necessary. Parents are told again and again that they must be strong, must stay strong through the whole process, and must resist *any* pleadings from non-custodial parents, aunts, uncles, grandparents, teachers, clergy or others to consider alternatives—*not ever*.

### **PROTECT YOUR FAMILY BY FOLLOWING ASTART WARNING SIGNS AND FTC GUIDELINES**

ASTART encourages families to seek help in their own communities and within their own families. However, there are instances where safe, therapeutic and appropriate care of limited time duration—a few weeks to a few months—is indicated. **This is a decision that should be made in collaboration with a licensed professional, such as a psychiatrist, who will produce a diagnosis and treatment plan which he or she will sign, and for which he or she will be *legally responsible*.**

Seek out mental health professionals who are knowledgeable about local community alternatives, such as Wraparound Care, or the Building Bridges initiative.

**If you are investigating residential options, beware of the deceptive marketing practices and high-pressure sales that are the hallmarks of unethical, ineffective and potentially abusive programs.**

- Please read the [ASTART Warning Signs](#).
- The United States Federal Trade Commission has published a set of guidelines with questions to ask of any potential residential programs to which you may send your teen. Read the [FTC Warning Signs](#), and then insist upon complete and satisfactory answers to the questions the FTC suggests.

**If you do choose residential care, protect your teen from abuse, and protect yourself from being ripped off!**