

Lake Park lab owner at center of patient-brokering scheme out of jail

By Jorge Milian

Posted Apr 5, 2019 at 11:16 AM Updated Apr 6, 2019 at 10:05 AM

State Attorney Dave Aronberg says the lab billed insurers more than \$141 million and paid millions of kickbacks to get patients from drug-treatment centers.

An operator of a Lake Park drug-testing facility at the center of a patient-brokering scheme involving millions of dollars and dozens of arrests in two states is out of jail.

Jesse Peters, 44, was released on his own recognizance Tuesday, hours after being booked into the Palm Beach County Jail. Authorities say the Wellington-area man one of two people who ran Coastal Laboratory, which billed insurance firms more than \$141 million over two years for urine tests, while allegedly paying millions in kickbacks for referrals to drug-treatment centers.

Peters is one of 15 people facing charges in Palm Beach County of an alleged fraud operation that State Attorney Dave Aronberg said Tuesday includes 10 drug-treatment facilities between Miami and Fort Pierce.

Coastal, on 10th Street just south of Northlake Boulevard, also had dealings with drug-treatment facilities in eastern Pennsylvania, leading to state and federal charges against 20 people there, officials said.

Under Florida law, it is illegal for labs and health-care providers either to pay or merely to offer to pay commissions, bonuses or bribes to sober homes and drug-treatment centers for the referral of patients. Drug tests done on the urine of patients who have health insurance can reap thousands of dollars per week in reimbursements.

Peters is facing 53 counts of patient brokering and seven counts of conspiracy to commit patient brokering. Thomas Ralph Stanley, 52, allegedly operated Coastal with Peters and is facing the same charges, according to information provided by the State Attorney's Office. He had not been booked into the jail as of Friday morning.

Aside from Peters and Stanley, 13 other people are facing patient-brokering charges for receiving illegal payments from Coastal.

Among those are four Palm Beach County residents who prosecutors say ran Whole Life Recovery, a drug-treatment center in Boynton Beach.

Matthew John Driscoll, 52, Brian Mangines, 56, and James Kigar, 57, all of Boca Raton, and Kevin Koshi, 55, of Costa Mesa, Calif., were arrested and booked into the jail this week. Each walked out either on his own recognizance or after posting a bond.

Guy P. Fronstin, an attorney for Mangines, issued a statement to The Post late Friday: "Mr. Mangines has not committed any crimes and he is not guilty of the charges for which he was arrested. Mr. Mangines invested in a treatment center that retained a health care attorney and Mr. Mangines made sure the treatment center strictly followed all the advice of the health care attorney. We have unequivocal proof of Mr. Mangines' innocence and we look forward to presenting it to the state."

According to a police report, Coastal billed insurance companies more than \$2.1 million for urinalysis tests referred from Whole Life. The managers of the treatment center had an agreement to receive 20 percent of the payments that Coastal received, the report said.

Aronberg said Coastal paid out at least \$6.2 million to the drug-treatment centers in Florida and Pennsylvania. The lab performed extra, unnecessary tests on each urine sample so its owners could get more money from insurance companies, according to Palm Beach County Sheriff's Detective Mark Berey.

Aronberg said at a news conference Tuesday that 85 people have been arrested on patient-brokering charges since the creation of the Palm Beach County Sober Home Task Force in 2016.

After epidemic-like death counts related to opioid overdoses in 2016 and 2017, the numbers in Palm Beach County dropped significantly in 2018, according to the State Attorney's Office. A Jan. 1 report provided annually by the county medical examiner attributed 326 fatal overdoses to opioid use in 2018. That compared to 558 deaths in 2017, down 42 percent.

jmilian@pbpost.com

[@caneswatch](#)

The Palm Beach Post

REAL NEWS STARTS HERE

Dozens arrested in patient-brokering scheme connected to Lake Park lab

By Eliot Kleinberg

By Jorge Milian

Posted Apr 2, 2019 at 6:10 PM

Updated Apr 3, 2019 at 11:51 AM

Lake Park lab billed insurance companies \$141 million in two years for urine tests, authorities said.

WEST PALM BEACH -- A Lake Park laboratory is at the center of a multimillion dollar patient-brokering scheme that has led to the arrest of 35 people in Florida and Pennsylvania, state attorney Dave Aronberg said Tuesday.

Among those arrested are the owners of Coastal Laboratory, a drug-testing laboratory on Prosperity Farms Road in Lake Park, which billed insurance firms a staggering \$141 million over two years for urine tests, according to authorities.

Thomas Stanley and Jesse Peters, identified as Coastal's owners during a news conference Tuesday at the state attorney's office, are among 15 people that have been arrested or are sought in Palm Beach County on patient brokering and conspiracy charges. The remaining 13 individuals ran 10 drug treatment centers between Miami and Fort Pierce, Aronberg said.

Coastal also had dealings with a drug treatment center in eastern Pennsylvania, leading to state and federal charges against 20 people, officials said.

Prosecutors said more than \$6 million was kicked-back to operators of treatment centers for referring patients' urine specimens to Coastal, Aronberg said. The 15 people in Florida named in the case face a combined 206 felony counts.

Under Florida law, it is illegal for a lab or a health care provider to offer or to pay a sober home or a drug-treatment center a commission, bonus or bribe for the referral of patients. Drug tests done on the urine of patients who have health insurance can reap thousands of dollars per week in reimbursement.

In terms of defendants and amount billed, Aronberg said, the case marks the largest kickback scheme involving a laboratory since the Palm Beach County State Attorney's Sober Homes Task Force was created in July 2016 to crack down on sober homes and medical facilities that engage in illegal activity. Aronberg said 85 people have been arrested since the task force went into operation.

"They were sending the cups to the lab and the lab was generally doing two tests on every cup so they could bill twice," said Sober Homes Task Force Investigator Mark Berry. "They were billing initially at rates of \$2,000 to \$3,000 per test, and then remitting 30 to 50 percent of the proceeds they got back, to treatment centers that were providing those urine cups to them."

Among those arrested are a Boca Raton woman and her daughter charged with accepting hundreds of thousands of dollars in kickbacks from Coastal.

Coastal Laboratory billed insurance firms more than \$10.7 million just for patients of Boca Raton-based Treatment Alternatives, the firm linked to the two arrests, reports say.

Alana Nicole Manko, 58, and Irene Kelly Manko, 30, both of Boca Raton, were booked Monday at the Palm Beach County Jail. Both left hours later after each posted \$9,000 bail.

Each of the two women is charged with two counts of patient brokering and one count of conspiracy to commit patient brokering.

A PBSO report, dated March 18, said there's probable cause also to charge Steven Arnold Manko, 74, Alana's husband and the co-manager of Treatment Alternatives, but no charges appear in jail or court listings.

Aronberg said that one of the 15 people named Tuesday has not been arrested. His office did not say if Steven Manko was that person.

A call to a phone number for Irene Kelly was not returned. Calls to numbers for Alana Manko and Steven Manko were not answered. A Tampa attorney who represented Manko and Treatment Alternatives in a 2014 Palm Beach County civil case did not return a call.

In April 2017, the report said, two men who'd done business with Coastal, and who eventually acquired the lab, went to authorities to report they'd discovered possible patient brokering, the PBSO report said.

Coastal is also connected to an eastern Pennsylvania drug treatment center, Liberation Way, that led to the arrest of 20 people last week in that state.

Federal prosecutor Nancy Winter said Liberation Way's "founders saw this [opioid] crisis as an opportunity to exploit the vulnerable, the desperate and to profit from fraud and deceit."

Also arrested in Florida, according to Aronberg, were Elizabeth Slayne, Shaye Slayne, Josh McAlees, Ali Ahmed, Ron Trautman, Adam Adler, James Kigar, Matthew Driscoll, Kevin Koshi and Brian Mangines.

Mangines released a statement through Guy Fronstin, his Boca Raton-based attorney, that read: "Mr. Mangines has not committed any crimes and he is not guilty of the charges for which he was arrested. Mr. Mangines invested in a treatment center that retained a health care attorney and Mr. Mangines made sure the treatment center strictly followed all the advice of the health care attorney."

jmilian@pbpost.com

[@caneswatch](#)

ekleinberg@pbpost.com

[@eliotkpbp](#)