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12  
13 **DISTRICT COURT**  
14 **CLARK COUNTY, NEVADA**

A-18-777606-C

15 ROBERT ANSARA, as Special Administrator  
16 of the Estate of CODY ARBUCKLE,  
17 Deceased; KATHRYN DEEM individually  
and as successor in interest of the Estate of  
CODY ARBUCKLE,

18 Plaintiffs

19 vs.

20 AMERICAN ADDICTION CENTERS INC, a  
21 Nevada Corporation, SOLUTIONS  
22 RECOVERY INC., a Nevada corporation,  
23 SOLUTIONS TREATMENT CENTER, LLC, a  
Nevada company, CLAY ARBUCKLE an  
individual nominal defendant, and DOES 1-25,

24 Defendants

Department 24  
**COMPLAINT FOR DAMAGES**

25  
26 Plaintiff KATHRYN DEEM, individually, and successor to the ESTATE OF CODY  
27 ARBUCKLE, alleges as follows:  
28

1 **GENERAL ALLEGATIONS**

2 1. Decedent CODY ARBUCKLE, was residing in Clark County Nevada at the time  
3 of his death that gives rise to this lawsuit.

4 2. Plaintiff KATHRYN DEEM is the surviving mother of Decedent, CODY  
5 ARBUCKLE, and is Successor-in-Interest of the ESTATE OF CODY ARBUCKLE.

6 3. Plaintiff KATHRYN DEEM was a resident of Indiana at all relevant times.

7 4. Nominal defendant CLAY ARBUCKLE is the biological father of CODY  
8 ARBUCKLE.

9 5. Decedent CODY ARBUCKLE would have been the plaintiff in this action had he  
10 lived.

11 6. On July 14, 2017, CODY ARBUCKLE died while he was admitted as a client of  
12 a non-medical residential drug treatment program operated by AMERICAN ADDICTION  
13 CENTERS, INC, SOLUTIONS RECOVERY, INC., SOLUTIONS TREATMENT CENTER,  
14 LLC, and DOES 1-25, hereafter collectively referred to as "AAC DEFENDANTS".

15 7. At all relevant times, AAC DEFENDANTS were not providers of health care as  
16 defined by NRS 41A.017.

17 8. None of the conduct alleged herein was a failure of a provider of health care in  
18 rendering services as defined by 41A.015.

19 9. Plaintiff is expressly not making any claims of medical malpractice herein.

20 10. DEFENDANTS operated a non-medical residential drug rehab program out of  
21 houses in residential neighborhoods, including a house located at 3141 S. Pioneer Way Las  
22 Vegas NV 89117 in Clark County.

23 11. At all relevant times, the house located at 3141 S. Pioneer Way Las Vegas NV  
24 89117 in Clark County was only licensed to provide non-medical treatment services.

25 12. Defendant AMERICAN ADDICTION CENTERS, INC., at all times relevant is a  
26 Nevada corporation authorized to do business in Nevada and is engaged in business activities,  
27 including operation of non-medical residential drug and alcohol rehabilitation houses in  
28

1 Nevada, by and through its subsidiaries Defendants SOLUTIONS RECOVERY, INC., and  
2 SOLUTIONS TREATMENT CENTER, LLC, and DOES 1-25.

3 13. Defendant SOLUTIONS RECOVERY, INC, is, and at all times relevant was, a  
4 Nevada corporation with its principal place of business in Nevada, and is a wholly-owned  
5 subsidiary of Defendant AMERICAN ADDICTION CENTERS, INC.

6 14. Defendant SOLUTIONS TREATMENT CENTER LLC is, and at all times  
7 relevant was a limited liability company (LLC) with its principal place of business in Nevada,  
8 and is a wholly-owned subsidiary of Defendant AMERICAN ADDICTION CENTERS, INC.

9 15. Plaintiff is informed, believes, and thereupon allege that AAC DEFENDANTS  
10 are unified under a common vision, business strategy, and management structure to engage in  
11 business activities, including drug and alcohol rehabilitation. Plaintiff is further informed,  
12 believes, and thereupon alleges that such common vision, business strategy, and management  
13 structure includes, but is not limited to, corporate control by using the same officers and  
14 directors for the parent (AMERICAN ADDICTION CENTERS, INC.) and subsidiaries  
15 (SOLUTIONS RECOVERY, INC. and SOLUTIONS TREATMENT CENTER, LLC).  
16 Consequently, Plaintiff is informed and alleges that Defendant AMERICAN ADDICTION  
17 CENTERS, INC. oversees and directs all aspects of the Nevada operation that includes its  
18 subsidiaries, SOLUTIONS RECOVERY, INC and SOLUTIONS TREATMENT CENTER,  
19 LLC.

20 16. Plaintiff is further informed, believes, and thereupon alleges that AAC  
21 DEFENDANTS have, and at times relevant had, a common, ownership, direction, control,  
22 vision, business strategy, and management structure, including, but not limited to, corporate  
23 control by the same individuals acting in various capacities and positions of control and  
24 management for each of the AAC DEFENDANTS' operations.

25 17. Plaintiff is unaware of the true names of the Defendants named herein as DOES 1  
26 through 25, inclusive, and for that reason has named these Defendants by such fictitious names.  
27 Plaintiff is informed, believes, and thereupon allege that each fictitiously named Defendant is  
28 legally responsible, negligently, intentionally, or in some other actionable manner, for the

1 events and occurrences alleged, and that such Defendants directly and proximately caused  
2 Plaintiff's damages.

3 18. Plaintiff is informed and believes, and thereupon alleges, that at all times herein  
4 mentioned, Defendants, and each of them excluding nominal defendant CLAY ARBUCKLE,  
5 including DOE Defendants, were the agent, representative, servant, independent contractor,  
6 subcontractor, partner, joint venture, alter ego, successor in interest, affiliate, parent and/or  
7 subsidiary, employee and franchise of each of the remaining Defendants, and each of them  
8 herein, and were at all times acting within the purpose and scope of said agency, service,  
9 employment, partnership, joint venture, parent/subsidiary and franchise as such and with the  
10 express and/or implied permission, knowledge, consent, and ratification of all said other  
11 Defendants. Plaintiffs further allege upon information and belief that the Defendants, and each  
12 of them including DOE Defendants, were the alter egos of each of the other Defendants named  
13 herein.

14 19. Plaintiff further alleges upon information and belief that the Defendants, and each  
15 of them including DOE Defendants, acted in concert and with such a unity of interest and  
16 control that their separate corporate identities are a sham and should be disregarded and each  
17 should be held legally responsible for the conduct of the others.

18 20. Jurisdiction of this Court is proper because Defendant AMERICAN ADDICTION  
19 CENTERS is incorporated in Nevada, and doing business in Nevada within the jurisdictional  
20 limits; SOLUTIONS RECOVERY, INC is incorporated within this court's jurisdictional area,  
21 and its principal place of business is in Nevada and within the jurisdictional limits;  
22 SOLUTIONS TREATMENT CENTER LLC's principle place of business is in Nevada and  
23 within its jurisdictional limits; The events complained of herein occurred in Nevada and within  
24 the jurisdictional limits; and Decedent CODY ARBUCKLE's death occurred in Clark County,  
25 Nevada within the jurisdictional limits.

### 26 **FACTUAL ALLEGATIONS**

27 21. At all times relevant, Defendant AMERICAN ADDICTION CENTERS INC,  
28 through wholly-owned subsidiaries and integrated business structure, SOLUTIONS

1 RECOVERY, INC and SOLUTIONS TREATMENT CENTER LLC, were the owners and/or  
2 operators of a non-medical residential drug rehab program operating out of a houses in  
3 residential neighborhoods, including a house located at 3141 S. Pioneer Way, Las Vegas NV  
4 89117 in Clark County.

5 22. Defendant AMERICAN ADDICTION CENTERS INC ("AAC") operates  
6 numerous residential drug rehab facilities nationwide, including several in Nevada under the  
7 names SOLUTIONS RECOVERY, INC and SOLUTIONS TREATMENT CENTER LLC.

8 23. Plaintiff is informed and believes and thereupon alleges that all relevant times  
9 AAC DEFENDANTS operated a call center, in which prospective clients and/or their loved  
10 ones can respond to AAC DEFENDANTS' marketing and advertising of its drug rehabilitation  
11 services. The call center was staffed by intake coordinators who generally had/have no medical  
12 training, background, and/or experience, who were trained and required to make representations  
13 to prospective clients regarding AAC DEFENDANTS' services, facilities, and programs that  
14 were/are untruthful and/or misleading. Call center employees were considered salespeople  
15 whose job was to sell AAC DEFENDANTS' services. They were paid on a wage-plus-  
16 commission basis and were required to meet quotas for enrolling clients and filling beds.

17 24. Plaintiff is informed and believes and thereupon alleges that the representations  
18 made by call center employees to prospective clients were overseen and directly made by AAC  
19 DEFENDANTS' corporate officers, directors and/or managing agents who were actively  
20 involved with the call center and were present there on a regular basis.

21 25. Plaintiff is informed and believes and thereupon alleges that intake coordinators  
22 were directed and pressured to tell prospective clients whatever they wanted to hear about the  
23 AAC DEFENDANTS' services, facilities, and programs, whether true or not. They were  
24 instructed to tell callers who mentioned any type of medical and/or mental health issue that the  
25 AAC DEFENDANTS could handle such conditions and the individual would be properly cared  
26 for. Regardless of the prospective clients' medical and/or mental condition, intake coordinators  
27 were instructed to and did tell prospective clients and/or their loved ones that AAC  
28 DEFENDANTS had the personnel on staff and present to care for the individual. At the

1 direction of AAC DEFENDANTS' officers, directors and/or managers, call center employees  
2 and intake coordinators represented that prospective clients were appropriate for, and would be  
3 safe and secure in, AAC DEFENDANTS' residential program, regardless of the prospective  
4 clients' physical and/or mental condition.

5 26. Plaintiff is informed and believes and thereupon alleges that although AAC  
6 DEFENDANTS advertised and promoted that AAC DEFENDANTS provided medical services  
7 for which they were not licensed or qualified to provide.

8 27. Plaintiff is informed and believes and thereupon alleges that the AAC  
9 DEFENDANTS, by and through their agents/employees, made representations to prospective  
10 clients and their families, including decedent CODY ARBUCKLE, that AAC DEFENDANTS  
11 were capable of safely and properly taking care of the client's medical/physiological conditions,  
12 when such statements were in fact false and untrue. Clients were regularly and routinely  
13 admitted and kept in AAC DEFENDANTS' residential non-medical houses who were unfit  
14 medically to safely enroll and/or remain in the program.

15 28. Plaintiff is informed, believes, and thereupon alleges that AAC DEFENDANTS  
16 knew that individuals suffering from addiction problems were often assisted by, and relied  
17 upon, family members to help them in making decisions and gaining admission into  
18 detoxification programs. AAC DEFENDANTS, therefore, directed marketing efforts to the  
19 family and loved ones of those suffering from addiction problems, and sought their direct  
20 assistance in obtaining agreement by addicted family members to enter the AAC  
21 DEFENDANTS' non-medical residential drug rehab program.

22 29. Plaintiff is informed, believes and thereupon alleges that employees staffing the  
23 AAC DEFENDANTS' residential treatment houses were unqualified, untrained and  
24 inexperienced in handling or meeting the needs of clients in AAC DEFENDANTS' non-  
25 medical residential drug rehab program.

26 30. AAC DEFENDANTS failed to appropriately assess, refer, and monitor CODY  
27 ARBUCKLE when he was in their care and custody, and as a direct and proximate result, he  
28 died.

1           31.     Prior to the death of CODY ARBUCKLE, AAC DEFENDANTS, their officers,  
2 managing directors, and employees were warned that AAC DEFENDANTS' policies and  
3 practice of advertising medical services at their non-medical residential drug program was  
4 dangerous and presented significant risks or harm, injury and/or death to clients. Such warnings  
5 came from employees in the intake call center who, upon understanding that they were being  
6 directed by management to make representations to prospective clients about AAC  
7 DEFENDANTS' programs, facilities, and services that in fact were untrue, complained to  
8 management about said misrepresentations. In response, AAC DEFENDANTS chastised such  
9 individuals and continued to demand intake coordinators make false representations to  
10 prospective clients about AAC DEFENDANTS' programs, facilities and services.

11           32.     Plaintiff is informed and believes and thereupon alleges that AAC  
12 DEFENDANTS' policies and practices were and are such that as long as the prospective client  
13 had/has the financial ability to pay and/or health insurance coverage, AAC DEFENDANTS  
14 would/will admit this individual to AAC DEFENDANTS' non-medical drug rehab program,  
15 and keep them in the program, regardless of their medical and/or mental health conditions.

16           33.     Under a directive from management, the AAC DEFENDANTS' employees were  
17 to strongly discourage clients from leaving the facility/program before their set period of  
18 residency had run. Their belongings would not be returned if they left prematurely, so if they  
19 chose to go, they had to leave without their phones, identification, money, or medications. This  
20 was part of a policy and practice to ensure that once clients arrived, they did not leave until their  
21 contractual time period was over. If clients left early, AAC DEFENDANTS would lose money.

22           34.     Under a directive from management, AAC DEFENDANTS' employees were  
23 pressured to keep clients in the program at all costs, and were even discouraged from calling 9-  
24 1-1 on behalf of clients.

25           35.     Plaintiff is informed and believes and thereupon alleges that prior to CODY  
26 ARBUCKLE, at least six people with serious medical and/or psychiatric issues were admitted to  
27 AMERICAN ADDICTION CENTERS INC's residential program and died shortly thereafter.  
28

1           36. Plaintiff is informed and believes and thereupon alleges that despite knowledge of  
2 the prior deaths, and deficiencies in the assessment, referral, and monitoring of these  
3 individuals, AMERICAN ADDICTION CENTERS, INC., continued their unsafe practice of  
4 admitting and keeping individuals in AAC DEFENDANTS' program despite having medical  
5 and/or mental health conditions which made them inappropriate for the non-medical programs  
6 drug rehab that AAC DEFENDANTS provided. And Defendants continued to disregard their  
7 known obligations with respect to assessment, referral, and monitoring of clients in their  
8 program. As a direct and proximate a result of AAC DEFENDANTS' unsafe practices, CODY  
9 ARBUCKLE suffered death.

10           37. Plaintiff is informed and believes and thereupon alleges that AAC  
11 DEFENDANTS' conduct as alleged herein was motivated by greed and their own financial self-  
12 interests. They sought to prey upon addicted individuals and their vulnerabilities, consciously  
13 disregarding their rights and safety for the purpose of making profit. Said conduct was  
14 intentional. Such conduct was controlled, directed, authorized, and ratified by AAC  
15 DEFENDANTS' owners, officers, directors and/or managing agents.

16           38. Plaintiff is informed and believes and thereupon alleges that, at all times relevant  
17 herein, AAC DEFENDANTS held themselves out to Decedent CODY ARBUCKLE and  
18 KATHRYN DEEM as offering medical services beyond that which they were licensed or  
19 qualified to provide. Offering these services would lead the average person to conclude  
20 DEFENDANTS were licensed to practice medicine, and performed services which require or  
21 required such licensure. However, AAC DEFENDANTS were not licensed to practice medicine  
22 and concealed this fact from their clients, including Decedent CODY ARBUCKLE and  
23 KATHRYN DEEM.

24           39. Prior to June 24, 2017, and continuing until after CODY ARBUCKLE's death on  
25 July 14, 2017, AAC DEFENDANTS engaged in a practice of marketing their business  
26 operations and holding themselves out to the public as providing medical services on a  
27 residential basis; these marketing efforts were, and continue to be, conducted nationwide. Such  
28 marketing efforts include false and/or misleading information about the services offered by



1 AAC DEFENDANTS. These marketing efforts and accompanying statements were knowingly  
2 made by AAC DEFENDANTS to prospective clients and their families, including to induce  
3 prospective clients to enter AAC DEFENDANTS' non-medical drug rehab program.

4 40. AAC DEFENDANTS put their own profits and business ahead of the safety of  
5 their clients, failing to assess, refer, and monitor clients which resulted at least six deaths prior  
6 to the death of CODY ARBUCKLE.

7 41. The problems with AAC DEFENDANTS' business model were explained in a  
8 special report prepared for the California Senate Rules Committee in or around September  
9 2012, which dealt with AAC DEFENDANTS putting profits over client safety.

10 42. And in 2015, the history and repeated practices of neglecting client safety were  
11 highlighted in an exposé which revealed the stunning number of client deaths that have occurred  
12 at AAC facilities and while under the AAC's care, as a result of a dangerous, "admit-all"  
13 business model, and fraudulent statements and representations made to their clients, family  
14 members of the clients, and the public. The problem with AAC DEFENDANTS' business  
15 model has been with their primary focus on filling beds at the facilities, irrespective of client  
16 needs and medical issues, and failing to refer clients to medical care once in the program. AAC  
17 DEFENDANTS operated a high-pressure "boiler room" call center in which employees were  
18 paid large commissions to bring people in at all costs so long as they had the means to pay.

19 43. Once clients were transported to their non-medical facilities, and so long as there  
20 is a continued means to pay for their stay, AAC DEFENDANTS demonstrated a pattern and  
21 practice of not referring clients out to a higher level of care, even when they know or should  
22 know that such individuals require inpatient treatment for their medical conditions, and then not  
23 monitoring them appropriately while in their care.

24 44. AAC DEFENDANTS' business model of keeping clients in their non-medical  
25 program who required emergency medical treatment, rather than facilitating transfer to a  
26 hospital setting, was particularly dangerous because AAC DEFENDANTS were not licensed or  
27 qualified to provide the necessary medical care for such clients.

1           45.    Decedent CODY ARBUCKE had a history of opioid addiction and sought  
2 treatment with DEFENDANTS for his addiction in June 2017.

3           46.    CODY ARBUCKLE was admitted to AAC DEFENDANTS' non-medical  
4 residential drug rehab program on or about June 24, 2017, and remained in AAC  
5 DEFENDANTS' drug rehab program until he died on July 14, 2017.

6           47.    On or about July 13, 2017 AAC DEFENDANTS' employees observed CODY's  
7 condition deteriorate and he was believed to be under the influence of drugs, at which point in  
8 time CODY ARBUCKLE required timely transfer out of AAC DEFENDANTS' program for  
9 medical care.

10          48.    Despite AAC DEFENDANTS' employees' reported belief that CODY  
11 ARBUCKLE was under the influence of drugs, rather than transferring CODY ARBUCKLE to  
12 a hospital where he could be medically monitored, a business decision was made to transfer  
13 CODY ARBUCKLE on July 13, 2017 to one of AAC DEFENDANTS' non-medical residential  
14 detox houses for a 24 hour observation period.

15          49.    On or about July 13, 2017, AAC DEFENDANTS knew or should have known  
16 that CODY ARBUCKLE required 24 hour medical monitoring and that AAC DEFENDANTS'  
17 residential facility was unqualified to provide the services necessary to treat CODY  
18 ARBUCKLE properly.

19          50.    AAC DEFENDANTS were required under their own policies and procedures, as  
20 well as under Nevada law, to facilitate referral and transfer of CODY ARBUCKLE on or about  
21 July 13, 2017 to a higher level of care facility who could provide the necessary medical care,  
22 which DEFENDANTS failed to do.

23          51.    AAC DEFENDANTS failed to use reasonable care in referring CODY  
24 ARBUCKE for medical care on July 13, 2017, and instead kept him in their non-medical  
25 program for business reasons, because they did not want to let go of their paying client.

26          52.    As of July 13, 2017, AAC DEFENDANTS' employees knew or should have  
27 known that CODY ARBUCKLE required close medical monitoring of his condition while in  
28 AAC DEFENDANTS' program.

1           53.     AAC DEFENDANTS were required under their own policies and procedures as  
2 well as under Nevada law to closely monitor clients, such as CODY ARBUCKLE, who was  
3 observed and believed to be under the influence of drugs and/or observed to have an abrupt  
4 change in condition. Such monitoring included 24 hour supervision and regularly checking vital  
5 signs.

6           54.     Despite the fact that CODY ARBUCKLE was required to be placed under 24  
7 hour observation while under AAC DEFENDANTS' care on July 13, 2017, CODY  
8 ARBUCKLE was not placed under 24 hour observation as required and was not even checked  
9 on in DEFENDANTS' home for at least 14 hours between approximately 7:00 pm on July 13,  
10 2018 and approximately 9:00 a.m. on July 14<sup>th</sup> 2017.

11          55.     When entering the detox home on July 13, 2017, even absent showing signs of  
12 being under the influence, AAC DEFENDANTS' own policies and procedures required them to  
13 physically observe CODY ARBUCKLE at least every 30 minutes and regularly check and  
14 document his vital signs, none of which was done.

15          56.     Based on information and belief, CODE ARBUCKLE was died on July 14, 2017.  
16 The cause of death was determined by the coroner to be acute toxicity of loperamide, also  
17 commonly known as Imodium AD.

18          57.     As a direct and proximate cause of AAC DEFENDANTS' failure to properly  
19 assess, refer, and monitor CODY ARBUCKLE, he died, leaving behind a grieving mother.

20  
21                   **FIRST CAUSE OF ACTION: WRONGFUL DEATH**

22           [KATHRYN DEEM individually and as the successor in interest of the Estate of CODY  
23 ARBUCKLE Against Defendants AMERICAN ADDICTION CENTERS, INC.; SOLUTIONS  
24 RECOVERY, INC., SOLUTIONS TREATMENT CENTER LLC and DOES 1 to 25, inclusive]

25          58.     Plaintiff re-alleges each and every allegation contained in the preceding and  
26 subsequent paragraphs and by this reference incorporates said paragraphs as though fully set  
27 forth herein.

28          59.     The AAC DEFENDANTS held themselves out as a medical provider capable of  
providing all necessary services and support for Decedent CODY ARBUCKLE during his drug  
rehabilitation treatment.

1           60.     AAC DEFENDANTS owed Decedent CODY ARBUCKLE and Plaintiff a duty  
2 to perform necessary services and support with the same skill, knowledge, training, and  
3 experience as a reasonably prudent drug rehab facility would do under the same or similar  
4 circumstances.

5           61.     AAC DEFENDANTS, including DOES 1-25, had a duty of care to act reasonably  
6 and within the applicable industry standards and regulatory standards of care in providing  
7 services to Decedent CODY ARBUCKLE. Said duties of care included, but are not limited to,  
8 developing, adopting and implementing policies and procedures to operate their non-medical  
9 drug rehab program in a manner to keep clients such as Decedent CODY ARBUCKLE, safe  
10 while in their program, which include policies on assessment, referral, and monitoring of  
11 CODY ARBUCKLE.

12           62.     AAC DEFENDANTS, their agents, employees, officers, and directors, knew and  
13 understood that keeping clients at their non-medical program who had become medically,  
14 and/or psychologically unstable and unfit for their residential program was unsafe and  
15 dangerous, yet they proceeded to keep clients, including CODY ARBUCKLE, within their  
16 program without providing the appropriate assessment, referral, and monitoring, necessary to  
17 provide such services in a safe manner

18           63.     Plaintiff is informed, believes, and alleges that at all relevant times AAC  
19 DEFENDANTS failed to use reasonable care in assessing, referring, and monitoring CODY  
20 ARBUCKLE while he was in AAC DEFENDANTS' care.

21           64.     AAC DEFENDANTS knowingly violated or permitted the violation of  
22 regulations in their failure to assess, monitor, and refer Decedent CODY ARBUCKLE as they  
23 were required to do under AAC DEFENDANTS' own policies and Nevada law.

24           65.     On or before July 13, 2017, AAC DEFENDANTS knew or should have known  
25 that CODY ARBUCKLE through assessment required referral to a hospital for medical care  
26 prior to his death, and AAC DEFENDANTS failed to refer CODY ARBUCKLE to a higher  
27 level of care in conscious disregard of his wellbeing, placing their own profits over client safety.

28     ///

1           66.     Based on information and belief, AAC DEFENDANTS knew that CODY  
2 ARBUCKLE's roommate at the SOLUTIONS RECOVERY house required emergency medical  
3 care for a suspected overdose within days prior to CODY ARBUCKLE's death, which put AAC  
4 DEFENDANTS on heightened notice.

5           67.     AAC DEFENDANTS' employees believed and reported that CODY  
6 ARBUCKLE had an abrupt change in condition and was reported to be under the influence of  
7 drugs. This information should have put AAC DEFENDANTS on notice that CODY  
8 ARBUCKLE needed to be immediately referred for emergency medical care.

9           68.     Instead of referring CODY ARBUCKLE for medical care, he was transferred to  
10 AAC DEFENDANTS' non-medical residential detoxification house, where he was supposed to  
11 be placed on 24 hour monitoring.

12           69.     AAC DEFENDANTS failed to use reasonable care to monitor CODY  
13 ARBUCKLE as was required under AAC DEFENDANTS' own policies and procedures, as  
14 well as required by Nevada law.

15           70.     AAC DEFENDANTS' failure to use reasonable care to monitor CODY  
16 ARBUCKLE included but is not limited to their failure to monitor CODY ARBUCKLE  
17 between the hours of 7:00 pm July 13, 2017 and 9:00 am on July 14, 2017 when CODY  
18 ARBUCKLE was required to be under 24 hour supervision for suspicion of being under the  
19 influence of drugs.

20           71.     Based on information and belief AAC DEFENDANTS' failure to monitor and  
21 refer CODY ARBUCKLE for appropriate medical care was a direct and proximate cause of his  
22 death.

23           72.     AAC DEFENDANTS also failed to use reasonable care to ensure CODY  
24 ARBUCKLE was not provided or allowed access to uncontrolled amounts of Imodium AD,  
25 which was known by AAC DEFENDANTS to be particularly dangerous for individuals in  
26 treatment for opioid addiction.

27           73.     AAC DEFENDANTS knew or should have known that AAC DEFENDANTS'  
28 failure to use reasonable care to monitor CODY ARBUCKLE as required under AAC

1 DEFENDANTS' own policies and procedures would likely result in injury or death to CODY  
2 ARBUCKLE.

3 74. Based on information and belief, the failure of AAC DEFENDANTS to properly  
4 assess, monitor and timely facilitate referral of CODY ARBUCKLE for emergency medical  
5 care was done by employees and/or management of AAC DEFENDANTS, who are not doctors  
6 or medical professionals.

7 75. AAC DEFENDANTS' conduct, as set forth herein, violated and/or permitted the  
8 violation of laws and/or regulations in place to govern the operation of non-medical residential  
9 drug rehab programs that AAC DEFENDANTS operated and to guard/protect the safety of  
10 clients in such programs.

11 76. Decedent CODY ARBUCKLE was an individual within the class of persons who  
12 said laws and regulations was put into effect to protect.

13 77. AAC DEFENDANTS' conduct was negligent per se.

14 78. AAC DEFENDANTS' wrongful conduct, as alleged herein, was a substantial  
15 factor and/or the proximate cause of the death of Decedent CODY ARBUCKLE.

16 79. AAC DEFENDANTS acted with a conscious disregard for the safety of CODY  
17 ARBUCKLE, and with oppression, fraud, and malice in breaching their statutory, regulatory,  
18 and/or fiduciary duties to CODY ARBUCKLE. AAC DEFENDANTS owed a duty to Decedent  
19 CODY ARBUCKLE to act reasonably and to meet the relevant standards of care in the  
20 industry, those adopted by AAC DEFENDANTS, as well as those set forth under Nevada law.

21 80. AAC DEFENDANTS knew that it was probable that their conduct in not  
22 facilitating transfer of CODY ARBUCKLE for medical care and not monitoring him when it  
23 was believed he was under the influence of drugs, would cause harm and knowingly  
24 disregarded the risk; it was malicious in that the despicable conduct was carried on with willful  
25 and conscious disregard for the safety and rights of Decedent CODY ARBUCKLE; and it was  
26 oppressive in that the despicable conduct subjected Decedent CODY ARBUCKLE to cruel and  
27 unjust suffering, in conscious disregard of his rights to a safe place for drug rehabilitation.  
28

1           81.     AAC DEFENDANTS' actions and omissions as set forth above that resulted in  
2 CODY ARBUCKLE's death were a result of business decisions, placing their own profits in  
3 keeping their paying client, CODY ARBUCKLE, at their facility over his own safety.

4           82.     Decedent CODY ARBUCKLE suffered pain and suffering caused by AAC  
5 DEFENDANTS' acts and/or omissions prior to his death.

6           83.     As a direct and proximate cause of AAC DEFENDANTS' wrongful conduct,  
7 Plaintiff KATHRYN DEEM has suffered tremendous grief, sorrow as well as a loss of  
8 companionship, society, comfort, and consortium result of the loss of her son, CODY  
9 ARBUCKLE.

10          84.     Plaintiff KATHRYN DEEM has also suffered special damages including medical  
11 expenses and funeral expenses for her son, CODY ARBUCKLE in excess of Fifteen Thousand  
12 Dollars (\$15,000).

13          85.     PLAINTIFF KATHRYN DEEM as an individual and successor in interest to  
14 CODY ARBUCKLE also seeks an award of exemplary/punitive damages.

15                   **SECOND CAUSE OF ACTION: GENERAL NEGLIGENCE**

16           [KATHRYN DEEM individually and as the successor in interest of the Estate of CODY  
17 ARBUCKLE Against Defendants AMERICAN ADDICTION CENTERS, INC.; SOLUTIONS  
18 RECOVERY, INC., SOLUTIONS TREATMENT CENTER LLC and DOES 1 to 50, inclusive]

19          86.     Plaintiff re-alleges each and every allegation contained in the preceding and  
20 subsequent paragraphs, and by this reference incorporate said paragraphs as though fully set  
21 forth herein

22          87.     AAC DEFENDANTS owed CODY ARBUCKLE a duty to provide a reasonably  
23 safe place to reside in their program.

24          88.     AAC DEFENDANTS' failure to provide a safe place and failed use reasonable  
25 care to assess, refer, and monitor CODY ARBUCKLE. Such failures include but are not limited  
26 to their failure to assess Cody when he had a change in behavior and was suspected of being  
27 under the influence, their failure to timely refer Cody to needed medical care, and their failure  
28 monitor CODY ARBUCKLE between the hours of 7:00 pm July 13, 2017 and 9:00 am on July  
14, 2017 when CODY ARBUCKLE was required to be under 24 hour observation.

1           89.     AAC DEFENDANTS also failed to use reasonable care in their hiring of  
2 employees who were not licensed and/or qualified to provide the required services in order to  
3 provide a reasonably safe place for CODY ARBUCKLE to reside.

4           90.     AAC DEFENDANTS also failed to use reasonable care in the training of their  
5 employees as it relates to assessment, referral, and monitoring needed in order to provide a  
6 reasonably safe place for residential drug and alcohol treatment.

7           91.     As a direct and proximate cause of Defendants failure to use reasonable care to  
8 provide a safe place, CODY ARBUCKLE experienced pain and suffering and ultimate death  
9 with an amount of recoverable damages in excess of Fifteen Thousand Dollars (\$15,000).

10          92.     As a direct and proximate cause of Defendants failure to use reasonable care to  
11 provide a safe place, KATHRYN DEEM, lost her son.

12                           **THIRD CAUSE OF ACTION: FRAUD/MISREPRESENTATION**

13           [KATHRYN DEEM individually and as the successor in interest of the Estate of CODY  
14 ARBUCKLE Against Defendants AMERICAN ADDICTION CENTERS, INC.; SOLUTIONS  
15 RECOVERY, INC., SOLUTIONS TREATMENT CENTER LLC and DOES 1 to 50, inclusive]

16          93.     Plaintiff re-alleges each and every allegation contained in the preceding and  
17 subsequent paragraphs, and by this reference incorporate said paragraphs as though fully set  
18 forth herein.

19          94.     AAC DEFENDANTS made representations about their facilities, program,  
20 history, and the nature of the care they provided that was materially misleading and false. This  
21 included making representations to CODY ARBUCKLE and KATHRYN DEEM that their  
22 facility employed award winning doctors to treat him, and that he would be closely monitored  
23 24 hours a day when in the residential detox house. These representations were in fact false.

24          95.     And once it was known that medical services were needed as of July 13, 2017  
25 beyond that which AAC DEFENDANTS were licensed to provide, AAC DEFENDANTS were  
26 required under the law to transfer CODY ARBUCKLE for medical services, which they failed  
27 to do.

28          96.     Decedent CODY ARBUCKLE relied upon their representations that they would  
provide a safe place for rehab in deciding to submit to the AAC DEFENDANTS' residential



1 treatment program and pay thousands of dollars to the AAC DEFENDANTS. As a result of not  
2 receiving the care promised, he died.

3 97. Based on information and belief, AAC DEFENDANTS fraudulently induced  
4 CODY ARBUCKLE into signing paperwork upon admission to their program by lying about  
5 what the program was and what documentation he was signing.

6 98. Had AAC DEFENDANTS been truthful about their facilities, personnel and  
7 treatment program, Decedent CODY ARBUCKLE would not have agreed to enter the program,  
8 and would have asked for transfer to a higher level of care facility as of July 13, 2017.

9 99. The officers, directors, and managing agents of AAC DEFENDANTS authorized  
10 in advance, and ratified after the fact, the acts of concealment and misrepresentation by their  
11 agents and/employees acting within the scope of the employment and/or agency.

12 100. AAC DEFENDANTS concealed the fact that they lacked the ability to provide  
13 medical treatment to a client in their facility, when they actually operated only a non-medical  
14 residential rehab facility.

15 101. By such concealment and misrepresentation, AAC DEFENDANTS intended to  
16 induce Decedent CODY ARBUCKLE to submit to their custodial care at AAC  
17 DEFENDANTS' residential treatment house, for which care KAHTY DEEM had to agree to  
18 pay AAC DEFENDANTS thousands of dollars.

19 102. Decedent CODY ARBUCKLE and KATHRYN DEEM relied on the  
20 representations of AAC DEFENDANTS, and was induced thereby to submit to their custodial  
21 care and pay thousands of dollars to AAC DEFENDANTS.

22 103. Because AAC DEFENDANTS held themselves out as an accredited and licensed  
23 provider of medical detoxification, Decedent CODY ARBUCKLE's reliance was justified.

24 104. At the time of AAC DEFENDANTS' concealment and misrepresentations, it was  
25 reasonably foreseeable to AAC DEFENDANTS that the alleged fraudulent concealment and  
26 misrepresentation would result in harm to Decedent CODY ARBUCKLE. The harm actually  
27 sustained, death, was the type of harm that could be reasonably foreseen.  
28

1           105. The concealment and misrepresentations by AAC DEFENDANTS directly to  
2 Decedent CODY ARBUCKLE were a substantial factor in bringing about the death of  
3 Decedent CODY ARBUCKLE.

4           106. The Conduct of AAC DEFENDANTS, as alleged herein, was undertaken with the  
5 express motivation and goal of making financial profits at the expense of the safety and  
6 wellbeing of its clients, including Decedent CODY ARBUCKLE.

7           107. AAC DEFENDANTS' conduct was done in conscious disregard of the safety of  
8 CODY ARBUCKLE in that the AAC DEFENDANTS knew that it was probable that their  
9 conduct would cause harm and knowingly disregarded the risk; it was malicious in that the  
10 despicable conduct was carried on with willful and conscious disregard for the safety and rights  
11 of Decedent CODY ARBUCKLE and KATHRYN DEEM; and it was oppressive in that the  
12 despicable conduct subjected Decedent CODY ARBUCKLE to cruel and unjust suffering, in  
13 conscious disregard of his rights to a safe place for treatment.

14           108. Prior to CODY ARBUCKLE's death, AAC DEFENDANTS had been notified by  
15 regulatory agencies about their deceptive practices with respect to marketing themselves as a  
16 medical provider when in fact they were not, and still did not change their practices.

17           109. Furthermore, because of AAC DEFENDANTS' unity under a common vision,  
18 business strategy, and management structure, AAC DEFENDANTS had advance knowledge of  
19 the unfitness of those who committed the wrongful conduct alleged herein and employed them  
20 with a knowing disregard for the rights and safety of others. AAC DEFENDANTS authorized  
21 the conduct, or knew of the conduct, and adopted or approved of it before and/or after it  
22 occurred. By virtue of the foregoing, an award of damages against AAC DEFENDANTS in a  
23 sum according to proof at trial is justified and appropriate.

24           110. The officers, directors, and managing agents of the AAC DEFENDANTS  
25 authorized in advance, and ratified thereafter, these acts of concealment and misrepresentation.

26           111. At the time of the AAC DEFENDANTS' concealment and misrepresentation, it  
27 was reasonably foreseeable to the AAC DEFENDANTS that their fraudulent acts of  
28 concealment and misrepresentation would result in harm to Decedent CODY ARBUCKLE.

1 The harm sustained (physical, emotional, and mental) by Decedent CODY ARBUCKLE and  
2 KATHRYN DEEM was reasonably foreseeable.

3 112. The proper course of conduct called for by community and industry standards,  
4 was for the AAC DEFENDANTS to fully inform Decedent CODY ARBUCKLE and  
5 KATHRYN DEEM of the truth; that AAC DEFENDANTS provided only a non- medical  
6 social-model rehabilitation. Had AAC DEFENDANTS told Decedent CODY ARBUCKLE and  
7 Plaintiff KATHRYN DEEM the truth, CODY ARBUCKLE would not have entered the  
8 program.

9 113. Plaintiff believes and thereupon alleges that the conduct of the AAC  
10 DEFENDANTS as alleged herein was intentional, fraudulent and /or exhibiting a knowing and  
11 conscious disregard for the health and safety of Decedent CODY ARBUCKLE so as to justify  
12 an award of punitive/exemplary damages.

13 114. Plaintiff KATHRYN DEEM suffered both pre and post-death economic harms,  
14 including but not limited to travel expenses, expenses for AAC DEFENDANTS' program,  
15 funeral and burial expenses, as well has general damages as a direct and proximate result of  
16 AAC DEFENDANTS' wrongful conduct in excess of Fifteen Thousand Dollars (\$15,000).

17 115. In addition to compensatory damages, PLAINTIFF KATHRYN DEEM as an  
18 individual and successor in interest to CODY ARBUCKLE seeks a judgment for  
19 exemplary/punitive damages in excess of Fifteen Thousand Dollars (\$15,000).

20  
21 **FOURTH CAUSE OF ACTION: NEGLECT OF A VULNERABLE PERSON**

22 [KATHRYN DEEM individually and as the successor in interest of the Estate of CODY  
23 ARBUCKLE Against Defendants AMERICAN ADDICTION CENTERS, INC.; SOLUTIONS  
24 RECOVERY, INC., SOLUTIONS TREATMENT CENTER LLC and DOES 1 to 50, inclusive]

25 116. Plaintiff re-alleges each and every allegation contained in the preceding and  
26 subsequent paragraphs, and by this reference incorporate said paragraphs as though fully set  
27 forth herein.

28 117. CODY ARBUCKLE was a vulnerable person because he had a physical and  
mental impairment that substantially limited one or more of the major life activities, had a  
medical and psychological impairment.

1 118. AAC DEFENDANTS deprived CODY ARBUCKLE of needed medical care for  
2 his physical and mental health by their failure to assess, refer, and monitor CODY ARBUCKLE  
3 while under their care.

4 119. AAC DEFENDANTS failure to assess, refer, and monitor CODY ARBUCKLE  
5 was done with recklessness, oppression, and fraud, depriving CODY ARBUCKLE of needed  
6 medical care.

7 120. Plaintiff seeks double damages for the neglect of CODY ARBUCKLE pursuant to  
8 N.R.S Sect. 41.1395.

9 121. Plaintiff further seeks exemplary/punitive damages in excess of Fifteen Thousand  
10 Dollars (\$15,000).

11 WHEREFORE, Plaintiff KATHRYN DEEM individually and as successor in interest to  
12 CODY ARBUCKLE, prays for judgment against AAC DEFENDANTS and DOES 1-25 as  
13 follows:

- 14 1. General damages, in an amount to be proven at trial in excess of Fifteen Thousand  
15 Dollars (\$15,000);
- 16 2. Special damages, in an amount to be proven at trial in excess of Fifteen Thousand  
17 Dollars (\$15,000);
- 18 3. Double Damages;
- 19 4. An award of punitive/exemplary damages in excess of Fifteen Thousand Dollars  
20 (\$15,000);
- 21 5. Attorneys' fees;
- 22 6. Reasonable costs, according to proof, as permitted by law;
- 23 7. Interest according to proof, as permitted by law; and
- 24 8. Such other and further relief as the Court deems proper;

25 DATED: 7/12/18

26   
RICHARD HARRIS LAW FIRM

27 Benjamin Cloward, Esq.  
28 *Attorneys for Plaintiffs*