



**SETTLEMENT AGREEMENT BETWEEN  
THE UNITED STATES OF AMERICA  
AND  
THE CASTLEWOOD TREATMENT CENTER, LLC  
UNDER THE AMERICANS WITH DISABILITIES ACT**

**BACKGROUND**

1. The parties to this Settlement Agreement are the United States of America and the Castlewood Treatment Center, LLC.
2. This matter is based upon a complaint filed by Susan Gibson with the United States Department of Justice that alleged that Castlewood discriminated against her, an individual with a disability, in violation of title III of the Americans with Disabilities Act ("ADA"), 42 U.S.C. §§ 12181, *et seq.* Specifically, Ms. Gibson alleged that Castlewood refused to admit her on the basis of HIV.
3. The parties agree that it is in their best interests, and the United States believes that it is in the public interest, to resolve this dispute without engaging in protracted litigation. The parties have therefore voluntarily entered into this Agreement, agreeing as follows:

**TITLE III COVERAGE AND FINDINGS**

4. The Attorney General is responsible for administering and enforcing title III of the ADA, 42 U.S.C. §§ 12181-12189, and the regulation implementing title III, 28 C.F.R. Part 36.
5. Ms. Gibson, an individual who has HIV, has a physical impairment that substantially limits one or more major life activities, including the functions of her immune system, which is a major bodily function. Accordingly, she has a disability within the meaning of 42 U.S.C. § 12102 and 28 C.F.R. § 36.104.
6. Castlewood is a Missouri-based facility that treats eating disorders, with its principal place of business at 800 Holland Road, Ballwin, Missouri, 63021, outside of St. Louis. Castlewood includes a total of two facilities, with the second at 1260 St. Paul Road, Ballwin, Missouri, 63021.
7. Castlewood owns, leases (or leases to), or operates a place of public accommodation within the meaning of 42 U.S.C. § 12182(a). Castlewood is a private entity within the

meaning of 42 U.S.C. § 12181(6), and is considered a place of public accommodation because it affects commerce and is a service establishment within the meaning of 42 U.S.C. § 12181(7). *See also* 28 C.F.R. § 36.104.

8. Under title III of the ADA, no person who owns, leases (or leases to), or operates a place of public accommodation may discriminate against an individual on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of a place of public accommodation. 42 U.S.C. § 12182(a).
9. As a result of its investigation, the United States has determined that:
  - a. Ms. Gibson first contacted Castlewood on November 23, 2010, regarding enrollment in its treatment program. At the time Ms. Gibson sought admission into Castlewood's treatment program, Castlewood claims there was a waiting list for admission to the program, causing up to a three month wait before a client was admitted.
  - b. On January 7, 2011, when the Castlewood Vice President of Finance became aware that Ms. Gibson has HIV, he immediately brought this to the attention of medical and nursing staff who stated that Castlewood could care for Ms. Gibson.
  - c. Castlewood did not proceed with steps to admit Ms. Gibson between January 7 and February 22, 2011. The Castlewood Vice President of Finance delayed negotiating a payment agreement for the Complainant because he believed that there was a question regarding treating Ms. Gibson due to her HIV.
  - d. Castlewood then informed Ms. Gibson that she would be admitted and sent her the intake paperwork. However, beginning March 7, 2011, the Executive Director instructed her staff to delay Ms. Gibson's admission so that Ms. Gibson would go somewhere else, stating: "We hope to delay it long enough so she will go somewhere else." The Executive Director further instructed the Intake Coordinator to "be vague" when communicating with Ms. Gibson because "we want her to go somewhere else."
  - e. Castlewood's Intake Coordinator was in frequent telephone and e-mail contact with Ms. Gibson between February 23 and April 18, 2011. These contacts identified the payment agreement as the cause of the delay and encouraged Ms. Gibson to seek treatment elsewhere, while simultaneously assuring her that she would be admitted as soon as her payment agreement was resolved.
  - f. Castlewood delayed Ms. Gibson's enrollment by four months between January 7 and May 5, 2011, before staff finally informed Ms. Gibson that Castlewood

would not take her “due to her HIV,” and that it is Castlewood’s policy not to “accept clients with high risk communicable diseases.” Castlewood again provided Ms. Gibson with referrals to other facilities.

- g. When counsel for Ms. Gibson sent Castlewood a letter demanding that Ms. Gibson be offered a placement in its treatment program, Castlewood granted her admission, but required that all blood drawn from Ms. Gibson, including weekly lab tests required for her treatment, be done at an outside hospital—instead of on-site at Castlewood as is the general practice for all other Castlewood patients.
  - h. On July 22, 2011, Castlewood offered Ms. Gibson “immediate admission” into Castlewood’s treatment program without the requirement that she travel to a hospital to have her blood drawn. Ms. Gibson was required to accept this offer within five days. Ms. Gibson declined to accept Castlewood’s offer of admission.
  - i. On August 10, 2011, Ms. Gibson was admitted to a different treatment center in California.
  - j. Castlewood’s delays in offering treatment to Ms. Gibson, Castlewood’s stated policy of not accepting clients with high risk communicable diseases, and Castlewood’s initial requirement that all blood drawn from Ms. Gibson be done at an outside hospital factored into Ms. Gibson’s choosing to receive treatment for her eating disorder at a different treatment center.
  - k. Castlewood’s failure to treat Ms. Gibson delayed her receiving appropriate treatment for her eating disorder by up to seven months. This delay caused Ms. Gibson’s health to worsen. Ms. Gibson reports that this delay caused her rapid weight loss, which put her at high risk for a heart attack. She expressed to Castlewood that she felt like she was dying. Ms. Gibson reports that, as a result of Castlewood’s actions, she suffered stress, anxiety, depression, and general emotional distress.
10. The United States has determined that Castlewood discriminated against Ms. Gibson by denying her the opportunity to participate in or benefit from the goods, services, facilities, privileges, advantages, or accommodations of Castlewood, on the basis of disability, in violation of 42 U.S.C. § 12182 and 28 C.F.R. § 36.201.
11. Castlewood denies that it discriminated against Ms. Gibson and disputes Ms. Gibson’s alleged damages. Further, Castlewood alleges that the July 22, 2011, offer of admission would have entitled Ms. Gibson to full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations offered by Castlewood. Castlewood’s Executive Director states she believed that Ms. Gibson would receive more appropriate care in an in-patient facility due to her HIV.

## **ACTIONS TO BE TAKEN BY CASTLEWOOD**

12. Castlewood shall not discriminate against any individual on the basis of disability, including HIV, in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of Castlewood in violation of the ADA, 42 U.S.C. § 12182, and its implementing regulation, 28 C.F.R. Part 36.
13. Within 30 days of the effective date of this Agreement, Castlewood will draft and implement a policy stating that it does not discriminate in the provision of services to persons with disabilities, including persons who have HIV. Once it has been approved by counsel for the United States, this policy statement will be conspicuously posted in the waiting area of all its facilities and with a link on the main company webpage, currently hosted at <http://www.castlewoodtc.com>, for the duration of this Agreement.
14. Within 60 days of the effective date of this Agreement, and annually for the duration of this Agreement, Castlewood will provide training on title III of the ADA to all Castlewood employees and contractors who are involved with admissions or treatment of patients, including training about HIV discrimination. In addition, Castlewood will ensure that all new employees and contractors who are involved with admissions or treatment of patients receive the training as a component of new employee training and orientation.
15. All training manuals or written materials concerning Castlewood's policies and practices used in the training required in paragraph 14, or revised or created during the effective dates of this Agreement, shall be consistent with the provisions of this Agreement, and approved in advance by counsel for the United States.
16. Castlewood will notify counsel for the United States when it has completed the actions described in paragraphs 13, 14, and 15. Castlewood shall create and maintain an attendance log that documents the name of each individual who attends the trainings, his or her title, and the date he or she attended the training. Copies of such attendance sheets shall be provided to the United States within 10 days of any request for them.
17. Within 30 days of the effective date of this Agreement, and in exchange for a Release of Claims signed by Ms. Gibson, Castlewood shall pay \$115,000 to Ms. Gibson, as authorized by 42 U.S.C. § 12188(b)(2)(B) and 28 C.F.R. § 36.504(a)(2).
18. Within 30 days of the effective date of this Agreement, Castlewood shall pay a civil penalty in the amount of \$25,000 as authorized by 42 U.S.C. § 12188(b)(2)(C) and 28 C.F.R. § 36.504(a)(3), as amended, in order to vindicate the public interest.

19. Castlewood shall not discriminate or retaliate against any person because of his or her participation in this matter.
20. Within seven days of receipt of any complaint related to HIV or communicable diseases, Castlewood shall send an electronic message to counsel for the United States with a copy of any such complaint or, if an oral complaint was made, a description of the complaint, and Castlewood's response.

#### **OTHER PROVISIONS**

21. In consideration for the Agreement set forth above, the United States will not institute any civil action alleging discrimination under the ADA based on the allegations raised in DJ # 202-42-139, except as provided in paragraph 22 below.
22. The United States may review Castlewood's compliance with this Agreement or title III of the ADA at any time. If the United States believes that this Agreement or any portion of it has been violated, it will raise its concerns with Castlewood and the parties will attempt to resolve the concerns in good faith. The United States will give Castlewood 30 days from the date it notifies Castlewood of any breach of this Agreement to cure that breach. If the United States is unable to reach a satisfactory resolution of the issue(s) raised within 30 days of the date that it provides notice to Castlewood, it may institute a civil action in the appropriate United States District Court to enforce this Agreement or title III of the ADA against the party or parties failing to comply with this Agreement after the notice and cure periods have expired.
23. Failure by the United States to enforce any of the provisions of this Agreement shall not be construed as a waiver of its right to do so with regard to other provisions of this Agreement.
24. If any term of this Agreement is determined by any court to be unenforceable, the other terms of this Agreement shall nonetheless remain in full force and effect, provided, however, that if the severance of any such provision materially alters the rights or obligations of the parties, the United States and Castlewood shall engage in good faith negotiations in order to adopt mutually agreeable amendments to this Agreement as may be necessary to restore the parties as closely as possible to the initially agreed upon relative rights and obligations.
25. This Agreement shall be binding on Castlewood, including all principals, agents, executors, administrators, representatives, employees, successors in interest, beneficiaries, and assignees. In the event that Castlewood seeks to sell, transfer, or assign all or part of its interest during the term of this Agreement, as a condition of sale, transfer, or assignment, Castlewood shall obtain the written accession of the successor

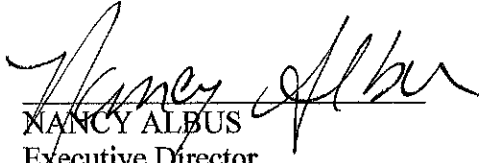
or assignee to any obligation remaining under this Agreement for the remaining term of this Agreement.

26. A signatory to this document in a representative capacity for Castlewood represents that he or she is authorized to bind Castlewood to this Agreement.
27. This Agreement constitutes the entire agreement between the United States and Castlewood on the matters raised herein, and no other prior or contemporaneous statement, promise, or agreement, either written or oral, made by any party or agents of any party, that is not contained in this written agreement, including any attachments, shall be enforceable. This Agreement can only be modified or amended by mutual written agreement of the parties.
28. This Agreement is not intended to remedy any other potential violations of the ADA or any other law that is not specifically addressed in this Agreement, including any other claims for discrimination on the basis of HIV. Nothing in this Agreement changes Castlewood's obligation to otherwise comply with the requirements of the ADA.

**EFFECTIVE DATE/TERMINATION DATE**

29. The effective date of this Agreement is the date of the last signature below.
30. The duration of this Agreement will be four years from the effective date.

AGREED AND CONSENTED TO:

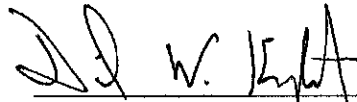



NANCY ALBUS  
Executive Director  
Castlewood Treatment Center  
800 Holland Road  
Ballwin, Missouri 63021  
(636) 386-6611

1.29.2013  
Date

THOMAS E. PEREZ  
Assistant Attorney General  
EVE L. HILL  
Senior Counselor to the Assistant Attorney  
General  
Civil Rights Division

GREGORY B. FRIEL, Acting Chief  
SHEILA M. FORAN, Special Legal  
Counsel  
ALBERTO RUISANCHEZ, Deputy Chief

  
DAVID W. KNIGHT, Trial Attorney  
MEGAN E. SCHULLER, Trial Attorney  
Disability Rights Section  
Civil Rights Division  
U.S. Department of Justice  
950 Pennsylvania Avenue, N.W. – NYA  
Washington, D.C. 20530  
(202) 307-0663

2.06.2013  
Date