



**FORMER PROGRAM DIRECTOR OF CLINICAL TREATMENT
FACILITY AND TWO PATIENT BROKERS SENTENCED IN \$1.1
MILLION HEALTH CARE FRAUD SCHEME**

Activity Date: July 18, 2025

Date Posted: August 13, 2025

Case Number: 21-0226-I

Web Summary: OIG-WS-2025-343

Three individuals were separately sentenced in U.S. District Court, Central District of California, for their roles in a scheme that defrauded health insurance companies—including approximately \$1.15 million in fraudulent billings to Amtrak's health care plan—through a California-based substance abuse treatment center, Paragon Recovery LLC.

Stephen Reeder, an Ohio resident and Paragon's program director, was sentenced on June 6, 2025, to two years of probation and ordered to forfeit \$42,675. Reeder paid patient brokers William Leonard and Casimiro Bojorquez, both California residents, illegal kickbacks in exchange for unlawfully brokering patients to treatment facilities owned and operated by Paragon.

Leonard was sentenced on July 18, 2025, to five years of probation and ordered to forfeit \$234,000. Bojorquez was sentenced on April 11, 2025, to time served, three years of supervised release and ordered to forfeit \$176,000.