

42 Arrested in Arizona Sober Living Home Fraud Targeting Native Americans, Charges Include Manslaughter

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Forty-two people were arrested in Arizona this week in 10 separate cases in connection with a nearly \$3 billion sober living home fraud that targeted Native Americans and left thousands missing and dead.

Arizona Attorney General Kris Mayes announced the arrests on Wednesday, June 24, during a press conference. The charges range from fraudulent billing, theft and conspiracy to vulnerable adult abuse, manslaughter and negligent homicide.

Between 2019 and 2023, thousands of Native Americans in Arizona and [as far away as Montana](#) reported being kidnapped—forced into unmarked SUVs and vans under false pretenses, given alcohol and drugs such as fentanyl or methamphetamine, subjected to fraudulent mental health services, held prisoner, and eventually ejected onto the street or dropped off in remote rural areas with no means of transportation. Victims were enrolled in the American Indian Health Program through the state’s Medicaid agency, the Arizona Health Care Cost Containment System (AHCCCS). The homes billed AHCCCS for patient care in excess of \$8,000 per day per patient.



In 2018, a congressional hearing attended by an Arizona congressman had already warned about fraudulent sober living homes nationwide, preying on vulnerable individuals seeking addiction treatment. The hearing detailed reports of human trafficking, kickbacks, rapes, house managers trading drugs to residents for sex, and operators exploiting federal laws for profit.

Native advocates sounded the alarm on the abuse for years, as word spread across Indian Country of people disappearing into white vans on reservations. A class action lawsuit filed in 2024 on behalf of thousands of Native people impacted by the fraud claims that the state was made aware of the fraud as early as 2019 and failed to act. The suit alleges that 2,000 people died or are missing as a result of the scheme.

The state estimates the fraud cost taxpayers \$2.8 billion.

At Wednesday’s press conference, Mayes showed body camera footage of a search warrant executed at the home of a doctor convicted in 2024 in connection with the fraud. The video shows a sprawling estate with luxury vehicles and designer goods—a stark contrast to the bleak conditions in the sober living homes.

Today, nearly 180 individuals have been indicted for the fraud, 41 people have been convicted, and 200 cases are still being investigated.

While the state is cracking down on fraudsters, the danger remains. Though state officials say data indicate no fraud is occurring, advocates disagree. Reva Stewart (Diné), founder of Turtle Island Woman Warriors, a nonprofit that assists families and victims affected by the scheme, told ABC15 Arizona that she continues to see sober living home recruiters trying to poach vulnerable Native people.

“It’s still happening,” she said. “And it’s going to continue to happen if everybody keeps pointing fingers.”