Addiction Recovery Care Announces Resolution of U.S. Dept. of Justice Civil Claims and Clear Cove Capital Dispute

Resolution is an Important Milestone as ARC Strengthens Operations and Continues Its Mission of Providing Addiction Treatment & Recovery Services in Kentucky

ASHLAND, KY, UNITED STATES, July 17, 2026 /EINPresswire.com/ -- Addiction Recovery Care (ARC), one of Kentucky's largest providers of addiction treatment and recovery services, today announced the resolution of two significant legacy matters involving civil claims with the U.S. Department of Justice and a separate commercial dispute with Clear Cove Capital.

ARC has reached a settlement with the Civil Division of the U.S. Department of Justice, resolving all civil claims related to historical Medicaid billing practices. The settlement brings the matter to a conclusion and allows ARC to continue focusing its resources and attention on its core mission of providing treatment and recovery services to individuals and families throughout Kentucky.

> "
> Our focus remains on our patients, our employees, and the communities we serve, and on ensuring ARC is positioned to continue its mission for years to come."
>
> *Cassandra Webb, President & CEO*

Throughout the review and resolution process, ARC worked cooperatively with Department of Justice staff and other appropriate authorities to identify, review, and address the billing issues. ARC provided information and assistance during the process and worked toward a comprehensive resolution of the billing matters.

"Reaching a resolution with the Department of Justice represents an important milestone for ARC," said Cassandra Webb, President and Chief Executive Officer of Addiction Recovery Care. "We approached this process transparently, cooperatively and worked diligently to identify and resolve the billing issues involved. The resolution provides greater certainty for our organization and allows us to move forward with an enhanced focus on compliance, accountability, and the delivery of high-quality treatment services."

Separately, ARC announced that it has reached a mutual resolution with Clear Cove Capital concerning the parties' outstanding dispute related to the issuance and financing of Employee Retention Tax Credits. ARC and Clear Cove Capital worked to resolve their respective claims and have reached an agreement concluding the dispute. The specific terms of the resolution are confidential.

"The resolution of these matters is an important step forward for ARC and our organization," Webb said. "Resolving legacy disputes allows management to concentrate on strengthening the company, supporting our employees, and continuing to provide critical addiction treatment and recovery services in communities across Kentucky."

Over the past two years, ARC has taken significant steps to strengthen its compliance, financial, and operational infrastructure. These initiatives include increased financial and management oversight, enhancements to internal controls, improvements to billing and compliance processes, and additional accountability measures throughout the organization.

ARC remains committed to maintaining a culture of compliance, transparency, and continuous operational improvement.

"Every day, individuals and families across Kentucky place their trust in ARC during some of the most difficult moments of their lives," Webb said. "We understand the responsibility that comes with that trust. Our focus remains on our patients, our employees, and the communities we serve, and on ensuring ARC is positioned to continue its mission for years to come."

For information about ARC, visit arccenters.com.

About Addiction Recovery Care

Addiction Recovery Care (ARC) is one of Kentucky's largest providers of addiction treatment and recovery services. Through a continuum of residential treatment, outpatient services, recovery support, and workforce development initiatives, ARC is committed to helping individuals overcome substance use disorders and build lasting recovery.

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