Daybreak Youth Services

igniting hope • saving lives

Saving Young Lives

Press Kit | July 2026

Daybreak Youth Services
igniting hope • saving lives

Contents

Backgrounder

Daybreak Youth Services first saw the light of day in 1978 when Bill Yakely, a veterinary ophthalmologist, heard a call to "help the children." Daybreak became a pillar of the community providing drug addiction and behavioral health services to the most difficult and underserved demographic to treat, adolescents between the ages 13-18.

Daybreak, a nonprofit, operated in-patient facilities in Spokane and Brush Prairie, Washington and became the state's largest provider of residential treatment for youth struggling with substance abuse, mental health crises, and sexual exploitation willing to accept Medicaid.

In 2018, when Daybreak opened its treatment center in Brush Prairie, it encountered issues with the Clark County Sheriff's Office and its current CEO, Tom Russell, a seasoned healthcare executive, was brought on board to steer Daybreak through this difficult time.

Under Russell's leadership, Daybreak continued with its mission to help kids who would otherwise be on the street, in jail, or in the morgue. While this didn't get a lot of news coverage in those days, Daybreak's programs provided invaluable help to many kids who otherwise would not have received necessary substance abuse, mental health, and sexual exploitation recovery services.

Case in point. "'Help the children': Daybreak Youth Services fills the gaps in teen's mental health needs and substance use treatment," read the headline of a front page story in The Spokesman-Review. (May 23, 2022) The story chronicled Daybreak's role in fighting the fentanyl crisis as well as their other services. www.spokesman.com/stories/2022/may/23/help-the-children-daybreak-youth-services-fills-ga. The Spokesman-Review also told readers about Daybreak's cutting edge evaluation and treatment unit and highlighted that Daybreak had launched the state's first residential program for youth who had been sex trafficked.

Those were the days when Daybreak was the safety net for youth struggling with addiction, anxiety, depression, suicidal thoughts and sex trafficking. It was also a time when Daybreak was also the shock absorber for society keeping kids out of jail and protecting society from the reasons they were arrested.

But those days seem so long ago.

In August of 2022, the Department of Health issued a notice that said that they were going to suspend Daybreak's Spokane licenses due to "non-cooperation" with a DOH investigation of client complaints that had been made against an employee in December 2020. Daybreak had thoroughly investigated these allegations in January 2021 and found them to be untrue, information it reported to DOH. But DOH's core complaint was something else: Daybreak's assertion of federal patient privacy rights. In its investigation, the DOH wanted to access patient records without going through the proper procedures in violation of 42 C.F.R. Part 2, a federal regulation that provides enhanced privacy rights for those seeking substance use disorder treatment.

Daybreak knew that they were on firm ground. In 2018, the Clark County Sheriff's Department conducted a raid on Daybreak's Brush Prairie facility and took patient records in violation of 42 C.F.R. Part 2. Daybreak's legal objections to this seizure worked their way through the courts and ultimately the Court of Appeals ruled in favor of Daybreak, affirming Daybreak's demand that the Sheriff's Office comply with federal privacy protections.

The Court of Appeals ruling was consistent with the Supremacy Clause of the Constitution (Article VI, Paragraph 2) that holds that whenever there is a conflict between federal and state law over the same matter, federal law is operative. Nonetheless, DOH took the position that it did not have to comply with the same federal privacy laws based on its interpretation of state law.

Daybreak was not looking for a fight. To avoid one, Daybreak offered to have a judge resolve the patient privacy issue but DOH declined Daybreak's offer.

Instead, DOH doubled down on its administrative attacks against Daybreak and hatched a plan to secretly obtain administrative orders requiring Daybreak to not accept new patients, discharge all current patients, and submit a closure plan to DOH within four (4) calendar days—knowing that this would be impossible to do over such a short time. To make sure Daybreak could not object to DOH's demands to do the impossible, DOH decided not to tell Daybreak it had filed these motions with the administrative judge nor to send the motion papers to Daybreak so it could object to this secret proceeding.

Then, things got ugly.

On April 28, 2023, Daybreak filed a motion to dismiss DOH's threatened suspension. Front and center in this motion was 42 C.F.R. Part 2. At the last possible moment, DOH responded with 13 new exhibits, totaling 94 pages, none of which was produced during the designated discovery period.

This was one part misdirection, one part delay tactic. At the same time DOH provided this previously undisclosed and improperly withheld information, they said that they were going to amend their Notices for Suspension of Daybreak's licenses at some future date but did not explain the basis for the new allegations.

Daybreak, on its part, was blind-sided by DOH's violation of the administrative Judge's scheduling order and had no choice but to seek a continuance of the administrative hearing scheduled to start in July 2023. As for the DOH, instead of giving Daybreak notice of its secret plan—to block Daybreak from accepting new patients, discharge all current patients, and submit a closure plan to DOH within four (4) calendar days—DOH waited until the Friday afternoon of the Memorial Day Weekend to notify Daybreak of these secret proceedings, knowing it would be impossible for Daybreak to comply. Then, before Daybreak could file an objection to these secret administrative proceedings, DOH sued Daybreak in Thurston County Superior Court for failing to do the impossible.

Through this legal maneuver, DOH dodged the summary judgment bullet and in short order obtained two orders requiring Daybreak to do the impossible over the Memorial Day weekend.

Since it was a holiday weekend, other treatment agencies were not open and their staff were not available. Even if it were not a holiday, transferring 33 at-risk patients to other facilities would normally take at least several weeks, something DOH knew or should have known. Instead, they filed a motion for contempt, alleging that Daybreak violated a court order by not meeting the impossible four-day deadline.

Despite the chaos caused by the orders, by June 14th Daybreak had discharged or transferred all their residential patients, laid off nearly all its employees, and closed their doors. The harm to these patients, their families and Daybreak's employees was a non-issue to the DOH.

On June 15, one day after Daybreak completed the discharge or transfer of their residential patients, the court held Daybreak in contempt for not closing over the Memorial Day Weekend and sanctioned Daybreak two thousand dollars a day even though it had already closed its facilities. At the same time, the court refused to hear testimony from Daybreak that they had transferred or discharged any remaining patients.

Daybreak, in turn, filed a motion to have the court reconsider the contempt order because it was impossible to resettle 33 people over a holiday weekend and due to a lack of due process. The court denied the motion at which time Daybreak filed an appeal with the Court of Appeals.

While things were working their way through a legal process, Daybreak sold its building in Brush Prairie to the State of Washington for $15 million. DOH then leased the facility to Madrona Recovery Center to provide the kinds of services that Daybreak previously provided. Roughly a year later, Madrona began providing residential services to six (6) at-risk youth.

The sale of Daybreak's building occasioned another twist in this saga. The Washington Department of Commerce seized $5 million of the proceeds from the building that were due Daybreak and, after challenged in court, put them in escrow.

At issue were funds that Daybreak had received from the state by way of a grant to help renovate the building Daybreak had already purchased. One condition of the grant was that Daybreak provide their services to adolescents for 10 years or risk having to repay those funds. DOC, however, never explained why Daybreak should have to pay DOC the full grant amount plus interest, which would give the state a windfall of over $1 million, when they were forced to close by DOH.

In its lawsuit to recover the full agreed purchase price of the building, Daybreak said that the only reason they did not continue to provide the required services was because the DOH blocked them from doing it—and it was unfair for DOC to take back the initial grant funds plus interest. This, said Daybreak, was an instance of the state, through DOH's illegal actions, trying to unjustly enrich themselves. Furthermore, Daybreak pointed out that it had seen to it that the party that bought the building—in this case Madrona—had the capacity to and did, in fact, continue provide those services.

April 1, 2025 marked a turning point in the DOH's battle with Daybreak. In an unpublished opinion, the Court of Appeals, Division II ruled in Daybreak's favor on the charge of contempt. "Daybreak's inability to perform the acts ordered in the TRO within the timeframe provided are a complete defense to contempt," the Court of Appeals said in its opinion. Without putting too fine a point on it, the court said that it was impossible to transfer 33 at-risk kids over the Memorial Day Weekend.

Based on this ruling, it was becoming ever more apparent that Daybreak Youth Services was being forced out of business without having the opportunity to contest the allegations against it. As if to emphasize this point, while Daybreak was in an existential battle with the DOC and DOH, the three court cases that the State relied on to buttress their assertions that Daybreak was a risk to patients, were resolved in ways favorable to Daybreak.

In Morrison vs Daybreak, the case was dismissed on November 11, 2024 after it came to light during discovery that the plaintiff's allegations were part of a scheme to extort funds from a Daybreak employee. Two other cases were decided in Daybreak's favor in April of 2025.

In a case captioned State v Stowe, the judge ruled there was insufficient evidence to send the case to a jury. In Jaime Million/Estate of Ariana Herron v. Daybreak Youth Services, the judge said, "I find that the plaintiff's evidence amounts only to speculation" and dismissed the case.

Following the Herron decision, Daybreak once again got positive media coverage from the Spokesman-Review. "A longtime drug treatment provider in Spokane is accusing the state Department of Health of a shoddy and unfair investigation that forced its closure and hampered the recovery of youths who were forced to leave when the state shut it down," reported the paper on October 3, 2025. "Daybreak Youth Services may attempt to reopen its youth behavioral health facilities after achieving several legal victories that the organization said should restore its credibility and reputation." https://www.spokesman.com/stories/2025/oct/03/daybreak-seeks-licensure-after-series-of-lawsuits-/ The story recounted Daybreak's legal victories as a part of a process to clear their name and get back to the business of saving young lives.

Which brings us up to the present. On July 10, 2026, attorneys for Daybreak filed a claim in the United States District Court for the Eastern District of Washington in Spokane for unlawful closure of the facility citing violation of their constitutional rights of speech and due process, to malicious prosecution and unjust enrichment.

In the course of making their case, attorneys for Daybreak alleged that state employees took actions "that were intended to systematically harass and punish Daybreak with bogus complaint investigations" in retaliation for Daybreak raising patient privacy concerns under 42 C.F.R Part 2 and that "these individuals knew that [their requests for patient identifying information] would require Daybreak to either breach the patient confidentiality restrictions and safeguards contained in 42 C.F.R. Part 2 or object to the request."

The complaint also said that when Daybreak sought to defend itself the defendants "conspired to deprive Daybreak of its constitutional due process rights."

Conspiracy is a word that is widely used and misused in popular discourse, often paired with the word theory to denote magical thinking and a lack of facts. While the Daybreak saga in some ways defies imagination, in this retelling of David vs Goliath, Daybreak is armed with facts, three lower court rulings, and two appellate decisions.

The irony of these actions is that in attacking Daybreak, the real victims are the adolescent children in need of the kinds of treatment Daybreak provided for 45 years. While DOH spent countless hours harassing Daybreak to the point of putting it out of business, the need for the services it provided has grown to such a degree that the state is being sued for lack of those very services.

Whatever happens in the case, bigger issues remain: government overreach, its abuses of power and, most of all, the lack of services for adolescents and their families, people in desperate need of the services Daybreak provided.

This is a life and death situation for them. The people of Washington state deserve better.

Fast Facts

About Daybreak

Founded: 1978

Mission: Saving young lives by demonstrating love and bringing hope for their future.

Locations (former): Spokane and Vancouver, Washington

Accreditations: Fully accredited schools and recognized behavioral health facilities.

Leadership Team:

CEO: Tom Russell (since 2019)

Board Members: Joe Pauletto (chair), Ron Benfield, Ron Fredrickson,, Suzy Dix.

Services Offered

Residential Inpatient Care: Co-occurring treatment for youth, ages 13-17, substance use disorders and mental health, including a fully accredited school.

Outpatient Care: Individual and group substance use counseling and intensive outpatient treatment.

Restorative Receiving Center: A safe haven for youth, ages 12-17, who have been or are at risk of being commercially and sexually exploited.

Evaluation & Treatment Center: Clinical short-term, 24/7 crisis stabilization and suicide prevention services.

WISE Teams: Family-focused, 24/7 crisis response and wrap-around in-home services for clients and their families in Spokane.

Key Accomplishments

Pioneered Trauma-Informed Care: Developed innovative programs for addressing complex trauma in youth.

Holistic Approach: Combines substance use treatment with mental health services, education, and family support.

Community Initiative: Launched The Royal Closet, providing free formal wear for youth attending special events like a prom.

Helping Survivors of Trafficking: Daybreak's restorative receiving center was the first facility of its kind in Washington, (2 nd Nation-wide) to provide a 24/7 safe haven for commercially exploited youth.

Number of People Served

Youth Served: More than 35,000 youth have been supported by Daybreak since its inception.

Funding and Financials

Funding Sources: Fee for Service (FFS) payments came primarily from Medicaid Managed Care Organizations, with Commercial insurers paying for a small portion of client services. In addition to FFS payments, Daybreak relied on grants and community donations.

Annual Budget: $6M with the majority coming from Medicaid programs and private contributions.

Staff and Volunteers

Staff: 110 full-time employees across Spokane and Vancouver locations.

Volunteers: Supported by 30 volunteers who assist with various programs and community initiatives.

Awards and Recognitions

Recipient of Best Rehab Facilities in Portland 2020, (Help.org) for excellence in youth behavioral health services.

Certifications:

Commission for Accreditation on Rehabilitation Facilities (CARF)

Substance Abuse and Mental Health Services Administration (SAMHSA).

Legal Conflict with DOH

DOH Accusations: The Washington Department of Health (DOH) accused Daybreak of being "uncooperative" during investigations, citing their refusal to share patient records, which were protected under federal privacy laws (42 CFR Part 2).

Privacy Law Defense: Daybreak argued that their adherence to federal privacy regulations was deliberately (fc) misconstrued as non-cooperation. These regulations implement federal privacy laws protecting patient confidentiality and restrict the release of sensitive client information without consent. There are legal ways for DOH to access protected information but it chose not to do so.

Legal Challenges: Daybreak has consistently defended the clients' right to privacy in the courts. In all cases, the courts ruled in favor of Daybreak's compliance with federal privacy laws including a notable victory in 2021 when the Washington Court of Appeals sided with Daybreak.

Notice to Suspend: August 1, 2022, DOH issued a notice of intent to suspend licenses of Daybreak's Spokane inpatient facility. Daybreak filed an appeal of the notice in Superior Court to contest the baseless allegations. The hearing was scheduled for July 25,2023 and Daybreak filed a motion for summary judgment on April 28, 2023, asking the judge to dismiss the notice to suspend, citing compliance with 42 C.F. R. Part 2.

Licenses revoked: On May 26, 2023, before Daybreak could be heard on its motion for summary judgment that would have terminated the DOH's notice of intent, DOH served Ex Parte (without notice to Daybreak) Orders of Summary Action which effectively terminated licenses for Daybreak's facilities in Spokane and Brush Prairie—and did so in a way that Daybreak could not respond thus depriving the organization of their right to due process. The Ex Parte Orders were based on three key allegations, each of which were heard in Superior Court and were dismissed due to lack of evidence;

Mission Impossible: DOH obtained a Temporary Restraining Order (TRO) based on the fact that the Orders of Summary Action required Daybreak to develop discharge plans and arrange transportation to transfer 33 at-risk youth over the Memorial Day weekend, an impossible task. On June 6, 2023, DOH successfully filed for contempt of court against Daybreak because they had failed to transfer all patients within the 3 days required by the Orders of Summary Action.

Court of Appeals overturns DOH: April 1, 2025, in an unpublished ruling, Division II of the Washington Court of Appeals (COA) reversed the lower court's contempt ruling "because it was impossible to comply with the TRO." The COA noted that the DOH presented no evidence that compliance with the TRO was possible and also said that the trial court abused its discretion in granting the contempt order. (See Daybreak Youth Services Notice of Tort Claim)

Impact of the Shutdown

Vulnerable Population Affected: Daybreak's closure displaced more than 30 at-risk youth from its Spokane and Vancouver facilities, leaving a gap in critical mental health and substance use services for young people in Washington.

Loss of Key Services: Without Daybreak, the state faces a significant reduction in services for youth struggling with addiction, mental health crises, and sexual exploitation. Daybreak was the largest Medicaid provider of inpatient youth behavioral health services in Washington state and the only provider of Receiving Center services for sexually trafficked youth before it was forced to close.

Community Support

Strong Public Backing: Families, former patients, and community leaders have expressed widespread support for Daybreak, citing the life-saving impact the organization has had on youth.

Testimonials: Former patients credit Daybreak with helping them overcome serious challenges and providing them with tools for recovery and success.

Current Status

Legal Actions: Daybreak is pursuing legal remedies to clear its name and challenge the actions of the DOH, with motions filed to overturn the license suspensions and block financial penalties imposed by the Department of Commerce.

Recent Updates: Notably, Daybreak recently won a case in the court of appeals that stated the DOH temporary restraining order that shut down Daybreak operations was impossible to comply with and that Daybreak should not have been held in contempt of court. Daybreak has also been found blameless in three major cases brought against it by families of former patients – cases that the DOH relied on in their initial justification to shut down the organization.

Facility Sale: The sale of the Brush Prairie facility was finalized in 2024 with funds going to shutter the organization and pay legal fees to contest the DOH. $6 Million from this sale is currently in escrow being contested by the Department of Commerce who claim that Daybreak did not fulfill a 10-year service requirement as part of a grant that paid for the purchase of the building. Daybreak would have fulfilled the requirement without DOH's illegal intervention and believes it is entitled to those funds.

Contact Information

Website: daybreakyouthservices.org

For Press Inquiries: Contact Ron Benfield, via phone or email:

ronbenfield@daybreakyouthservices.org
(240) 672-1365

Frequently Asked Questions

What is Daybreak Youth Services?

Daybreak Youth Services was Washington State's largest Medicaid provider of residential treatment for youth struggling with substance abuse, mental health crises, and sexual exploitation. For over 40 years, Daybreak provided indispensable services, including residential inpatient care, mental health evaluation and treatment, and specialized programs for vulnerable youth.

What services did Daybreak provide?

Daybreak offered a wide range of services, including:

- Two residential inpatient facilities in Spokane and Vancouver providing co-occurring care for youth with substance use and mental health disorders.
- A Restorative Receiving Center for youth who were being commercially and sexually exploited.
- Evaluation and treatment programs for mental health crisis intervention and suicide prevention.
- Fully accredited schools at both locations to support educational needs during treatment.
- Two outpatient facilities providing substance use treatment counseling and intensive outpatient care.

What led to the legal conflict between Daybreak and the Washington Department of Health (DOH)?

Daybreak challenged illegal investigative actions by the DOH, citing federal privacy laws under 42 CFR Part 2, which protect patient confidentiality. The Department of Health later issued a suspension notice, citing Daybreak's "non-cooperation," a charge rooted in Daybreak's adherence to these federal privacy laws. Despite being in compliance with federal regulations, which supersede state law, this legal conflict with the DOH escalated over the years, eventually leading to Daybreak's forced closure.

Why is it significant that Daybreak followed federal privacy laws?

Federal privacy laws, such as 42 CFR Part 2, are designed to protect the confidentiality of individuals in treatment for substance use disorders. Daybreak's commitment to following these laws demonstrates its dedication to safeguarding the privacy and dignity of its patients. Ironically, this adherence to patient protection is what led the DOH to accuse Daybreak of being uncooperative, ultimately leading to its closure.

When and how were Daybreak's facilities closed?

In May 2023, the DOH used an ex parte (without notice to Daybreak) procedure to issue an immediate suspension of both of Daybreak's residential facility licenses without prior notice to the organization, citing immediate danger to youth without evidence to support their claim. The suspension required Daybreak to transfer all youth in its care within just four days over the Memorial Day weekend. This action made it impossible for the organization to safely and effectively manage the closure and eventually led to the shutdown of its Spokane and Vancouver facilities.

What were the legal issues that led to DOH's actions?

The DOH relied on unproven allegations made in 2021 and 2022 all of which have since been resolved and which Daybreak had already addressed. At the core of DOH's campaign against Daybreak was Daybreak's adherence to federal regulation, 42 CFR Part 2, a regulation that provided for strict patient privacy. Daybreak was on firm legal ground. An appellate court had previously ruled that Daybreak's compliance with federal law was justified and it required that law enforcement abide by federal law as well. Despite this, the DOH continued to pursue legal actions, and their emergency suspension orders were issued based on unfounded allegations which have since been dismissed in Superior Court.

What has been the impact of the DOH's actions against Daybreak?

The closure of Daybreak's facilities left a significant gap in Washington's behavioral health system for youth. Daybreak was one of the few, in-patient Medicaid facilities in the state, serving youth with substance abuse and mental health issues. Without Daybreak, many of these vulnerable youth were left without the specialized care they need. Daybreak worked to sell their facilities so Madrona could begin providing similar services in their stead. This sale was finalized in September of 2024.

What is the impact on the youth in need of substance use treatment in Washington State?

The community has shown strong support for Daybreak. Families, former patients, and professionals spoke out against the DOH's actions. Testimonials from former patients highlight the life-saving impact Daybreak has had on them. The broader public and behavioral health professionals have expressed concern over the loss of such a vital organization. Over time, Daybreak's reputation suffered because of coverage of DOH's legal and media attacks against the organization. Even though Daybreak is closed, it continues to receive requests to care for clients because they are not able to find providers to care for youth.

Was all media coverage negative?

No. The Spokesman-Review, a Spokane newspaper, published a story that noted Daybreak's legal victories as part of a trajectory to reclaim its licenses to provide services.
https://www.spokesman.com/stories/2025/oct/03/daybreak-seeks-licensure-after-series-of-lawsuits-/?utm_source=copilot.com

What is the next step for Daybreak Youth Services?

Daybreak filed a civil lawsuit against the Washington State Department of Health, the Washington Health Care Authority, and Washington Department of Commerce in the U.S. District Court for the Eastern District of Washington in Spokane. The complaint also charges a number of state officials and employees of manufacturing grounds for Daybreak's forced closure in June 2023.

Where can I find more information about Daybreak?

For more information on Daybreak Youth Services, including updates on legal matters and ways to support the organization, visit https://daybreakyouthservices.org/