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The Toxic Pharmacy

A prominent couple's life unravels amid fraud charges and an arson investigation

By Francisco Alvarado

On August 30, nearly seven weeks after Sonia Castro filed for divorce from her estranged husband Harry Castro, a suspicious fire raged through the couple's house on SW 102nd Avenue and 58th Street. No one was injured, but fire inspectors did find traces of an incendiary device, and as a result, Miami-Dade Police Department arson detectives are investigating the conflagration. But while the arsonist's identity remains a mystery, one thing is certain: The Castros' fifteen-year marriage was in flaming tatters long before the family homestead was set ablaze.

Meanwhile, 46-year-old Harry Castro accuses his wife of embezzling more than \$600,000 from their pharmacy in West Kendall. Sonia Castro, age 45, emphatically denies this, insisting Harry condoned her use of corporate funds to pay for her lavish lifestyle. "He is only doing this to embarrass me and our two kids," Sonia said during a recent interview. "I'm just another woman in Miami getting a divorce."

But Sonia Castro is not just any woman. Her older brother is Carlos Alvarez, the former county police director who now reigns over the 29th floor at county hall as Miami-Dade's executive mayor. When Alvarez won last year's general election, among the people he credited most with helping him secure victory was his sister, who was his campaign's grassroots strategist. Earlier this year Sonia Castro coordinated the volunteers gathering petition signatures on behalf of Citizens for Reform, a political action committee made up of Alvarez's allies who are pushing for the strong-mayor form of government at county hall. It certainly doesn't help Alvarez's cause that his sister's felonious husband is publicly accusing her of being an embezzler.

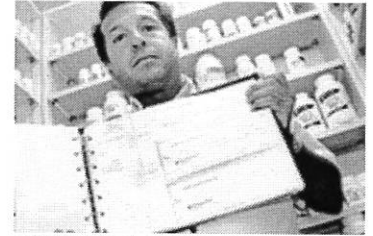
Harry and Sonia Castro tied the knot in 1989. It was his second marriage, her first. They have two children, a fifteen-year-old son and a fourteen-year-old daughter. In 1999 Harry and Sonia purchased Sunset Sentry Drugs on SW 97th Avenue and Sunset Drive. The same year, Sonia caught her husband, a registered nurse, having an extramarital affair with a patient's wife -- an indiscretion Harry admits. She initially filed for divorce but later reconciled with him.

"We've had our ups and downs like any other marriage," Harry said during a recent interview at his pharmacy. "But it wasn't until recently when she told me she didn't want to be involved with me anymore."

Though they were once in love, Harry said, his wife had found a new identity helping her brother in his political endeavors. Sonia was trying to distance herself from him, Harry said, because he pled guilty to felony grand theft this past March. According to his criminal court file, Harry Castro admitted to conspiring with Marvin Bradley III between April 1, 2000, and December 31, 2001, to steal millions of dollars worth of IVIG, a drug used to treat HIV patients. Harry would fill an order for a patient and bill Medicaid. But instead of giving the prescription of IVIG to the patient, he would sell it to Bradley.

Harry received five years probation and was ordered to repay Medicaid \$550,000. In order to make his restitution, he was forced to sell his 2000 Ferrari Modina 360 and a 58-foot Riviera yacht. In exchange for his plea deal, Harry agreed to testify against some former business partners implicated in a state and federal Medicaid fraud investigation in Savannah, Georgia. (Sonia Castro was also investigated by local state prosecutors, but she was never charged with a crime.)

Jonathan Postal



It's Castro v. Castro in an ugly divorce involving possible fraud and arson

"When we had the problem with Medicaid," Harry said, "Sonia asked that I take her name off the corporation. She told me she was terrified that [recently fired *Miami Herald* columnist] Jim DeFede and [WPLG-TV political reporter] Michael Putney would learn about the investigation."

This past April, Harry Castro said his wife asked him to leave their house. He moved into their vacation home in Key Largo. This past June 29, while he and his attorney were inspecting the pharmacy's bank account records, he discovered his wife had been using company checks to pay for her personal credit card bills and other questionable expenditures totaling more than \$600,000 over the past three years. Harry also provided *New Times* with copies of company checks showing that his wife paid herself about \$63,567 between January and June of this year, which he claims were written without his knowledge.

He didn't know about the outrageous spending, Harry proclaimed, because his wife was in charge of paying the bills and maintaining the pharmacy's finances while he handled the responsibility of filling prescription orders, filing for insurance reimbursements, and managing the store and its employees.

Harry Castro, a man who paid for his Ferrari with \$100,000 cash, insisted he was completely unaware Sonia was using the pharmacy's money to pay for items such as a \$32,000 bill from Neiman Marcus and a \$15,000 payment to Saks Fifth Avenue. Harry alleges he had to request copies of the canceled checks from his bank because his wife destroyed the originals. He also accused Sonia of making false entries in the company checkbook ledger to conceal her activities.

"I was totally overwhelmed," Harry said. "I don't think the average person would ever suspect their husband or wife to be doctoring the books."

During an interview closely monitored by her divorce attorneys Maurice Kutner and Kathryn Hamilton, Sonia Castro scoffed at Harry's twisted version of her marital betrayal. "He not only defrauded the government," she said, "but he also defrauded me, totally and completely."

Kutner, a savvy lawyer who once represented the late Cuban-American exile icon Jorge Mas Canosa in a paternity suit, said Harry Castro was fully aware of his wife's use of company funds to pay for personal expenses. "He controlled the business with a tight rein," Kutner intoned. "Whatever Sonia did, she did it on a short leash."

Roiling with rage beneath her zebra-print dress, Sonia said Alvarez's mayoral ascendance did not play a role in the breakup of her marriage. "Yes, I supported my brother," she said. "And if he had just decided to open a bakery, you can bet it would be packed with his friends and family."

Furthermore, Sonia attests, she played only a cursory role in the family business. "I would come in on an as-needed basis," she said. "I was doing what a housewife and a mom does: take care of the kids and go shopping."

Her attorneys, Sonia added, have all the original checks her husband claims she destroyed. She also said her husband would call off his smear campaign if she agreed to take him back.

"Harry is a control freak," Sonia fumed. "This is vengeance on his part. I was waiting for the Medicaid investigation to be over with so I could get out [of the marriage]."

Indeed, during a follow-up interview, Harry Castro said he would reconcile with his wife. Yet in the same conversation, he promised to rat Sonia out to the Miami-Dade State Attorney's Office. "I've told her I still love her," he said. "I would look forward to salvaging the marriage. But the amount of damage she has done to our business is just incredible."

For now, law enforcement officials seem more interested in ascertaining who started the fire at the Castro residence, which coincidentally took place the day after Sonia responded to *New Times*' questions. Harry said two arson detectives questioned him August 31.

Harry said he told the investigators he was working at the drug store at the time. "I received a call from our neighbor that the house was on fire," he said he told detectives. "I hung up and called fire rescue. I then spoke to my wife, who said it was okay for me to come over. I was there by her side for about three

to four hours."

When he was questioned by the detectives, Harry adds, they informed him he was a suspect. "They also made it a point to tell me the mayor wanted this fire to be thoroughly investigated and solved as soon as possible," he said. Alvarez declined comment through his spokeswoman, Victoria Mallette. Miami-Dade Police spokesman Bobby Williams said the department does not comment on pending investigations.

Under the advice of her attorneys, Sonia Castro also declined comment regarding the fire. Kutner says his client does not know who started the blaze. He declined to answer if Sonia suspects her husband. "We are not going to make that allegation without proof," Kutner said. "Right now, Sonia is very upset that she is out of her home."