

# AGENDA

# **Revised Meeting Agenda – February 15, 2023**

## **State Attorney Addiction Recovery Task Force (SAART)**

1. Introductions:
2. Updates:
  - a. Overdose statistics: PBC ME and PBCFR update: Al Johnson
  - b. Delray Beach update: Ariana Ciancio
  - c. Xylazine: Al Johnson
  - d. FARR: Current State-Wide Data/Trends: Whitney Lehman:
  - e. Oxford House: Lori Holtzclaw-Hunt:
3. Addiction Stabilization Unit (ASU): Dr. Belma Andric
4. CRRA update: Neal McGarry
5. Private Equity in the Recovery Space: Eric Yorlano
6. FARR- New Developments: Whitney Lehman
  - a. NARR Conference:
  - b. Mental Health and RCO Standards:
  - c. Outcome Data/Assessment/Recovery Capital Update:
7. 2023 Legislative Initiatives: Al Johnson
  - a. Fentanyl Test Strip Exemption from Drug Paraphernalia §893.145(4): Arizona model:
  - b. SB210 & HB295:
  - c. State-Wide Proviso Study on Community Housing for Persons With Disabilities:
8. DEA Presentation: Agent Justin Miller
9. OD2A Update: Whitney Van Arsdale
10. SHTF Comments.
11. Public comments.
12. Closing remarks.

ITEM 2a



9/25/2018

# Palm Beach County Fire Rescue

## Primary or Secondary Impression = Opioid

1/1/2017 to 12/31/2017

|                     |             |              |                |              |
|---------------------|-------------|--------------|----------------|--------------|
| <b>January</b>      | # of Calls: | 162          | # of Patients: | 165          |
| <b>February</b>     | # of Calls: | 135          | # of Patients: | 138          |
| <b>March</b>        | # of Calls: | 329          | # of Patients: | 343          |
| <b>April</b>        | # of Calls: | 238          | # of Patients: | 251          |
| <b>May</b>          | # of Calls: | 414          | # of Patients: | 429          |
| <b>June</b>         | # of Calls: | 340          | # of Patients: | 373          |
| <b>July</b>         | # of Calls: | 180          | # of Patients: | 183          |
| <b>August</b>       | # of Calls: | 209          | # of Patients: | 215          |
| <b>September</b>    | # of Calls: | 176          | # of Patients: | 180          |
| <b>October</b>      | # of Calls: | 185          | # of Patients: | 195          |
| <b>November</b>     | # of Calls: | 135          | # of Patients: | 136          |
| <b>December</b>     | # of Calls: | 172          | # of Patients: | 177          |
| <b>GRAND TOTALS</b> | # of Calls: | <b>2,675</b> | # of Patients: | <b>2,785</b> |



1/10/2019

# Palm Beach County Fire Rescue

## Primary or Secondary Impression = Opioid

1/1/2018 to 12/31/2018

|                     |             |              |                |              |
|---------------------|-------------|--------------|----------------|--------------|
| <b>January</b>      | # of Calls: | 144          | # of Patients: | 148          |
| <b>February</b>     | # of Calls: | 128          | # of Patients: | 130          |
| <b>March</b>        | # of Calls: | 116          | # of Patients: | 120          |
| <b>April</b>        | # of Calls: | 129          | # of Patients: | 133          |
| <b>May</b>          | # of Calls: | 124          | # of Patients: | 126          |
| <b>June</b>         | # of Calls: | 180          | # of Patients: | 182          |
| <b>July</b>         | # of Calls: | 149          | # of Patients: | 151          |
| <b>August</b>       | # of Calls: | 124          | # of Patients: | 129          |
| <b>September</b>    | # of Calls: | 113          | # of Patients: | 114          |
| <b>October</b>      | # of Calls: | 127          | # of Patients: | 129          |
| <b>November</b>     | # of Calls: | 99           | # of Patients: | 99           |
| <b>December</b>     | # of Calls: | 76           | # of Patients: | 80           |
| <b>GRAND TOTALS</b> | # of Calls: | <b>1,509</b> | # of Patients: | <b>1,541</b> |



1/10/2020

# Palm Beach County Fire Rescue

## Primary or Secondary Impression = Opioid

1/1/2019 to 12/31/2019

|                     |             |              |                |              |
|---------------------|-------------|--------------|----------------|--------------|
| <b>January</b>      | # of Calls: | 100          | # of Patients: | 102          |
| <b>February</b>     | # of Calls: | 105          | # of Patients: | 107          |
| <b>March</b>        | # of Calls: | 97           | # of Patients: | 100          |
| <b>April</b>        | # of Calls: | 103          | # of Patients: | 104          |
| <b>May</b>          | # of Calls: | 137          | # of Patients: | 139          |
| <b>June</b>         | # of Calls: | 113          | # of Patients: | 115          |
| <b>July</b>         | # of Calls: | 127          | # of Patients: | 132          |
| <b>August</b>       | # of Calls: | 127          | # of Patients: | 128          |
| <b>September</b>    | # of Calls: | 125          | # of Patients: | 128          |
| <b>October</b>      | # of Calls: | 156          | # of Patients: | 159          |
| <b>November</b>     | # of Calls: | 131          | # of Patients: | 133          |
| <b>December</b>     | # of Calls: | 162          | # of Patients: | 163          |
| <b>GRAND TOTALS</b> | # of Calls: | <b>1,483</b> | # of Patients: | <b>1,510</b> |



1/5/2021

# Palm Beach County Fire Rescue

## Primary or Secondary Impression = Opioid

1/1/2020 to 12/31/2020

2020

|                     |             |              |                |              |
|---------------------|-------------|--------------|----------------|--------------|
| <b>January</b>      | # of Calls: | 183          | # of Patients: | 187          |
| <b>February</b>     | # of Calls: | 147          | # of Patients: | 149          |
| <b>March</b>        | # of Calls: | 147          | # of Patients: | 148          |
| <b>April</b>        | # of Calls: | 143          | # of Patients: | 148          |
| <b>May</b>          | # of Calls: | 151          | # of Patients: | 154          |
| <b>June</b>         | # of Calls: | 148          | # of Patients: | 153          |
| <b>July</b>         | # of Calls: | 144          | # of Patients: | 147          |
| <b>August</b>       | # of Calls: | 141          | # of Patients: | 143          |
| <b>September</b>    | # of Calls: | 183          | # of Patients: | 190          |
| <b>October</b>      | # of Calls: | 147          | # of Patients: | 150          |
| <b>November</b>     | # of Calls: | 119          | # of Patients: | 119          |
| <b>December</b>     | # of Calls: | 118          | # of Patients: | 118          |
| <b>GRAND TOTALS</b> | # of Calls: | <b>1,771</b> | # of Patients: | <b>1,806</b> |



1/3/2023

# Palm Beach County Fire Rescue

## Primary or Secondary Impression = Opioid

1/1/2022 to 12/31/2022

2022

|                     |             |              |                |              |
|---------------------|-------------|--------------|----------------|--------------|
| <b>January</b>      | # of Calls: | 140          | # of Patients: | 144          |
| <b>February</b>     | # of Calls: | 148          | # of Patients: | 150          |
| <b>March</b>        | # of Calls: | 126          | # of Patients: | 130          |
| <b>April</b>        | # of Calls: | 102          | # of Patients: | 103          |
| <b>May</b>          | # of Calls: | 123          | # of Patients: | 127          |
| <b>June</b>         | # of Calls: | 101          | # of Patients: | 104          |
| <b>July</b>         | # of Calls: | 135          | # of Patients: | 137          |
| <b>August</b>       | # of Calls: | 137          | # of Patients: | 140          |
| <b>September</b>    | # of Calls: | 118          | # of Patients: | 118          |
| <b>October</b>      | # of Calls: | 119          | # of Patients: | 119          |
| <b>November</b>     | # of Calls: | 96           | # of Patients: | 96           |
| <b>December</b>     | # of Calls: | 101          | # of Patients: | 103          |
| <b>GRAND TOTALS</b> | # of Calls: | <b>1,446</b> | # of Patients: | <b>1,471</b> |



## DELRAY STATS- ITEM 2b

| MONTHLY COMBINED (5 YR) COMPARISON |     |     |     |     |     |     |     |     |     |     |     |     |       |
|------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------|
|                                    | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| 2018/OD                            | 24  | 17  | 21  | 11  | 25  | 23  | 29  | 22  | 22  | 18  | 18  | 15  | 245   |
| 2018/DTH                           | 1   | 2   | 1   | 2   | 3   | 0   | 4   | 3   | 5   | 2   | 4   | 3   | 30    |
| 2019/OD                            | 18  | 15  | 24  | 31  | 29  | 24  | 30  | 27  | 27  | 35  | 26  | 50  | 336   |
| 2019/DTH                           | 4   | 2   | 5   | 4   | 0   | 2   | 5   | 3   | 4   | 6   | 5   | 4   | 44    |
| 2020/OD                            | 34  | 29  | 41  | 36  | 35  | 27  | 25  | 19  | 48  | 31  | 24  | 24  | 373   |
| 2020/DTH                           | 5   | 6   | 6   | 5   | 11  | 5   | 3   | 1   | 5   | 7   | 2   | 7   | 63    |
| 2021/OD                            | 17  | 25  | 21  | 30  | 27  | 20  | 24  | 24  | 23  | 26  | 21  | 22  | 280   |
| 2021/DTH                           | 1   | 1   | 1   | 4   | 2   | 4   | 3   | 3   | 3   | 11  | 6   | 3   | 42    |
| 2022/OD                            | 22  | 21  | 22  | 17  | 21  | 13  | 22  | 21  | 11  | 20  | 16  | 13  | 219   |
| 2022/DTH                           | 2   | 2   | 1   | 3   | 1   | 3   | 3   | 1   | 5   | 4   | 4   | 1   | 30    |

**ITEM 2b**

## Stateline

# States, Cities Scramble to Combat Animal 'Tranq' in Street Drugs

## STATELINE ARTICLE

February 8, 2023

By: [Christine Vestal](#)

Read time: 6 min



Kensington Avenue in North Philadelphia, Pennsylvania, has long been plagued by fentanyl. Now, the dangerous large animal tranquilizer xylazine is showing up in more than 90% of the city's lab-tested drug samples, and it's spreading nationwide.

Teun Voeten/Sipa USA via The Associated Press

As a dangerous new additive found in fentanyl and other street drugs surges from coast to coast, health officials in nearly every state are scrambling to track it.

Xylazine, a large-animal tranquilizer not approved for human use, started showing up routinely in the drug supply in 2019, but didn't take off until the coronavirus pandemic began

in 2020. Also known as tranq, xylazine can give users horrific skin lesions that can result in amputations. It also can cause hourslong blackouts, putting users at risk of theft, rape and exposure to extreme weather.

Now, local health officials in nearly every state are rushing to keep tabs on where xylazine is showing up and in what quantities. They are trying to alert drug users to steer clear of the toxic additive and educate health professionals and first responders about its devastating effects.

“They’re using any data they can get their hands on to track xylazine and its complicated set of symptoms and effects on users,” said Richa Ranade, senior director of overdose prevention at the Association of State and Territorial Health Officials.

In the past two years, the federal Centers for Disease Control and Prevention has published three field reports tracking the spread of xylazine. But so far, there’s no national plan for how to test for the drug and protect drug users. And because the tranquilizer has only been approved for cows, horses and other large animals, medical researchers know very little about its effects on humans and have not identified antidotes.

Lacking federal guidance, Boston, New York City, North Carolina and Rhode Island have developed innovative methods for rapidly testing illicit drug samples, followed by localized messaging to drug users and medical providers about the dangers of xylazine.

Philadelphia’s health department has published a [medical advisory](#) outlining a protocol for xylazine withdrawal management. And Maryland has a pilot project for staffing local harm reduction centers with medical professionals who can treat the horrific wounds the drug is causing.

Epidemiologists at Brandeis University near Boston are working with state and local health officials and law enforcement to collect samples of the drug supply, test them as quickly as possible and immediately report back to the drug-using community on the prevalence of xylazine.

When temperatures dipped below zero in Boston last week, Traci Green, director of the drug testing project at Brandeis, said she worried that drug users in the city could die from exposure if they inadvertently used fentanyl mixed with xylazine.

“That’s something we haven’t had to think about before,” she said. “We’ve had a singular focus on fentanyl for a long time and we’ve made a lot of progress preventing overdose deaths. But many of the tools we have aren’t addressing this particular drug.”



People who overdose after ingesting opioids combined with xylazine should be given naloxone to block the effects of the opioids. But their depressed breathing and heart function may continue because naloxone doesn't block xylazine, and there's no known medication that does.

Similarly, withdrawal from opioids can be managed with buprenorphine and methadone, medications approved by the U.S. Food and Drug Administration. But the agency hasn't approved any drug for xylazine withdrawal since it is not intended for human consumption.

Toxicology and law enforcement reports indicate that drug dealers are legally purchasing xylazine online as a cheap heroin and fentanyl filler. Little evidence exists that the tranquilizer is being diverted from veterinary clinics.

Nationwide, the prevalence of xylazine in seizures of illicit drugs by the Drug Enforcement Administration nearly doubled between 2020 and 2021, according to the federal agency. And evidence from individual states indicates it became even more pervasive last year.

Medical examiners across the country are more frequently detecting xylazine in people who died from drug overdoses. In Vermont, for example, overdose deaths involving xylazine rose from 29 in 2021 to 54 in the first 10 months of 2022.

But not all coroners and medical examiners test for xylazine, in part because the DEA has not yet listed it as a drug of abuse. As a result, any estimates of its prevalence are grossly undercounted, epidemiologists say.

## Rapid Testing

Most often found mixed with fentanyl, xylazine tends to extend the fast-acting opioid's effects. And although it is not an opioid, it acts on the central nervous system in a similar way, suppressing heart and lung functions. For that reason, medical experts say it's likely to increase the risk of overdose.

Hardest hit so far have been Connecticut, Maryland, Massachusetts, Pennsylvania, Rhode Island and Vermont, as well as some mid-Atlantic cities, including Philadelphia and New York City, according to the CDC and state and local officials who track the emerging drug threat.

Western states started seeing smaller amounts of the drug in 2020, while the biggest surge in xylazine between 2020 and 2021 was in the South, according to the DEA.

In New York City, a new drug testing program launched in 2021 relies on harm reduction and overdose prevention centers to collect drug samples from used syringes and other

paraphernalia, as well as drug donations from users, to quickly test for xylazine and get the results back to the community.

If xylazine or any other additive is found, those same harm reduction centers assist in getting the message out to drug users and the local medical community. The person who donated the drug sample is contacted and offered counseling and harm reduction supplies.

“It’s proven that meeting people where they are and allowing them to come out of the shadows — where a lot of consumption happens — into safe, dignified environments that are also grounded with wraparound services, is life-saving,” New York City Health Commissioner Dr. Ashwin Vasani said in an interview with *Stateline*.

“Sadly,” Vasani said, “there is no real rapid xylazine testing like fentanyl test strips that we can distribute at bars and clubs” to limit the effect the drug may be having on fatal overdoses.

But he said the city plans later this year to announce a new overdose prevention program as part of a broader mental health initiative to address what he called the No. 1 public health threat to the city and country and a major driver of premature death and life expectancy.

North Carolina has a similar program based at the University of North Carolina, Chapel Hill, and Rhode Island’s health agency is working with Brown University in Providence on a rapid drug-checking program.

Field test strips for xylazine are under development. They have shown promise but are not yet available.

In the meantime, Matthew Gladden, a behavioral scientist at the CDC’s Injury Center, said the agency recommends that people who use drugs continue administering naloxone to friends who overdose on opioids. If symptoms persist, Gladden said, the agency recommends calling 911 and seeking immediate medical attention.

## Harm Reduction

Xylazine is creating a pernicious new chapter in the nation’s overdose crisis.

“It’s not just overdose deaths that we have to worry about now,” said Brandeis’ Green, explaining that states and cities will need to develop new ways to address the novel collateral damage xylazine is causing. The blackouts are especially concerning, she said, because the hours-long sedation can leave users vulnerable to rape, injury, robbery and other abuse.

To reduce potential harm, she said, cities may need to start offering safe public places to temporarily protect drug users who become incapacitated.

The skin lesions from xylazine can be treated, but they require a different type of treatment than the infections and abscesses medical professionals are used to seeing in drug users. The wrong type of treatment can make the wounds worse.

Withdrawal management and addiction treatment for xylazine also will have to be explored.

Like fentanyl in its early years, most drug users avoid xylazine because they're afraid of the effects of the drug filler. But they have no way of knowing whether it's in the drugs they're buying.

"We're just now starting to be able to detect whether xylazine is in the drug supply — or not. And in some places, we can determine the percentage it represents. But we still don't know what dose levels are deadly to humans," Green said.

"We're just now starting to scratch the surface."

## 'It's Poison'

Nabarun Dasgupta, senior scientist at the Gillings School of Global Public Health at the University of North Carolina, said he's encouraged by the drug checking and other harm reduction solutions that states and cities have employed in this xylazine scourge.

"For too long, we've waited until people are arrested or dead before we report out new adulterants in the drug supply," said Dasgupta. But he emphasized that "way more resources" will be needed.

So far, public health officials interviewed by *Stateline* said they've gotten little resistance when asking local sheriffs, the DEA and other law enforcement officials to provide crime lab data and collaborate with them on field testing for xylazine. And state lawmakers are starting to understand what's at stake, Dasgupta said.

"Everybody gets it," he said. "It's not stigmatized — it's poison. We see people throw away their drugs if xylazine is found."

STATELINE ARTICLE

February 8, 2023

Topics: [Health](#)

Places: [United States](#), [Connecticut](#), [Maryland](#), [Massachusetts](#), [New York](#), [North Carolina](#), [Pennsylvania](#), [Rhode Island](#) & [Vermont](#)

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ITEM 2c



## Xylazine, A New Concern In The Overdose Crisis

- [Geoffrey Vasile](#)
- September 15, 2022

Fact Checked and Peer Reviewed

- Topics: [Culture](#)
- Tags: [drugs](#), [polysubstance use](#)

Over the past few years, the overdose crisis has accelerated rapidly with the introduction of adulterant chemicals. These are what people are referring to when they say a drug has been cut or laced with another substance. These substances may be used to enhance drug effects, to add bulk (for higher profits), or to counterfeit a different drug. Currently, the most well-known of these adulterants is [fentanyl](#), a powerful synthetic opioid routinely found mixed in with [heroin](#) and other drugs. Now xylazine, a veterinary anesthetic sometimes referred to as “tranq,” is being increasingly found in the illicit opioid supply. Its most [notable presence has been in Philadelphia](#), however, it is infiltrating drug supplies across the country.

### What is xylazine?

Xylazine is an animal tranquilizer not approved for human consumption, but it is increasingly being added to [heroin](#), fentanyl, and other drugs due to its sedating and euphoric properties. Since it is a tranquilizer, it sedates people and can exacerbate overdose symptoms like unconsciousness, slowed heartbeat, and respiratory depression. Unfortunately, since xylazine is not an opioid, the opioid reversal medication [naloxone \(Narcan\)](#) is not effective in reversing the symptoms. Other harm reduction strategies that are geared towards [fentanyl](#) and opioid response are also less helpful in dealing with xylazine—there are no testing strips or other simple and portable ways for someone to test their drug supply for xylazine. Currently, only a lab can test for the presence of xylazine.

### Why is it dangerous?

Beyond the dangers of sedation, xylazine has a number of negative side effects. The most worrisome of these is the development of skin abscesses that can progress to necrotizing tissue—the death of the tissue. In some cases, this can require amputation. And this isn't an incredibly rare side effect. [This study of people who use xylazine](#) reported that 35% of participants experienced skin lesions. This side effect is likely due to the effect the drug has on skin oxygenation. Some believe that intravenous use may accelerate the appearance of lesions, but lesions can crop up away from the injection site and also occur with other forms of non-intravenous use, like smoking. Xylazine can also cause significant withdrawal symptoms, which can make it harder to quit, especially when used in concert with opioids like fentanyl or heroin.

### **Are there harm reduction strategies for xylazine?**

Thus far, xylazine has mostly been reported in Philadelphia and other counties in Massachusetts, Maryland, Connecticut, and [Illinois](#). However, it is likely that this isn't because there's more use of it in these areas, but because these places have robust harm reduction policies that allow for better monitoring of the drug supply and deeper community engagement around drug use. As xylazine lengthens the euphoric feelings of opioids, it is likely we will see more community-spread across the country. As such, here are some quick [harm reduction](#) strategies around xylazine use:

- Don't use alone.
- Try to use in as safe a place as possible, in case you lose consciousness.
- Start low, go slow
- Carry [naloxone \(Narcan\)](#). If after administering it, the person begins to breathe regularly but is still sedated, put them into [rescue position](#), call 911, and keep an eye on them.
- If you develop skin lesions, keep them clean and dry, and seek medical care as they can progress rapidly with ongoing use.

### **What can we do about xylazine?**

The alarming increase of dangerous adulterants being used to alter drug supply as a result of pandemic supply chain issues is likely to continue and become more complex. The best way to address the dangers of xylazine and other potential contaminants is with significant [drug policy changes](#) to allow for more agile community care of people who use drugs. The current stratospheric overdose rates in the country make common sense measures—like drug checking facilities that allow for people to submit small amounts of substances for testing without fear of criminal prosecution—a long overdue first step in the right direction.

### **A summary of quick facts about xylazine:**

- It's a veterinary anesthetic, not approved for human use.
- Sometimes known as “sleep cut” or “Tranq”, it is used to cut primarily fentanyl and heroin, but has been found in other drugs.
- It's a powerful sedative that can exacerbate or cause overdose.
- Since it's not an opioid, naloxone is not an effective reversal.
- It has substantial negative side effects, including skin abscesses and necrotizing flesh.

# ITEM 5

Nashville's local news and NPR station



(<https://wpln.org>)



# Investigation: Addiction treatment can take a hit when private equity pours in cash

RENUKA RAYASAM OF KHN and BLAKE FARMER



([HTTPS://TWITTER.COM/FLAKEBARMER](https://twitter.com/FLAKEBARMER))



([MAILTO:"BFARMER@WPLN.ORG"](mailto:BFARMER@WPLN.ORG))

JANUARY 25, 2023





Blake Farmer / WPLN News

Mitzi Dawn was on staff at Nashville Recovery Center and left after the center was acquired by BRC Recovery and her popular “Sing and Share” event was canceled, though it's since been revived by a small group of volunteers. She says she worried about her colleagues, since most are in recovery as she is. “You have a perfect breeding ground to be able to take advantage of a lot of really good-hearted, well-intentioned people,” she says.

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Share: [\(/#facebook\)](#) [\(/#twitter\)](#) [\(/#email\)](#)

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Near the end of his scheduled three-month stay at a rehab center outside Austin, Texas, Daniel McKegney was forced to tell his father in North Carolina that he needed more time and more money, he recently recalled.

His father had already received bills from BRC Recovery totaling about \$150,000 to cover McKegney's treatment for addiction to the powerful opioid fentanyl, according to insurance statements shared with KHN. But McKegney, 20, said he found the program “suffocating” and wasn't happy with his care.

He was advised against the long-term use of Suboxone, a medication often recommended to treat opioid addiction, because BRC does not consider it to be a form of abstinence. After an initial five-day detox period last April, McKegney's care plan mostly included a weekly therapy session and 12-step group meetings, which are available for free around the country.

McKegney said a BRC staffer recommended he stay a fourth month and even sat in on the call to his dad.

“They used my life and [my] father's love for me to pull another 20 grand out of him,” said McKegney, who told KHN he began using fentanyl again after the costly stay.

BRC did not respond to specific concerns raised by McKegney. But in an emailed statement, Mandy Baker, president and chief clinical officer of BRC Healthcare, said that many of the complaints patients and former employees shared with KHN are “no longer accurate” or were related to covid safety measures.

But addiction researchers and private equity watchdogs said models like the one used by BRC — charging high patient fees without guaranteeing access to evidence-based care — are common throughout the country's addiction treatment industry.



The model and growing demand are why addiction treatment has become increasingly attractive to private equity firms looking for big returns. And they're banking on forecasts<<https://www.verifiedmarketresearch.com/product/substance-abuse-treatment-market/>> that predict the market will grow by \$10 billion — doubling in size — by the end of the decade as drug overdose<<https://www.cdc.gov/drugoverdose/deaths/index.html>> and alcohol-induced death rates<<https://www.cdc.gov/nchs/products/databriefs/db448.htm>> mount.

"There is a lot of money to be made," said Eileen O'Grady, research and campaign director at the Private Equity Stakeholder Project, a watchdog nonprofit that tracks private equity investment in health care, housing, and other industries. "But it's not necessarily dovetailing with high-quality treatment."

In 2021, 127 mergers and acquisitions took place in the behavioral health sector, which includes treatment for substance use disorders, a rebound after several years of decline, according to investment banking firm Capstone Partners<[https://www.capstonepartners.com/wp-content/uploads/2022/10/Capstone-Partners-Behavioral-Healthcare-Services-MA-Coverage-Report\\_October-2022.pdf](https://www.capstonepartners.com/wp-content/uploads/2022/10/Capstone-Partners-Behavioral-Healthcare-Services-MA-Coverage-Report_October-2022.pdf)>. Private equity investment drove much of the activity in an industry that is highly fragmented and rapidly growing, and has historically had few guardrails to ensure patients are getting appropriate care.

Roughly 14,000 treatment centers<<https://findtreatment.samhsa.gov/locator>> dot the country. They've proliferated as addiction rates rise and as health insurance plans are required to offer better coverage of drug and alcohol treatment. The treatment options vary widely and are not always consistent with those recommended<<https://www.samhsa.gov/resource-search/ebp>> by the federal Substance Abuse and Mental Health Services Administration. While efforts to standardize treatment advance, industry critics say private equity groups are investing in centers with unproven practices and cutting services that, while unprofitable, might support long-term recovery.

Baker said the company treats people who have been unsuccessful in other facilities and does so with input from both clients and their families.

### **Private equity skimps on the known standards**

Centers that discourage or prohibit the use of FDA-approved medications for the treatment of substance use disorder are plentiful, but in doing so they do not align with the American Society of Addiction Medicine's guidelines on how to manage opioid use disorder over the long term.

Suboxone, for example, combines the pain reliever buprenorphine and the opioid-reversal medication naloxone. The drug blocks an overdose while also reducing a patient's cravings and withdrawal symptoms.

"It is inconceivable to me that an addiction treatment provider purporting to address opioid use disorder would not offer medications," said Robert Lubran, a former federal official and chairman of the board at the Danya Institute, a nonprofit that supports states and treatment providers.

Residential inpatient facilities, where patients stay for weeks or months, have a role in addiction treatment but are often overused, said Brendan Saloner, an associate professor of health policy and management at Johns Hopkins Bloomberg School of Public Health.

Many patients return to drug and alcohol use after staying in inpatient settings, but studies show<<https://www.sciencedirect.com/science/article/pii/S074054721630513X>> that the use of medications can decrease the relapse rate for certain addictions. McKegney said he now regularly takes Suboxone.

"The last three years of my life were hell," he said.

Along with access to medications, high-quality addiction treatment usually requires long-term care, according to Shatterproof, a nonprofit<<https://www.shatterproof.org/shatterproof-national-principles-care>> focused on improving addiction treatment. And, ideally, treatment is customized to the patient. While the "Twelve Steps" program developed by Alcoholics Anonymous may help some patients, others might need different behavioral health therapies.

But, when looking for investments, private equity groups focus on profit, not necessarily how well the program is designed, said Laura Katz Olson, a political science professor at Lehigh University who wrote a book about private equity's investment in American health care<<https://www.press.jhu.edu/books/title/12719/ethically-challenged>>.

With health care companies, investors often cut services and trim staff costs by using fewer and less trained workers, she said. Commonly, private equity companies buy "a place that does really excellent work, and then cut it down to bare bones," Olson said. During his stay, McKegney said, outings to see movies or go to a lake

abruptly stopped, food went from poke bowls and pork tenderloin to chili that tasted like “dish soap,” and staff turnover was high.

Nearly three years ago, BRC landed backing from NewSpring Capital and Veronis Suhler

Stevenson<<https://www.wsj.com/articles/private-equity-firms-acquire-addiction-treatment-provider-brc-11586389039>>, two private equity firms with broad portfolios. Their holdings include a payroll processor, a bridal wear designer, and a doughnut franchise. With the fresh funds, BRC started an expansion push and bought several Tennessee treatment facilities<<https://www.businesswire.com/news/home/20210713006076/en/BRC-Healthcare-Expands-Into-Tennessee-With-Acquisition-of-Four-Nashville-Substance-Abuse-Treatment-Facilities>>.

NewSpring Capital and Veronis Suhler Stevenson did not respond to emails and phone calls from KHN.



Blake Farmer / WPLN News

*BRC Recovery, a private equity-backed addiction treatment company, bought Nashville Recovery Center in 2021. Private equity investment has driven much of the recent activity in substance abuse treatment, an industry that is highly fragmented and has historically had few guardrails to ensure patients are getting appropriate care.*

### **High prices and low overhead = big business**

Before the sale to BRC, Nashville Recovery Center co-founder Ryan Cain said, roughly 80% of the center's offerings were free. Anyone could drop by for 12-step meetings, to meet a sponsor, or just play pool. But the new owners focused on a new high-end sober living program that cost thousands of dollars per month and relied on staffers who were in recovery themselves.

In 2021, Nanci Milam, 48, emptied her 401(k) retirement fund to go through the sober living program and tackle her alcohol addiction. She had been sober for only six months when she was hired as a house manager, overseeing some of the same residents she had gone through the program with. She had to handle other residents' medications, which she said she could have abused. Milam said she was fortunate to maintain sobriety.

"I think it served their need. And I was ambitious. But it should not have happened," said Milam, adding that she left because the company hadn't helped her start her certification as a drug counselor as promised.

A licensing violation reported to Tennessee regulators in late 2021 involved a staffer who was later fired for having sex with a resident in a storage area. And KHN obtained a copy of a 911 call placed in August 2022 — after a resident drank half a bottle of mouthwash — during which a staffer admitted there was no nurse on-site, which some other states require.

### **Removing the burden from consumers**

The regulations of treatment providers largely focus on health and safety rather than clinical guidelines. Only a handful of states, including New York<<https://oasas.ny.gov/system/files/documents/2022/09/part818.pdf>> and Massachusetts, require that licensed addiction treatment centers offer medication for opioid use disorder and follow other best practices.

"We have a huge issue in the field where licensing standards don't comport with what we know to be the most effective quality-of-care standards," said Michael Botticelli, former director of the Office of National Drug Control Policy during the Obama administration and a member of a clinical advisory board for private equity-backed Behavioral Health Group. Some organizations, including Shatterproof, guide patients<<https://www.shatterproof.org/find-help/locate-a-high-quality-provider>> toward appropriate care. The federal and state governments largely direct public funds<<https://findtreatment.gov/>> to centers that meet clinical quality-of-care standards.

But access to treatment is limited, and desperate patients and their families often don't know where to turn. State or federal regulators aren't policing claims from rehab facilities, like the "99% success rate"<<https://www.brcrecovery.com/austin-drug-alcohol->



rehab/#:~:text=The%20study%20was%20conducted%20by,much%20higher%20than%20industry%20averages.>" touted by BRC.

"We cannot put the burden on patients and their families" to navigate the system, said Johns Hopkins' Saloner.

"My heart really breaks for people who have thrown thousands of their dollars at programs that are bogus."

When her niece was ready for inpatient rehab in summer 2020, Marina said that sending her to BRC was a "knee-jerk reaction." Marina, a physician in Southern California, requested to be identified only by her middle name to protect the privacy of her niece, who suffers from alcohol addiction.

She had researched the facility three years earlier but didn't investigate deeper because she was worried her niece would change her mind. BRC advertised success stories on the television show "Dr.

Phil" <<https://www.brcrecovery.com/dr-phil-rehab/>> and posted affirmations <<https://www.instagram.com/brcrecovery/>> on social media. <<https://www.facebook.com/BRCRecovery/>>

Marina agreed to BRC's upfront cost of \$30,000 a month for a three-month stay in Texas, which she paid for out-of-pocket because her niece lacked insurance. She allowed KHN to review some of her niece's pharmacy and treatment bills.

Marina said she paid for a fourth month, but said ultimately the program didn't help her niece, who remains "horribly sick." She said her niece felt constant guilt and shame at rehab. Marina thought there was inadequate medical oversight, and said the program "nickel and dimed" her for additional services, like physicians' visits, that she thought would be included.

"It almost doesn't matter if you are educated and intelligent," Marina said. "When it's your loved one, you are just desperate."

**Update:** The caption on the first photo in this story has been updated to note that the "Sing and Share" event has been revived by volunteers.

KHN <<https://khn.org/about-us>> (Kaiser Health News) is a national newsroom that produces in-depth journalism about health issues. Together with Policy Analysis and Polling, KHN is one of the three major operating programs at KFF <<https://www.kff.org/about-us/>> (Kaiser Family Foundation). KFF is an endowed nonprofit organization providing information on health issues to the nation.

ITEM 7b

## State Attorney Addiction Recovery Task Force (SAART)

### HB295: Bullet Points

**Section 1:** Adds a provision to s. 397.403, Florida Statutes, *License applications*, requiring that treatment provider applications for licenses include a prohibition on the premises against alcohol, marijuana, illegal drugs, and the use of prescribed medications by an individual other than the individual for whom the medications are prescribed. Currently, there are an increasing number of providers who facilitate and allow the use of marijuana at facilities and related housing. It should be noted that marijuana is not FDA approved and therefore, cannot be prescribed, only recommended. It is not accepted as a best practice by SAMHSA or ASAM.

**Section 2:** Adds a provision to s. 397.410, Florida Statutes, *Licensure requirements; minimum standards*, requiring the department to include in the minimum licensing requirements for treatment providers, a prohibition on the premises against the use of alcohol, marijuana, illegal drugs, and the use of prescribed medications by an individual other than the individual for whom the medication is prescribed.

**Section 3:** Adds a provision to s. 397.411, Florida Statutes, *Inspection; right of entry; classification of violations; records*, requiring the department to establish a mechanism for the imposition and collection of fines no later than January 1, 2024. There have been no fines assessed or collected by the department since the classification of violations and fines were enacted in 2017.

**Section 4:** Amends subsection (3) of s. 397.487, Florida Statutes, *Voluntary certification of recovery residences*, to add marijuana to the list of substances prohibited at a certified recovery residence. Currently, the prohibited list includes alcohol, illegal drugs and prescribed medication for persons other than the individual for whom the medication is prescribed. It should be noted that the national standards adopted by the Florida certifying entity, FARR, specifically contains a prohibition on the use of marijuana.

**Section 4 (continued):** Additionally adds a provision to s. 397.487, Florida Statutes, *Voluntary certification of recovery residences*, that a person who is discharged from a certified recovery residence by the owner or authorized



**Item 7B**

employee, pursuant to a valid discharge policy, and refuses to leave the residence, commits trespass in a recovery residence, a second degree misdemeanor. There have been a number of incidents around the state where a resident has been lawfully discharged, for the health and safety of the resident or other residents, and refuses to leave. Police are called and refuse to intervene because there is not a specific statute in place.

**Section 5:** replaces subsection (3) in s. 397.4873, Florida Statutes, *Referrals to or from recovery residences; prohibitions; penalties*, adding a prohibition against treatment providers referring to, or accepting referrals from a recovery residence that allows the use of alcohol, marijuana, illegal drugs, or the use of prescribed medication by an individual other than the individual for whom the medication is prescribed.

**Section 5 (continued):** Additionally, amends subsection (4) (currently (3)) in s.397.4873, Florida Statutes, *Referrals to or from recovery residences; prohibitions; penalties*, to require the residential component of day or night treatment with community housing to be certified regardless of whether or not the housing is a part of a component license. For several years, the legislature has passed legislation with the intent that these community residences be included in the voluntary certification process. In 2018, the legislature removed the exemption from certification previously provided to referrals made by licensed service providers to their wholly owned subsidiaries. Then in 2019, the legislature amended the definition of recovery residence to specifically include day or night treatment with community housing residences, with the intent that these recovery residences be subject to voluntary certification.

While the department issued a memo requiring certification when a day or night treatment provider accepts or receives referrals from “other licensed treatment providers, or existing recovery residences”, they have maintained that the current definition of a referral does not apply within the day or night license itself. In other words, there can be no referral of a patient who is directly marketed into the facility and is not referred by another provider or residence. This creates an unintended loophole, especially when the department does not have the resources to determine whether or not a patient came to a provider from an outside source or was directly marketed into the facility. It was never the intent

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of the legislature to exempt recovery residences in residential neighborhoods from the voluntary certification process merely because the provider owns a residence and uses that residence within a particular license.

**Section 5 (continued):** Lastly, section 5 requires the department to establish a mechanism for the imposition and collection of fines for violations under the referral section.

HB 165

2023

1                   A bill to be entitled  
2       An act relating to controlled substance testing;  
3       amending s. 893.145, F.S.; revising the definition of  
4       the term "drug paraphernalia" to exclude certain  
5       narcotic-drug-testing products; providing an effective  
6       date.

7   Be It Enacted by the Legislature of the State of Florida:  
8

9       Section 1. Subsection (4) of section 893.145, Florida  
10   Statutes, is amended to read:

11       893.145 "Drug paraphernalia" defined.—The term "drug  
12   paraphernalia" means all equipment, products, and materials of  
13   any kind which are used, intended for use, or designed for use  
14   in planting, propagating, cultivating, growing, harvesting,  
15   manufacturing, compounding, converting, producing, processing,  
16   preparing, testing, analyzing, packaging, repackaging, storing,  
17   containing, concealing, transporting, injecting, ingesting,  
18   inhaling, or otherwise introducing into the human body a  
19   controlled substance in violation of this chapter or s. 877.111.  
20   Drug paraphernalia is deemed to be contraband which shall be  
21   subject to civil forfeiture. The term includes, but is not  
22   limited to:

23       (4) Testing equipment used, intended for use, or designed  
24   for use in identifying, or in analyzing the strength,  
25   effectiveness, or purity of, controlled substances, excluding

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26   narcotic-drug-testing products that are used to determine  
27   whether a controlled substance contains fentanyl as described in  
28   s. 893.03(2)(b)9. or a controlled substance analog, as defined  
29   in s. 893.0356(2), of fentanyl.

30   Section 2. This act shall take effect July 1, 2023.

By Senator Polsky

30-00067B-23

2023164\_\_

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manufacturing, compounding, converting, producing, processing,  
preparing, testing, analyzing, packaging, repackaging, storing,  
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30-00067B-23

2023164\_\_

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ITEM 7c

**ITEM 7c****PROVISO FOR A STATEWIDE STUDY OF  
COMMUNITY RESIDENCE ZONING**

Ask support for nonrecurring general revenue funding for a statewide study on zoning regulations for community residences (group homes, sober living homes, assisted living arrangements small enough to emulate a family) for people with disabilities and recovery communities for people in recovery from substance use disorder. Such a study will enable the legislature to enact a standard zoning template for local governments to follow for community residences and recovery communities. The Department of Housing and Urban Development (HUD) and the Department of Justice (DOJ) recommended that, “in situations where a group home seeks a reasonable accommodation to exceed the number of unrelated persons who are permitted by local ordinance to reside together, the Fair Housing Act does not prevent state or local governments from taking into account concerns about the over-concentration of group homes that are located in close proximity to each other” in their 2016 Joint Statement on, State and Local Land Use Laws and **Local Land Use Laws and Practices** and the Application of the Fair Housing Act”.

The study would support reasonable requirements, such as state licensure or certification, in exchange for granting a reasonable accommodation as to the number of unrelated adults living in a residential dwelling unit. Palm Beach County just approved land use amendments supported by its own study last year. A statewide study, supporting subsequent legislation, would encourage and provide a uniform approach for all local governments around the state saving time and resources. The study also provides a basis for these changes in accord with Federal law.



**ITEM 7c**

The State Attorney would commission and oversee the study. The cost would be \$110,000 through funding provided to the Florida Institute of Government.

**ITEM 7c****STATEWIDE STUDY ON SOBER HOME ZONING LANGUAGE**

From the funds provided in Specific Appropriation \_\_\_\_, \$110,000 in nonrecurring general revenue funds is provided to conduct a study aimed to identify the feasibility of creating a statewide standard zoning template for local governments to use regarding recovery residences for people in recovery from substance use disorder; provide the basis and justification for statewide zoning regulation of these land uses and provide guidance for drafting statewide zoning regulation for recovery residences in compliance with the federal Fair Housing Act Amendment of 1988. The State Attorney shall submit the study to the Governor, President of the Senate, and Speaker of the House of Representatives by October 1, 2023.