

## Pennsylvania's drug treatment industry is growing rapidly and it raises concerns

By: Ford Turner

The Pennsylvania drug abuse treatment industry, stoked by an out-of-control opioid drug crisis and a multitude of people desperate to survive it, has mushroomed in size.

A Reading Eagle analysis of licensing data provided by the state Department of Drug and Alcohol Programs showed that the number of active state licenses for drug abuse treatment increased to 1,282 in 2017 from 866 in 2013, an increase of 48 percent.

During that time, the number of annual deaths from drug overdoses in Pennsylvania more than doubled to 5,260.

While leaders express confidence in treatment itself - a Wolf administration official told reporters last month that "treatment works, recovery is possible" - the proliferation of treatment outlets has made questions on profit motives, oversight and the potential for financial abuse more relevant.

The newspaper analysis showed that while Pennsylvania's licensed treatment capacity has surged by more than 34 percent to a total of 128,607 licensed treatment slots, the capacity of licensed for-profit companies has surpassed the capacity of licensed nonprofits for three consecutive years.

In the seven-county Berks region, the number of licenses granted to for-profits and nonprofits was equal, at 80, in 2013. By last year, licenses to for-profit treatment centers surged to 131 while nonprofits had 98.

In response to written questions, Ali Fogarty, a Department of Drug and Alcohol Programs spokeswoman, said each licensed center must be audited each year. County-level authorities that receive state money and give it to treatment contractors are responsible for monitoring fiscal activities and programs of those contractors.

But public money flowing from the department is only one source of payments to treatment contractors.

Private insurers foot many bills, and they are wary of what they see in Pennsylvania.

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Corruption documented

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**Coalition Against Insurance Fraud**

Quiggle cited an extensive report on Philly.com last year on the acceptance of kickbacks by "recovery house" operators who steered addicts to certain treatment centers, and reporting in the Pittsburgh Post-Gazette on abuses in that part of the state.

In one Pittsburgh-area incident, David Francis, the operator of the purported drug rehabilitation center Next Step Foundation, was charged with drug distribution last fall after a federal investigation. The criminal complaint said agents who raided Francis' home found scales covered with white residue and five bricks of suspected fentanyl, a deadly opioid drug.

County-level data previously obtained by the Eagle through a Right-To-Know request showed Next Step Foundation received more than \$1.3 million in public money during the six years that ended in 2012.

Elaine Plunkett, a spokeswoman for the Allegheny County agency that distributed the public funds to Next Step, said in an email that it had no indication Francis was selling drugs when his organization got the public money.

Recovery houses give recovering addicts a place to live with others with similar struggles, for months or even years. They are not licensed by the state, but many people who live in them come directly from licensed treatment centers.