THE OPIOID EPIDEMIC:

Fraud and Abuse in the Treatment Industry

Alan S. Johnson
Chief Assistant State Attorney
15th Judicial Circuit, Florida

OPIOID DEATHS IN USA

CENTERS FOR DISEASE CONTROL (CDC)

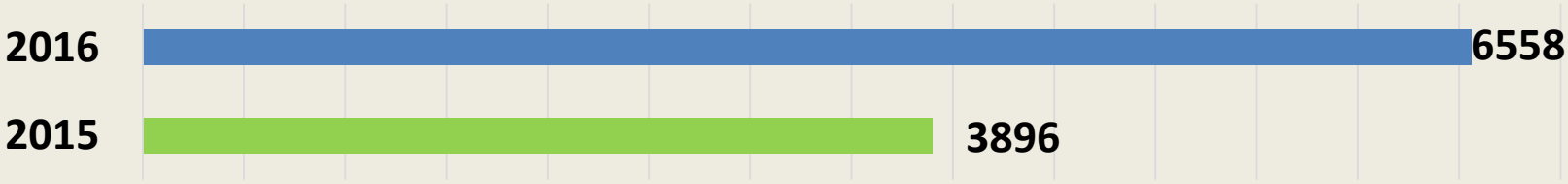
- 2014 - 28,647 (78/Day)
- 2015 - 33,091 (91/Day)
- 2016 - 42,249 * (116/Day)

*2016 data aggregated from 3,000 coroner's offices – many coroners do not record a specific drug when documenting a fatal overdose. Research imputed a corrected count to be 49,562

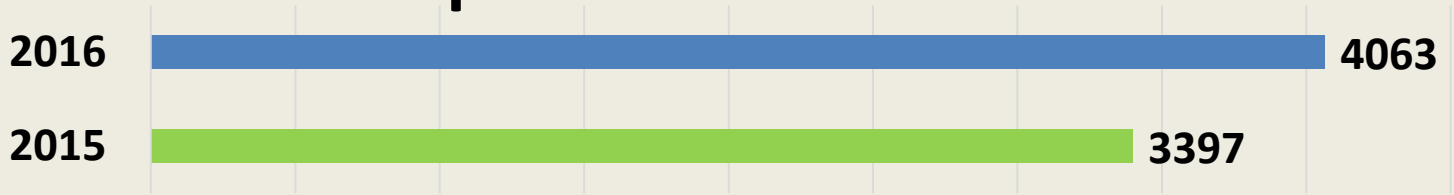
Opioid Deaths in Florida

2015/2016 Florida Medical Examiners Reports

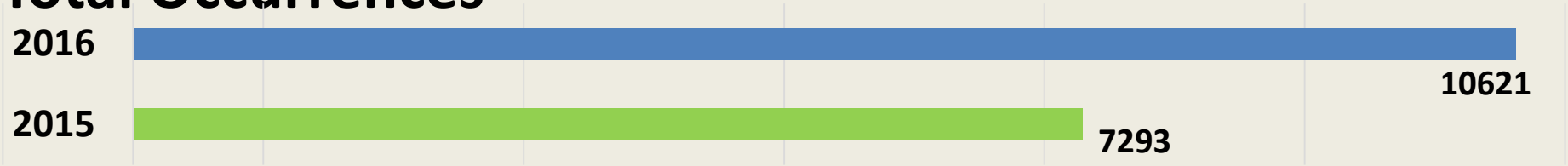
Opioids as Direct Cause of Death



Deaths with Opioids Present



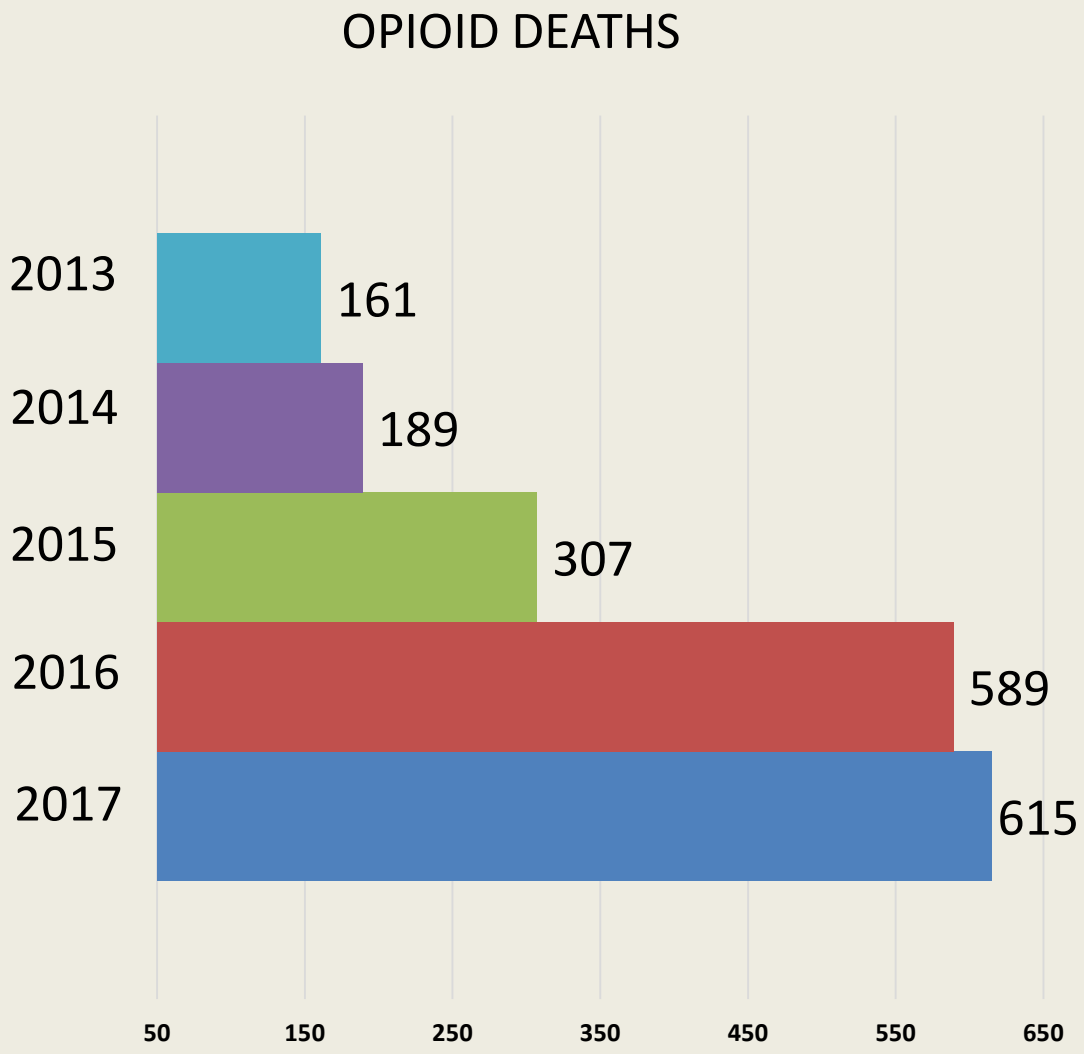
Total Occurrences



Reported By Dr. Michael Bell
District 15 Medical Examiner

Comparative Analysis: Opioid Overdose Deaths In Palm Beach County 2013-2017

*opioid deaths = at least 1 opioid caused or contributed to the death of a person



SYNTHETIC OPIOIDS

- Used as additives to heroin
- Spike the potency
- Lower the price
- Contribute to overdoses

FENTANYL

Created in 1960

Up to 100 times more potent than morphine

ANALOGUES

- Carfentanil
- Sufentanil
- Alfentanil
- Remifentanil
- Lofentanil

CARFENTANIL

Created in 1974

10,000 times more potent than morphine

Anesthetic for elephants

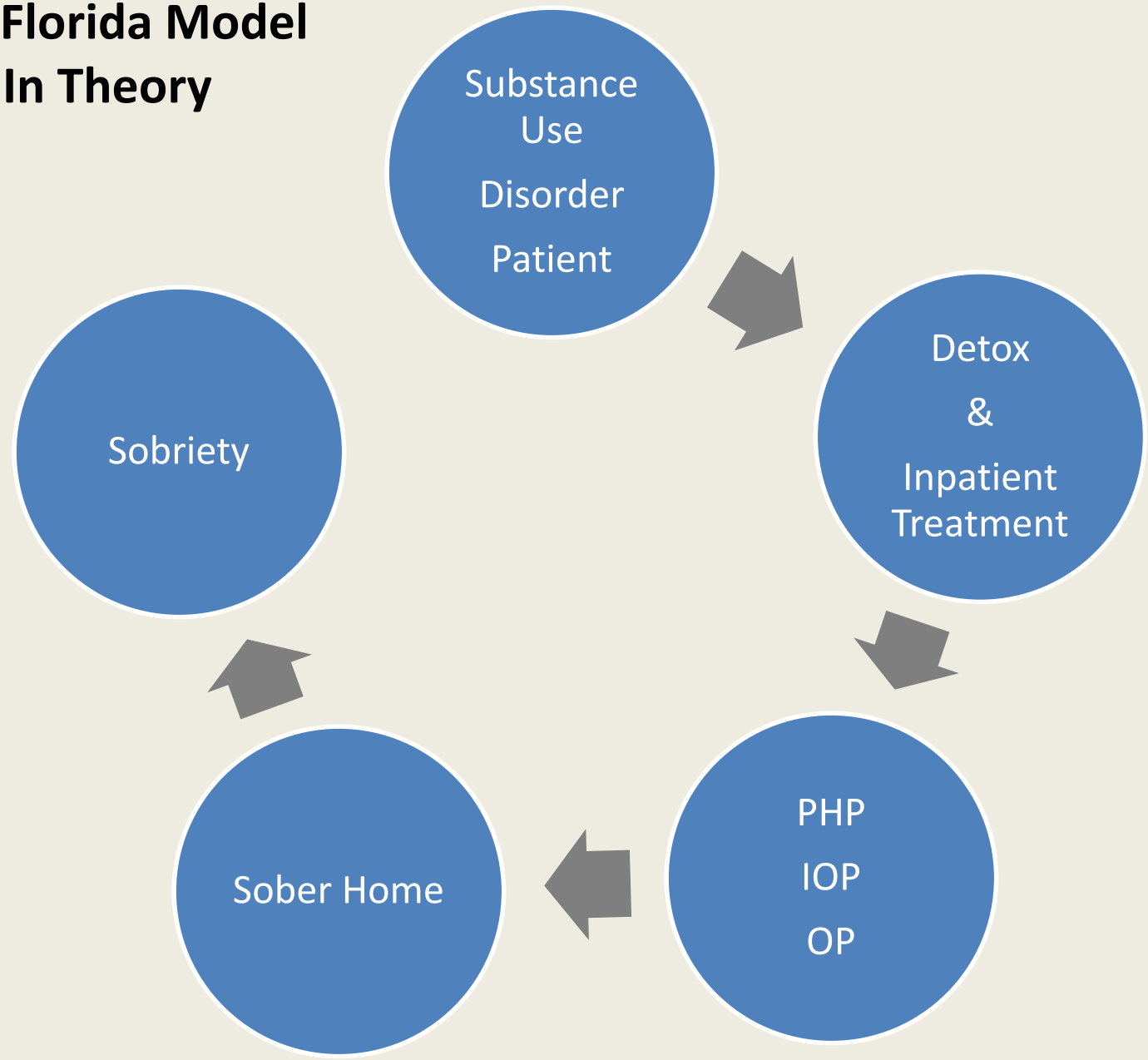
What is a Sober Home

- AKA- Recovery Residence – A residence where like minded persons in recovery live in a sober environment as a family or group home.
- No treatment takes place at a sober home
- Residents of a sober home are considered disabled under the ADA and FHA
- There are nationally recognized standards developed by non-profit organizations
  - NARR
  - Oxford House
- Most “sober homes” have no standards and no oversight

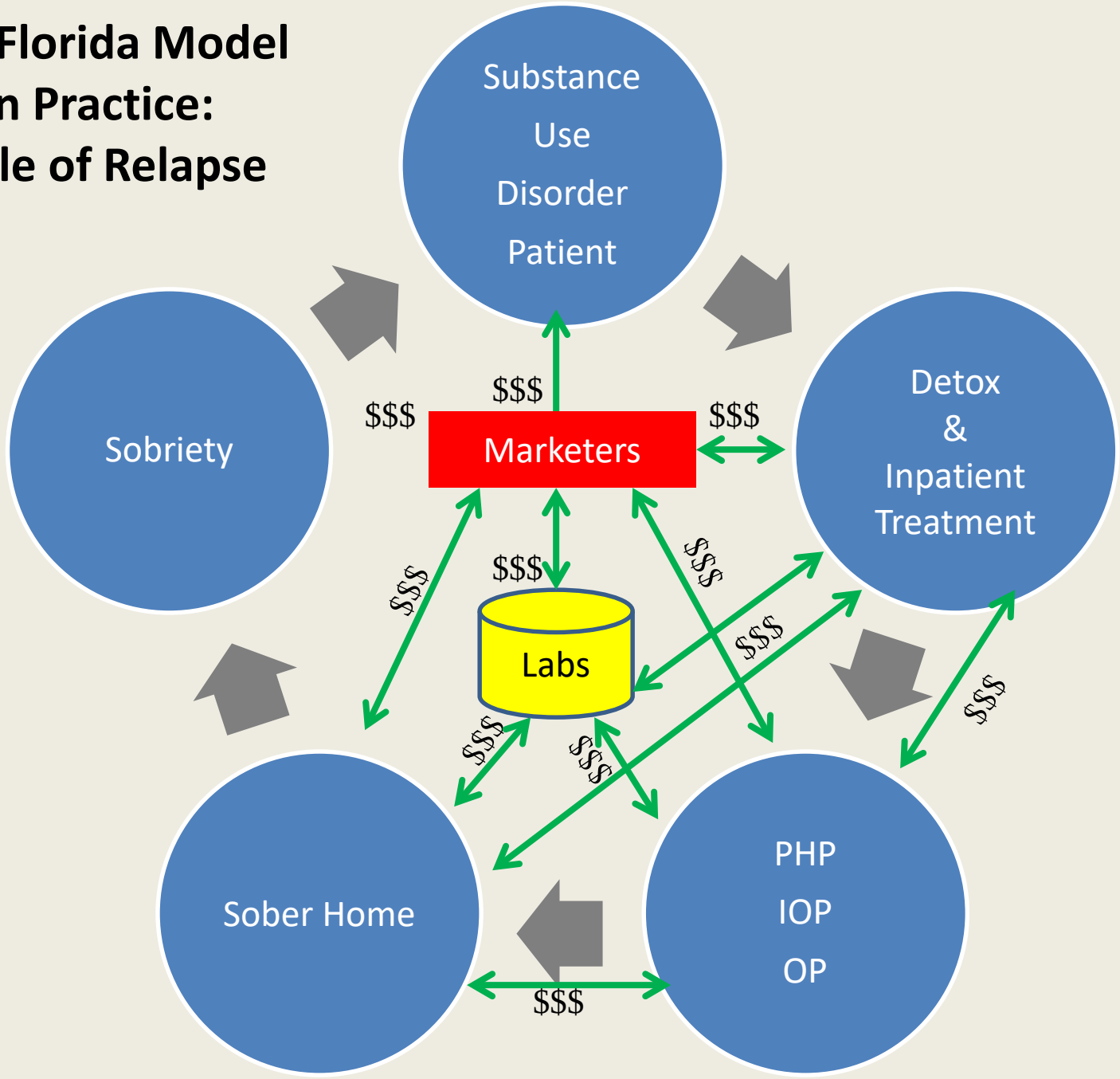
Coming to a location near you!

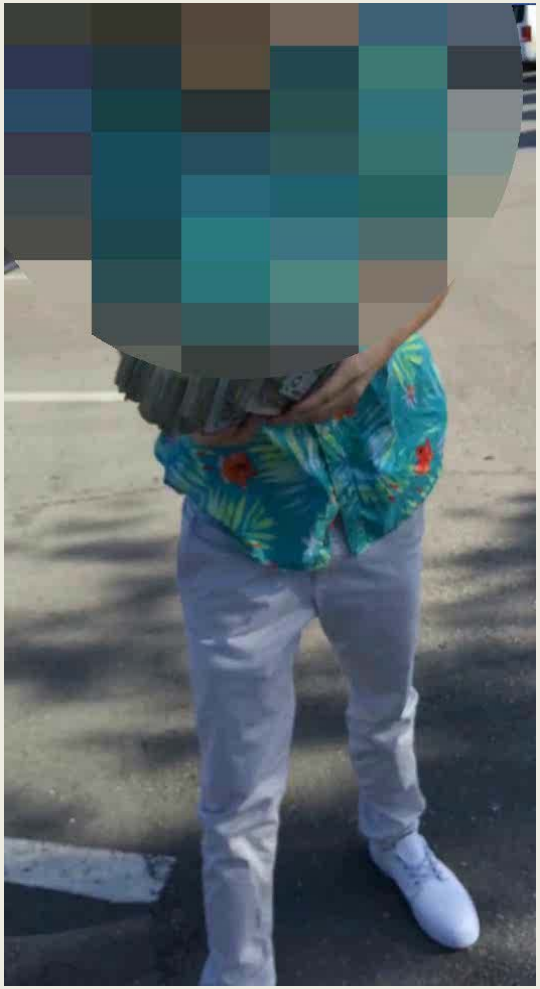
- Treatment destinations – private pay
  - Florida
  - Arizona
  - California
- Sober Homes exist everywhere
- Opioid epidemic has increased demand
  - West Virginia
  - New Hampshire
  - Georgia
- Sober Home vs. Flophouse

The Florida Model
In Theory



The Florida Model In Practice: Cycle of Relapse





ORDINARY SCAMS

Provider kickbacks to sober homes



- Checks, cash to marketers– depending on quality of insurance and level of care - $200 - $1,000 per week
- Sober home kickbacks to residents – free rent, cigarettes, scooters, acupuncture, x-box, gym memberships – “stuff”
- Lab kickbacks to providers or sober homes (U/A gold)
- Fraudulent U/A – e.g., apple juice, former clients, etc.
- Solicitation to and from labs (marketers, reps)
- Soliciting residents/patients = poaching
- Signing a patient up for the insurance exchange and paying the first few premiums.
- Poaching


PROPERTY OF
YOU CAN'T PROVE IT WAS ME!

Sober Homes Arrests

Since Nov 2016:

- 44 Arrests
- 16 convicted









Fixing The System

- Fee for service model – encourages overutilization of services
- Best practice: Long term care and recovery
- Best practice: Combine primary care with behavioral health care
- Cost benefit – recycle vs. recovery
- ACA Medicare model: Stop rewarding failure

ETHICAL RESPONSIBILITY

- Treatment Providers
  - Over-utilization – billing - referrals
- Sober Home Operators
  - FARR certification - referrals
- Marketing Companies
  - Truth in Marketing
- Doctors Prescribing Opioids
  - Due Diligence, Education
- Insurance Companies
  - Fee for service model – encourages relapse

TRUTH IN MARKETING

- F.S. 397.55 Prohibition of Deceptive Marketing Practices:
  - Service provider, operator of a sober home, or a third party who provides advertising or marketing services may not make false representations, including website, lead generation and requires disclosure to the patient
- F.S. 817.0435 Prohibition of Fraudulent Marketing Practices:
  - Unlawful for any person to knowingly and willfully make a materially false statement or provide false or misleading information about the identity, products, goods, services, or geographical location of a licensed service provider. 3rd degree felony

OFFICE OF THE STATE ATTORNEY

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