

Written Statement

of

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Hearing

To Examine Advertising and Marketing Practices within the
Substance Use Treatment Industry

Before

The Subcommittee on Oversight and Investigations
The Committee on Energy and Commerce
U.S. House of Representatives

July 24, 2018

Chairman Harper, Ranking Member DeGette, and Members of the Subcommittee, thank you for the opportunity to share my perspective as you continue your important investigation into various aspects of the opioid crisis confronting our country. I appreciate your interest in the advertising and marketing practices within the substance abuse treatment industry.

Our focus at Niznik Behavioral Health (NBH) is on offering quality treatment to those seeking help at a time when such services are most in demand, and when there is a shortage of available providers.

NBH is a national provider of behavioral health services. We help kids, mothers, fathers--individuals from all walks of life--as they seek to take control of their lives, overcome their battles with addiction, return to their families, and again become productive members of society. We have helped thousands of individuals through our inpatient and outpatient services at the facilities we operate in Florida, Texas, and California, several of which fill a need in underserved markets. In Texas, for example, our inpatient facility is in a rural county served by only one other provider. We will soon be opening an additional facility in New Jersey, which also will help individuals in an underserved market. Addiction Recovery Now (ARN), an affiliate of NBH, is a non-NBH branded free web resource that provides helpful information about addiction and related topics for NBH's wholly owned healthcare services and facilities.

At the outset, I want to emphasize that neither NBH nor ARN has ever operated as a patient broker. Neither ARN nor NBH has any affiliation with any third-party call centers, lead generators, or similar intermediaries. And neither company makes any payments to any intermediary or other third-party for referrals. In short, we do not now and never have engaged in any of the activities that would appear to be of concern to you and your colleagues, as expressed in the Committee's May 29 letter to me and other of the panelists appearing before you today.

NBH is in the business of treating patients. All of our NBH programs are licensed, are in good-standing, and are accredited by the Joint Commission, an independent, not-for-profit organization that accredits U.S. healthcare organizations and programs and maintains the most stringent standards for national accreditation. Our licensed medical and clinical care teams have successfully treated thousands of individuals. We have provided free services--what we refer to as "scholarships"--to nearly 300 individuals who otherwise would be unable to receive care.

Based on our experience, I would be pleased to share with you our thoughts on what comprises quality treatment. Like you, we want to make sure that prospective patients and their families are as well-equipped as possible when they are seeking treatment for themselves or for a loved one.

I am very proud of what we have accomplished in only five years. We built our services from the ground up, starting with one facility in 2013. We now employ over 500 individuals and support hundreds of additional jobs in the markets in which we provide our services. In fact, we have given jobs to people in recovery.

So that you have a better perspective on how we operate our business, let me provide some background about our structure and our growth.

We opened our first Inpatient Detoxification Facility in May 2013 in Miami. Upon being licensed by the State of Florida, that facility--Harbor Village--began answering calls from individuals seeking its services. The employees working for that facility would answer calls for only that facility. As we added other facilities, the customer service function relating to all facilities was assumed, on a facility-by-facility basis, by NBH.

When one of our customer service representatives receives a phone call, the individual answering the call immediately identifies himself or herself as an NBH employee--that way all callers know at all times that they are speaking directly with NBH. The work of an NBH customer service representative is akin to a receptionist in a doctor's office--a person who answers a call, provides information regarding the services the doctor offers, and then schedules an appointment for the doctor if the prospective patient decides to seek help.

Upon receiving a call, NBH customer service representatives collect information from the caller regarding the purpose of their call and what services they are seeking. They then

provide information about NBH programs that might meet the caller's anticipated needs. Our customer service personnel do not select a particular facility for a caller. Rather, they seek to answer questions and educate a caller on the various facilities we operate, and the types of services we offer. This assists a caller in identifying which, if any, NBH facility can meet their needs, considering factors such as age (NBH serves adolescents in Florida but not in Texas and California), certain types of therapy, specific foreign language-based programs, and the like. Based on this information, callers make their own selection of the facility they consider most appropriate for their needs. Or they decide we don't offer the services they are seeking and they look elsewhere. In short, callers are simply provided with the array of available NBH facilities and programs, and make their own choices based on what we have to offer.

If a caller thereafter seeks admission to an NBH facility, trained and licensed medical and clinical personnel determine the medical necessity and clinical appropriateness of the services to offer that individual.

How does ARN fit into this system? ARN was developed several years ago to offer a free online resource for individuals searching for information about addiction and behavioral health services. Today, the website does not have a significant online presence, accounting for approximately 1% of all calls answered by NBH. A telephone number on the ARN website allows callers to reach an NBH customer representative. The fact that NBH will be answering the call is disclosed to visitors to the website. As noted above, the customer service center consists of employees of NBH who answer telephone calls on behalf of NBH facilities. As a result, individuals accessing the ARN website who call the phone number listed on the website are interacting at all times with an NBH employee.

We're in the business of helping people. We are only able to grow as a company when we provide quality and effective care. Our patients provide us with feedback on their experience. They consistently say they are overwhelmingly pleased with the quality of care and the services they've received. As I noted at the outset, we have helped thousands of individuals get control of their lives and return to becoming productive members of society. We have provided 296 full scholarships to individuals in need. With a full scholarship, the patient's entire stay through all levels of care and services is free. We also have provided partial scholarships as part of our goal of helping individuals in need.

Despite the help we provide, we face zoning challenges, NIMBYism, and landlord discrimination regarding the use of their properties to provide our services. Another unique problem stems from the fact that we are required to respond to a number of different standards of care depending upon the insurance carriers with whom we are dealing. Unfortunately, there is no uniform standard. As a result, complying with a multiplicity of standards is a logistical and administrative ordeal. Finally, there is the ever-increasing challenge of securing authorizations from carriers to provide the treatment required for our patients.

We believe we are providing a much-needed service. We appreciate this opportunity to put in perspective how we operate our business, how our licensed medical and clinical

personnel help people in need, and how we believe we excel in the way in which we deliver care to people from all walks of life who need help.

Thank you again for the opportunity to provide this statement for the hearing record.