



COMMITTEE ON
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DEMOCRATS
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Pallone Remarks at Oversight Hearing on Advertising & Marketing Practices within the Substance Use Treatment Industry

Washington, D.C. – *Energy and Commerce Ranking Member Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a Subcommittee on Oversight and Investigations hearing on “Examining Advertising and Marketing Practices within the Substance Use Treatment Industry.”*

The opioid epidemic continues to devastate families and communities around the nation. We still have a long way to go to climb out of this crisis. Opioids killed more than 115 Americans a day in 2016, and millions more continue to suffer. That is bad enough — but to see people taking advantage of this crisis by preying on victims to make money is unconscionable.

The Affordable Care Act expanded access to substance abuse treatment for millions of Americans, and it also required insurance companies to cover this treatment just as they would cover any other chronic disease. Thanks to the ACA and Medicaid Expansion, Americans who could not get access to this treatment before now can. Unfortunately, people with substance use disorder still face barriers to accessing treatment. According to SAMHSA, of the 19 million adults who had a substance use disorder in 2016, 17 million did not receive treatment.

We need to do everything we can to help more Americans access this treatment. Unfortunately, there are companies preying on individuals in desperate need of treatment services. Some of the companies this Committee has been examining claim they are merely filling a market need. But anyone advertising treatment services must put the needs of the patient first, and they must employ well-qualified staff that can provide quality treatment or ensure that they are only referring patients to quality treatment providers.

This Committee’s investigation into patient brokering revealed shocking examples of companies that claimed to offer treatment and special perks to individuals suffering from opioid addiction. Families that were desperate to help their loved ones put their trust and hope in many of these treatment facilities. But as our investigation has found, many of those entities are a scam and do not offer actual treatment. In some instances, these facilities are actually putting people’s lives at risk.

Now the Committee has broadened its focus to look at treatment call centers and marketing tactics. And unfortunately, we've discovered that some companies have looked at this devastating epidemic as an opportunity solely to make money.

For instance, reports indicate that some of these call centers or "call aggregators" advertise opioid treatment to get people to call looking for help, and then sell those calls to various facilities. It is unclear how this helps the patient.

Other companies actually appear to offer treatment for opioid use disorder, but they also engage in aggressive marketing tactics. For example, some facilities operate multiple websites with different names and phone numbers, with the goal of maximizing the number of beds filled.

This raises questions about how transparent these companies are about the services they offer, and how they help patients find the treatment that's right for them. It also raises questions about how a prospective patient is supposed to navigate the countless number of treatment offerings and find quality care against the backdrop of the array of services being advertised.

I am hopeful our witnesses can shed some light on the types of marketing and treatment practices that are best designed to put the patient first and help them find quality care.

For example, Dr. Kenneth Stoller from the Johns Hopkins Hospital Broadway Center for Addiction can tell us about how they conduct outreach to individuals who may be in need of substance use disorder services and enroll patients seeking care. He can also tell us about how treatment providers should clinically assess the needs of each patient to determine the best course of treatment, and the role of medication-assisted treatment (or MAT) for opioid addiction.

I also look forward to hearing from some of the other treatment providers on their marketing and treatment practices to understand if they are designed to always put the patient first and guide them to the care most appropriate for their condition.

This is important considering that not all families seeking help have access to objective information or even know what to look for in evaluating treatment options.

And this problem is especially complicated when families stumble upon misleading or confusing websites, designed not to educate people about the best forms of treatment available. So we need to hear from the panel about what they regard as quality care, and what a family in crisis should look for in a treatment program as they struggle to find help with their addiction.

I support efforts that get more people into quality treatment. Marketing and advertising can be important tools in educating people about the different treatment options available to meet their needs, but if these companies want to be in the treatment business, they simply must put the

patient first. And this Committee must continue to work to ensure that any American suffering from this terrible disorder gets the treatment they need.

Thank you, I yield back.

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