

**Testimony on the Proposed Fiscal Year 2023-24  
Department of Drug and Alcohol Programs Budget**

Dr. Latika Davis-Jones, Acting Secretary

House Appropriations Committee

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Thank you, Chairman Harris, Chairman Grove, and distinguished members of the House Appropriations Committee, for the opportunity to provide testimony on Governor Shapiro's proposed 2023-24 budget for the Department of Drug and Alcohol Programs (DDAP or the department).

My name is Dr. Latika Davis-Jones and I have the pleasure of serving as Acting Secretary for DDAP. Pennsylvania is only one of three states with a dedicated cabinet-level department to solely oversee drug and alcohol programming. Acting as the Single State Authority (SSA) for substance use disorder (SUD) services, DDAP is responsible for the administration of control, prevention, intervention, treatment, recovery supports, rehabilitation, research, education, and training activities within the department as well as across state agencies. We serve a critical role in coordinating efforts with the federal, state, and local levels. In addition to programmatic efforts geared toward SUD, the department also implements a program to address compulsive and problem gambling.

### **Proposed 2023-24 Budget**

Without continued and sustained federal funding, the modernization and collaboration of these efforts will be greatly diminished. Although we have made significant strides in Pennsylvania, our work is not done. In providing an update on the projects funded through federal grant dollars, it is important to note that while the department has received these large amounts of funding and anticipates additional funding in the near future, we continue to operate with a very limited staffing complement. The work that is produced by the staff at DDAP is something I am very proud of. As one of the smallest departments in the Commonwealth, we have made tremendous strides to better the lives of some of the most vulnerable Pennsylvanians.

In terms of the agency's operating budget, it is important to note that although DDAP has seen an influx in federal funding to support the opioid and stimulant epidemics, we are only able to use a limited amount of the funding for administration. Administration costs for the department are covered through funding DDAP's annual state budget. Under Governor Shapiro's proposed 2023-24 budget, he has allotted just over \$3 million for the department, which remains consistent with last year's annual state budget.

## **Opioid Settlement Funding**

Prior to being elected Governor, as Attorney General, Josh Shapiro took on the big pharmaceutical companies and won. Pennsylvania is slated to receive a maximum of \$1.07 billion from the \$26 billion agreement with the nation's three major pharmaceutical distributors – Cardinal, McKesson, and AmerisourceBergen – and Johnson & Johnson over the companies' role in creating and fueling the nationwide opioid crisis.

This opioid settlement funding will provide opportunities to reach underserved individuals struggling with substance use disorder and provide the necessary tools to find and complete treatment, and go on to live a healthy, fulfilling life in recovery.

Overall settlement dollars will be distributed to Pennsylvania counties as well as the state level, to be appropriated by the General Assembly. Pennsylvania's total allocation will be distributed as follows:

- Seventy percent to counties based on the combined metrics of overdose deaths, opioid use disorder hospitalizations, naloxone administrations, and percentage of opioid shipments;
- Fifteen percent to litigating counties, subdivisions, district attorneys, and special districts; and
- Fifteen percent to the Commonwealth to be appropriated by the legislature through a restricted account in state treasury.

It's important to note that settlement funds are allocated and distributed to counties and municipalities through the trust as specified under the settlement agreement and court order; they are not appropriated by the General Assembly or allocated by DDAP.

### Use of State Funds

The department was appropriated \$17.5M by the General Assembly for year one of the settlement. Of this \$17.5M, Lehigh County District Attorney's Office is slated to receive \$1M, leaving \$16.5M to be used by the department. In an effort of transparency, DDAP plans to use its portion of the funds in the following areas:

- **SUD crisis services:** DDAP has issued a grant opportunity for entities who wish to establish or expand SUD crisis services in their communities.

- **Supporting Black, Indigenous, and people of color (BIPOC) communities:** DDAP has issued a grant opportunity for organizations with a specific focus on serving BIPOC communities in the areas of harm reduction, low-barrier Medication-Assisted Treatment (MAT) and SUD treatment access, recovery, and peer (supports, addressing stigma, and other activities).
- **Addressing workforce capacity:** As follow-up to DDAP's recent popular loan repayment opportunity for professionals, the department will provide additional incentives to attract and sustain talent among the SUD workforce.
- **Assistance for Kensington:** Philadelphia-specific initiatives to assist with needs in that area through the Philadelphia Mobile Outreach and Recovery Services Continuity of Care team.

I am happy to expand on any and all of these if you are interested to learn more about the initiatives. The department will continue to work with the General Assembly and counties across the Commonwealth to ensure that opioid settlement funding is being utilized in the most efficient ways possible to benefit citizens of Pennsylvania.

### **Pennsylvania's Drug and Alcohol System**

To understand our department's funding, it is important to explain how Pennsylvania's drug and alcohol system is structured. Local government entities are critical partners in the provision of prevention, intervention, treatment, and recovery support services for individuals who are uninsured or underinsured in Pennsylvania. DDAP has grant agreements with each of the 47 Single County Authorities (SCAs), which cover all of PA's 67 counties. These county or county-affiliated agencies plan, administer, and evaluate services at the local level. SCAs are responsible for contracting with and funding private and nonprofit providers of treatment, prevention, and recovery support services. Each SCA determines the appropriate services and number of providers necessary to meet local needs and provides this information to the department through a yearly needs assessment process.

While DDAP receives some state funding, most of the department's funding comes from the Substance Abuse and Mental Health Services Administration (SAMHSA), our federal counterpart.

To put this into perspective, for State Fiscal Year (SFY) 2022-23, DDAP's total budget of \$406 million is made up of 24 percent state funding and 76 percent federal funding.

## **Pennsylvania's Current Addiction Landscape**

To describe the landscape of Pennsylvanians living with the disease of addiction, in SFY 2021-22, more than 144,000 Pennsylvanians received SUD treatment through publicly funded sources. Publicly funded sources include DDAP-funded, and Department of Human Services' (DHS)-funded individuals through the state's Medical Assistance program, also known as HealthChoices. Of these 144,000 Pennsylvanians who received SUD treatment in SFY 2021-22, just over 18,000 people were treated using DDAP funds and almost 126,000 people received treatment through Medical Assistance.

### Overdose Deaths

In 2021, one Pennsylvanian died of an overdose about every two hours. According to the Pennsylvania Department of Health's (DOH) Fatal and Non-Fatal Drug Overdose Surveillance Interactive Data Report, in 2021, 5,349 Pennsylvania lives were lost to a drug overdose, 70 percent were male, 56 percent died at home, and most overdose deaths occurred between the ages of 35 and 44. Additionally in 2021, Black Pennsylvanians were nearly twice as likely to die from an overdose as white Pennsylvanians. Preliminary data shows 4,749 Pennsylvanians died from an overdose in 2022, and this number will continue to increase as coroner/medical examiner reports are finalized.

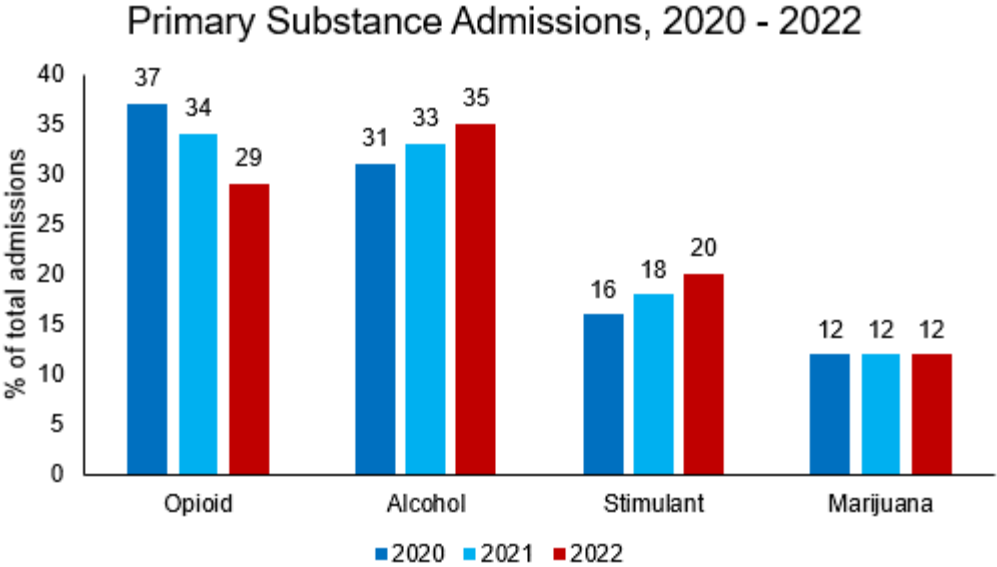
### Fentanyl

Fentanyl is currently the dominant substance across the Commonwealth. It is sold as powders, nasal sprays and pills that are made to look like prescription opioids. According to DOH's Fatal and Non-Fatal Drug Overdose Surveillance Interactive Data Report, 78 percent of the 5,349 overdose deaths in 2021 involved fentanyl. Pennsylvania falls in a unique position in drug trafficking routes, and fentanyl's purity and potency, inexpensiveness, and high accessibility all make for a dangerous and often lethal combination. The emergence of counterfeit pressed pills that mimic legitimate prescription drugs, particularly those in the opioid class, such as oxycodone and hydrocodone formulations, has been a contributing factor to this trend in addition to fentanyl being mixed with

stimulant drugs such as methamphetamine and cocaine. The large presence of fentanyl underscores the importance of tactics like using fentanyl test strips and carrying naloxone even when one wouldn't expect an opioid to be present.

Xylazine

Xylazine, a non-opioid veterinary tranquilizer not approved for human use, has been linked to an increasing number of overdose deaths in Pennsylvania and nationwide. Xylazine, also known as "tranq" or "tranq dope," has seen increasing usage across major U.S. cities, and most notably in Philadelphia. According to the National Institute on Drug Abuse (NIDA), people exposed to xylazine often knowingly or unknowingly used it in combination with other drugs, particularly illicit fentanyl. People report using xylazine-containing fentanyl to lengthen the opioid's euphoric effects, though its use is associated with necrotic skin wounds that can be progressive and extensive. Xylazine also increases the risk of fatality associated with opioid overdoses because it's not responsive to naloxone; rather, a person who has overdosed with xylazine requires airway management and supplemental oxygen. Most overdose deaths linked to xylazine and fentanyl also involved additional substances, including cocaine, heroin, benzodiazepines, alcohol, gabapentin, methadone, and prescription opioids. Xylazine is currently found in 90 percent of street opioid samples in Philadelphia, and was involved in 25 percent of Dauphin County overdose deaths in 2021 according to Overdose-Free PA.



\*Primary Substance Admissions of DDAP-funded individuals from calendar years 2020-22.

## Alcohol

Alcohol use has and continues to be a rising concern across the Commonwealth. According to data from the National Center for Drug Abuse Statistics, nearly 20 percent of Pennsylvania adults over the age of 18 binge drink at least once per month and an average of 5,703 annual deaths in Pennsylvania are attributable to excessive alcohol use. Data shows that DDAP-funded treatment admissions for alcohol as the primary substance accounted for almost 36 percent of all treatment admissions across the Commonwealth in 2022 – the first time that alcohol has been most frequent primary substance since the beginning of the opioid epidemic.

## Stimulants and Polysubstance Use

Treatment admissions for DDAP-funded individuals, those who are uninsured or underinsured, show that in 2022, nearly 50 percent sought treatment for two or more substances, with the most common combination being a primary opioid use disorder with a secondary stimulant use disorder (11.5 percent of all 2022 admissions). In 2021, 43 percent of all overdose deaths in Pennsylvania were specifically caused by fentanyl mixed with a stimulant such as methamphetamine or cocaine. Additionally, since 2018, approximately 1 in 4 calls to the Get Help Now Hotline have consistently been stimulant-related since the hotline began collecting substance-specific data in 2018.

## **Past and Future Department Goals**

Our efforts to combat the addiction crisis begin with keeping people alive by reducing and reversing overdose events and continue with our dedication to enhancing the quality of the full treatment and recovery continuum. The department's 2019-22 State Plan outlined key initiatives which have continued to drive the department in policy and decision making to improve the drug and alcohol continuum of services for Pennsylvanians. The four major goals for the department and objectives used to reach those goals from 2019-22 are outlined below:

### Reduce Stigma

- Educate policymakers about treating addiction as a medical disease.
- Advocate harm-reduction strategies with proven outcomes.
- Celebrate recovery stories to empower those still struggling.

### Intensify Primary Prevention

- Expand evidence-based resources for school-aged children.
- Encourage awareness of education and support groups for our communities.
- Strengthen family-based prevention and intervention services.

### Strengthen Treatment Systems

- Increase treatment providers trained in evidence-based practices.
- Capitalize on recent system updates designed to improve patient placement and data collection methods.
- Incorporate best practices into standardized policies and procedures.
- Eliminate barriers that prevent medication-assisted treatment (MAT) from being integrated into all levels of care.
- Modernize the rate-setting process and payment model to ensure sustainability and quality.
- Expand workforce capacity and proficiency.
- Integrate quality measures.

### Empower Sustained Recovery

- Establish sustainable funding and support for grassroots recovery organizations.
- Create a recovery friendly business network.
- Support the careers of certified professionals in the field of recovery.
- Aid in establishing additional recovery schools for youth.
- Promote a family-centered approach to recovery.
- Promote the pardon process.

Last year, DDAP conducted a SUD Listening Tour to meet with local leaders, treatment providers, members of the recovery community, and other stakeholders to discuss SUD trends at the local level and establish long-term responses to the crisis. Over the duration of one year, DDAP officials met with 19 counties across the Commonwealth for in-depth discussions on topics including prevention, telehealth, naloxone access, warm hand-off, COVID-19 challenges, treatment and adolescent services, criminal justice involvement, and recovery supports. The main takeaways from



the listening sessions are currently serving as a roadmap for funding, policy, and agency initiative planning, and will be instrumental in the creation of the updated 2023-26 DDAP State Plan, which we plan to distribute in the coming months.

Moving forward, under my leadership, we will place a large focus on reducing costs, increasing access and quality of services, and better managing programs. To accomplish this, we plan to make better use of data for quality improvement and to measure program effectiveness. Additionally, we plan to take a deep dive into our regulations and reform policies which cause unnecessary burdens and inequities.

## **Accomplishments**

Over the last year, we have strengthened our push for the availability of equitable, high-quality SUD prevention, treatment, and recovery services across the Commonwealth. I'd like to take a moment to highlight our state-led accomplishments broken down by the department's four goals during the last SFY (2021-22).

### Reduce Stigma

- Received over 3.1 million online impressions from both social media and influencer activations, with a digital reach of over 1.1 million Pennsylvanians, through our stigma reduction campaign, Life Unites Us;
- Expanded the scope of the Life Unites Us campaign to address stigma related to stimulants and polysubstance use, issues which are on the rise in Pennsylvania and nationally;
- Promoted the benefits of harm reduction tactics such as naloxone, fentanyl test strips, and syringe services programs that include education, testing and treatment for HIV and Hepatitis C;
- Provided support for Act 111 of 2022, which legalized fentanyl test strips for personal use across Pennsylvania;
- Implemented a naloxone distribution strategy involving the Pennsylvania Department of Transportation's (PennDOT) licensing centers, welcome centers, and rest stops, and the Pennsylvania Department of Conservation and Natural Resources' (DCNR) 124 State Parks;

- Implemented the Just Five Campaign as an SUD education tool for Commonwealth employees and was utilized by more than 1,000 new users; and
- Implemented the Just Five Campaign as an SUD education tool for Pennsylvania's broader workforce and was utilized by more than 11,000 new users.

### Intensify Primary Prevention

- Developed, in partnership with DOH, 16 prescribing guidelines for physicians and specialists who prescribe opioids;
- Facilitated more than 93,000 referrals through the Student Assistance Program (SAP), and SAP liaisons conducted over 33,000 screenings and assessments for behavioral health concerns during the 2021-22 school year (\*latest available data);
- Collaborated with DOH to create free continuing education credits for medical professionals about SUD;
- Worked with state medical schools to incorporate addiction subject matter into their curriculum;
- Collected more than 79 tons of unused prescription medication across 890 take-back boxes across all 67 Pennsylvania counties; and
- Implemented a new prevention needs assessment process based on the evidence-based SAMHSA's Strategic Prevention Framework.

### Strengthen Drug and Alcohol Treatment System

- Distributed 565,000 kits of two-dose naloxone since November 2017 resulting in almost 22,815 reported overdose reversals (\*latest available data);
- Expanded our commitment to advancing diversity, equity, and inclusion (DEI) in Pennsylvania by offering a funding opportunity up to \$4 million for Black Indigenous and People of Color (BIPOC) organizations to establish or expand SUD-related services, community outreach, and/or education;
- Received and reviewed 1,346 overdose reports via the Medication Death and Incident Review (MDAIR) committee, educated coroners and stakeholders on Act 126, and took steps to ensure 100 percent of counties are reporting overdoses to DDAP for review;
- Received more than 17,000 total calls to the Get Help Now hotline and referred more than

12,000 of those callers directly to SUD treatment providers;

- Implemented the Addiction Treatment Locator, Assessment, and Standards Platform (ATLAS), with 78 percent (576 facilities) of licensed drug and alcohol treatment providers completing the Treatment Facility Survey as of January 2022 (\*latest available data);
- Partnered with the Liberty Mid-Atlantic High Intensity Drug Trafficking Area program (HIDTA) to host more than 600 virtual attendees at Pennsylvania's 4<sup>th</sup> Annual Psychostimulant Symposium focused on addressing the rising trend of stimulant usage across the Commonwealth;
- Implemented warm hand-off protocols across all 47 SCAs who are actively engaged with 195 hospitals in warm hand-off, which resulted in 24,000 encounters and 14,000 referrals from hospitals directly to SUD treatment;
- Provided support for Act 33 of 2022, which aligns Pennsylvania's SUD confidentiality regulations with federal rules (42 CFR Part 2 and HIPAA), prohibits DDAP from promulgating or enforcing a regulation that restricts any disclosure of records or information that is permitted by Act 33, and adds Pennsylvania to the 47 other states that already aligned with federal policy;
- Increased the number of on-demand training courses offered to include courses on overdose response when additives like xylazine are present, and specific co-occurring conditions such as post-traumatic stress disorder and anxiety among clients with a substance use disorder;
- Provided training to approximately 33,000 professionals, (the largest total number of professionals trained in a SFY in department history);
- Expanded access to MAT in 15 primary care practices through Rural Access to MAT in Pennsylvania (Project RAMP);
- Trained almost 1,300 individuals in The American Society of Addiction Medicine (ASAM) Criteria since the beginning of SFY 2021-22 and held 15 monthly ASAM Technical Assistance webinars with an average of 200 attendees per session;
- Awarded more than \$1.3 million in grant funding to two SUD Drop-In Centers to serve Philadelphia, Montgomery, Delaware, and Bucks counties to provide harm reduction services and connections to recovery and treatment services;
- Awarded almost \$9 million in grant funding to 17 entities to provide pregnancy support services to pregnant or postpartum women with an SUD;

- Awarded \$3.2 million in subgrants to 11 non-profit organizations to support existing and new programs tailored to the unique needs of veterans with opioid or stimulant use disorders;
- Awarded more than \$18 million to 275 SUD practitioners through the SUD Loan Repayment Program; and
- Awarded more than \$13 million to 98 SUD treatment providers for stabilization payments to assist with pandemic-related expenses.

### Empower Sustained Recovery

- Established the Recovery House Licensing Program for recovery houses that receive funds or referrals from public sources and, as of March 3, 2023, have licensed 232 recovery houses across the Commonwealth;
- Issued a funding opportunity for \$4.5 million to nine projected organizations to establish Regional Recovery Hubs across the Commonwealth, a recommendation from DDAP's Recovery Rising initiative;
- Created a Recovery Support Unit within the department to support and enhance a recovery-oriented system of care that will enhance recovery support services across the Commonwealth;
- Awarded funding to eight organizations with a total of \$1 million available, through a partnership with the Pennsylvania Department of Community and Economic Development using funding from the U.S. Department of Housing and Urban Development, to complete demolition, debris removal, rehabilitation improvements, environmental remediation cost, construction, and inspections in order to meet Pennsylvania's Recovery Housing licensure requirement and/or meet compliance with the American Disability Act (ADA) of 1990;
- Awarded \$2.9 million in grant funding to eight entities to provide Employment Support Services to individuals in recovery from SUD seeking to enter the workforce; and
- Awarded almost \$2.8 million to four Recovery Community Organizations to expand or enhance Recovery Support Services to individuals in recovery from SUD.

Additionally, I would be remiss if I did not touch on some of our department's accomplishments related to addressing compulsive and problem gambling:

- Established a Compulsive and Problem Gambling Section within the department with three

full-time staff dedicated to the prevention and treatment of problem gambling;

- Referred more than 1,800 individuals to gambling disorder treatment through 1-800-GAMBLER, a 53 percent increase from the last SFY;
- Permanently added telehealth to treatment options for problem gambling, and as of October 2021, all of the DDAP-contracted problem gambling treatment providers can offer telehealth services;
- In partnership with the Pennsylvania Lottery, reached more than 4.4 million Pennsylvanians in 2022 on social media with our campaign to raise awareness of 1-800-GAMBLER; and
- Released the second Online Gambling Report to provide insight into the impact of interactive gaming and gambling disorder in Pennsylvania.

Although we are proud of the work we've accomplished at the state level, we realize the importance of funding being directed to SCAs where they can make the biggest difference. As such, we have ensured that a significant portion, between 40-50 percent of the department's total funding, has been going directly to SCAs for the provision of prevention, intervention, treatment, and recovery support services in their local communities.

On behalf of the department and the Administration, thank you for your continued focus and response to the public health crisis that we face with the overdose epidemic. As outlined above, the department's priorities are aimed at increasing support for Pennsylvania's drug and alcohol treatment system to help individuals lead healthy, productive lives. I am committed to working with the General Assembly to improve our prevention, treatment, and recovery landscape across the Commonwealth and look forward to working with you to make that a reality for those in need.