

**Department of Legislative Services**  
 Maryland General Assembly  
 2017 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 189 (Delegate Morhaim, *et al.*)  
 Health and Government Operations

**Hospitals - Substance Use Treatment Demonstration Program - Requirements**

This bill authorizes up to five hospitals in the State to participate in a substance use treatment demonstration program to find best practices to (1) identify patients who may be in need of substance use treatment; (2) screen patients using a standardized process and screening tool; and (3) refer patients in need of substance use treatment to appropriate health care and support services. A hospital seeking to participate must apply to the Health Services Cost Review Commission (HSCRC). HSCRC, or an entity authorized by HSCRC, must select program participants and develop a methodology to evaluate the effectiveness of the program, including an analysis of the effect of the program on total cost of care.

The bill takes effect January 1, 2018.

**Fiscal Summary**

**State Effect:** HSCRC special fund expenditures increase by as much as \$50,000 in FY 2018 to administer the selection process and by \$100,000 in FY 2019 to develop a methodology to evaluate the effectiveness of the demonstration program. Revenues are not affected.

(in dollars)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	50,000	100,000	0	0	0
Net Effect	(\$50,000)	(\$100,000)	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Potential minimal to the extent hospitals participating in the demonstration program contract with local health departments to operate substance use treatment units required under the bill.

**Small Business Effect:** Potential minimal to the extent hospitals participating in the demonstration program contract with small business substance use treatment providers.

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## **Analysis**

**Bill Summary:** Each hospital in the demonstration program must operate an inpatient and outpatient substance use treatment program or ensure such services are made available. Inpatient and outpatient substance use treatment services provided through the demonstration program must include (1) substance use counseling 24 hours per day, seven days per week, either on-site or on-call; (2) screening, intervention, and treatment services for any patient in the hospital's inpatient or outpatient care who is identified to be in need of substance use treatment; and (3) referral to the next appropriate level of care or resource.

**Current Law/Background:** Screening, Brief Intervention, and Referral to Treatment (SBIRT) is an evidence-based comprehensive, integrated public health approach to the delivery of early intervention and treatment services to patients at risk for substance use and mental health disorders. Studies indicate that people who have access to screening, brief intervention/treatment, and appropriate referrals to specialty service significantly reduce their risk of an escalating health crisis. Maryland has received a five-year grant for a SBIRT project. The Behavioral Health Administration plans to implement and expand SBIRT into 53 community primary care centers and two hospitals in 15 jurisdictions with the expectation of screening at least 90,000 individuals.

**State Expenditures:** Special fund expenditures for HSCRC increase by as much as \$50,000 in fiscal 2018 to contract with an outside entity to administer the selection process for hospitals seeking to participate in the demonstration program. In fiscal 2019, HSCRC special fund expenditures increase by an estimated \$100,000 to contract with an outside entity to develop a methodology to evaluate the effectiveness of the demonstration program. HSCRC advises that the commission does not have the programmatic expertise to develop or conduct such an evaluation internally. Contractual expenditures may continue in future years to the extent the evaluation of the effectiveness of the program is ongoing.

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## **Additional Information**

**Prior Introductions:** As amended, HB 908 of 2016 passed the House and was referred to the Senate Rules Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Department of Health and Mental Hygiene; Department of Legislative Services

**Fiscal Note History:** First Reader - February 24, 2017  
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