## **HOUSE BILL 908**

J3, J1 6lr1799

Bv: **Delegates** Morhaim. Barron. Barve. Brooks. Cluster. Conaway, Fraser-Hidalgo, Frush, Haynes, Healey, Hettleman, Hill, Hixson, S. Howard, Jalisi, Jameson, Kelly, Lafferty, Lam, Luedtke, Pena-Melnyk, Stein, Sydnor, Turner, and P. Young P. Young, Hammen, Angel, Bromwell, Cullison, Hayes, Kipke, Krebs, McDonough, McMillan, Miele, Morgan, Oaks, Pendergrass, Rose, Saab, Sample-Hughes, West, and K. Young

Introduced and read first time: February 10, 2016 Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 2016

CHAPTER

1 AN ACT concerning

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## Hospitals – <del>Establishment of</del> Substance Use Treatment <u>Demonstration</u> <u>Programs Program</u> – Requirements

FOR the purpose of authorizing a certain number of hospitals in the State to participate in a substance use treatment demonstration program; providing for the purpose of the demonstration program; requiring each hospital in the demonstration program to operate a certain substance use treatment program or ensure that certain substance use treatment services are made available; requiring a hospital seeking to participate in the demonstration program to apply to the Health Services Cost Review Commission; requiring the Commission, or an entity designated by the Commission, to select demonstration program participants based on a request for participants and to develop a certain methodology to evaluate the effectiveness of the demonstration program; providing for a delayed effective date requiring certain hospitals to establish a certain substance use treatment program; providing for the purpose of the program; requiring certain hospitals to operate or contract to operate certain treatment units; requiring the program to include a substance use treatment counselor who is available on a certain basis and provides certain services; requiring the Health Services Cost Review Commission to include sufficient amounts to fund certain costs of the substance use treatment programs established under certain provisions of this Act when establishing certain rate levels and rate increases:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 2 3	requiring the Commission, or an entity authorized by the Commission, to develop a certain methodology and conduct a certain analysis; and generally relating to a substance use treatment programs demonstration program in hospitals.
4 5 6 7 8	BY repealing and reenacting, with amendments,  Article - Health - General Section 19-219 Annotated Code of Maryland (2015 Replacement Volume)
9 10 11 12 13	BY adding to Article – Health – General Section 19–310.3 Annotated Code of Maryland (2015 Replacement Volume)
14	Preamble
15 16 17	WHEREAS, Individuals with substance use problems are seen routinely in hospitals, especially in emergency departments, for a variety of somatic, psychological, and substance use—related medical and surgical issues; and
18 19 20	WHEREAS, Hospitals are open 24 hours a day and 7 days a week, are often on public transportation routes, are situated throughout the State in known locations, have safety and security systems, and are accountable for quality and fiscal reviews; and
21 22	WHEREAS, Initiating treatment for individuals with substance use problems is best done in the moment and without delay; and
23 24 25	WHEREAS, Getting individuals with substance use problems into treatment programs has been shown to be very cost—effective, both in reducing health care costs and societal costs; and
26 27	WHEREAS, Treatment on demand and at need is essential to get individuals with substance use problems into treatment; now, therefore,
28 29	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
30	Article – Health – General
31	<del>19-219.</del>
32 33 34	(a) The Commission may review the costs, and rates, quality, and efficiency of facility services, and make any investigation that the Commission considers necessary to assure each purchaser of health care facility services that:

1	(1) The total costs of all hospital services offered by or through a facility
$\overline{2}$	are reasonable;
3	(2) The aggregate rates of the facility are related reasonably to the
4	aggregate costs of the facility; and
_	(9) (7)
5 6	(3) The rates are set equitably among all purchasers or classes of purchasers without undue discrimination or preference.
O	<del>purchasers without undue discrimination or preference.</del>
7	(b) (1) To carry out its powers under subsection (a) of this section, the
8	Commission may review and approve or disapprove the reasonableness of any rate or
9	amount of revenue that a facility sets or requests.
0	(2) A facility shall:
1	(i) Charge for services only at a rate set in accordance with this
2	subtitle; and
_	
13	(ii) Comply with the applicable terms and conditions of Maryland's
$^{14}$	all-payer model contract approved by the federal Center for Medicare and Medicaid
15	Innovation.
6	(3) In determining the reasonableness of rates, the Commission may take
L7	into account objective standards of efficiency and effectiveness.
•	into account objective standards of efficiency and effectiveness.
18	(c) Consistent with Maryland's all-payer model contract approved by the federal
9	Center for Medicare and Medicaid Innovation, and notwithstanding any other provision of
20	this subtitle, the Commission may:
11	(1) To a 11: 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
21 22	(1) Establish hospital rate levels and rate increases in the aggregate or on a hospital-specific basis; and
44	<del>a nospitar-specific pasis, and</del>
23	(2) Promote and approve alternative methods of rate determination and
24	payment of an experimental nature for the duration of the all-payer model contract.
25	(D) THE AGGREGATE OR HOSPITAL-SPECIFIC RATE LEVELS AND RATE
26	INCREASES ESTABLISHED UNDER SUBSECTION (C) OF THIS SECTION SHALL
27	INCLUDE SUFFICIENT AMOUNTS TO FUND THE CAPITAL AND OPERATING COSTS OF
28	THE SUBSTANCE USE PROGRAMS REQUIRED BY § 19-310.3 OF THIS TITLE.
00	19–310.3.
29	17-910.9.
	(1) Even recommendation from Direct Up the programmer and the

30 (A) EACH HOSPITAL SHALL ESTABLISH UP TO FIVE HOSPITALS IN THE 31 STATE MAY PARTICIPATE IN A SUBSTANCE USE TREATMENT DEMONSTRATION PROGRAM.

- 1 (B) THE PURPOSE OF THE DEMONSTRATION PROGRAM IS TO IDENTIFY BEST 2 PRACTICES TO: 3 IDENTIFY PATIENTS WHO MAY BE IN NEED OF SUBSTANCE USE **(1)** 4 TREATMENT; AND 5 **(2)** (I)SCREEN THE PATIENTS USING A STANDARDIZED PROCESS 6 AND SCREENING TOOL; AND 7 (II)REFER THE PATIENTS WHO ARE IN NEED OF SUBSTANCE USE TREATMENT TO APPROPRIATE HEALTH CARE AND SUPPORT SERVICES. 8 9 <del>(2)</del> <del>(I)</del> ADMIT THE PATIENT TO THE APPROPRIATE SUBSTANCE USE 10 TREATMENT SETTING: OR 11 <del>(II)</del> IF ADMISSION IS NOT REQUIRED, DIRECT THE PATIENT TO 12 THE APPROPRIATE OUTPATIENT TREATMENT SETTING. 13 (C) EACH HOSPITAL IN THE DEMONSTRATION PROGRAM SHALL: 14 **(1)** OPERATE AN INPATIENT AND OUTPATIENT SUBSTANCE USE 15 TREATMENT <del>UNIT</del> PROGRAM; OR 16 CONTRACT TO OPERATE AN INPATIENT AND OUTPATIENT 17 SUBSTANCE USE TREATMENT UNIT WITHIN ITS HOSPITAL SYSTEM OR WITH AN OUTSIDE ENTITY ENSURE THAT INPATIENT AND OUTPATIENT SUBSTANCE USE 18 19 TREATMENT SERVICES ARE MADE AVAILABLE. 20 **(D)** INPATIENT AND OUTPATIENT SUBSTANCE USE TREATMENT SERVICES PROVIDED THROUGH THE DEMONSTRATION PROGRAM SHALL INCLUDE: 21 22Substance use counseling 24 hours a day and 7 days a **(1)** 23WEEK EITHER ON-SITE OR ON-CALL; 24SCREENING, INTERVENTION, AND TREATMENT SERVICES FOR **(2)**
- 25 ANY PATIENT IN THE HOSPITAL'S INPATIENT OR OUTPATIENT CARE WHO IS 26IDENTIFIED TO BE IN NEED OF SUBSTANCE USE TREATMENT; AND
- 27**(3)** REFERRAL TO THE NEXT APPROPRIATE LEVEL OF CARE OR 28RESOURCE.
- (E) A HOSPITAL SEEKING TO PARTICIPATE IN THE DEMONSTRATION 29PROGRAM ESTABLISHED BY THIS SECTION SHALL APPLY TO THE HEALTH SERVICES 30 COST REVIEW COMMISSION. 31

1	<b>(</b> F <b>)</b>	THE HEALTH SERVICES COST REVIEW COMMISSION, OR AN ENTITY
2	AUTHORIZ	D BY THE COMMISSION, SHALL:
3		(1) SELECT DEMONSTRATION PROGRAM PARTICIPANTS BASED ON A
4	REQUEST	DR PARTICIPANTS; AND
5		(2) DEVELOP A METHODOLOGY TO EVALUATE THE EFFECTIVENESS
6	OF THE DI	MONSTRATION PROGRAM, INCLUDING AN ANALYSIS OF THE EFFECT OF
7		AM ON TOTAL COST OF CARE.
8	<b>\</b> /	THE PROGRAM SHALL INCLUDE A SUBSTANCE USE TREATMENT
9	COUNSELC	<del>R WHO IS AVAILABLE:</del>
0		(1) 24 HOURS A DAY AND 7 DAYS A WEEK EITHER ON-SITE OR
1	ON_CALLA	THIN 2 HOURS OF NOTIFICATION BY THE HOSPITAL;
. 1	OIV CILL V	Time 2 noting of Noth Telliton Bi The nost time,
$^{12}$		(2) TO PROVIDE SCREENING, INTERVENTION, REFERRAL, AND
13		FFOR PATIENTS IN EMERGENCY DEPARTMENTS, OUTPATIENT CLINICS
4		<del>-DEMAND BASIS, AND INPATIENT UNITS WHEN DISCHARGE IS</del>
5	ANTICIPAT	ED WITHIN 24 HOURS; AND
16		(3) TO EVALUATE PATIENTS AND DIRECT PATIENTS TO THE
17	A DDD ODDI	TE CARE SETTING THAT IS CONSISTENT WITH THE NEEDS OF THE
18	PATIENT.	TE CHILE SETTING THAT IS CONSISTENT WITH THE NEEDS OF THE
9	<del>(E)</del>	THE PROGRAM SHALL BE FUNDED AS PROVIDED IN § 19-219(D) OF THIS
20	TITLE.	
21	<del>(F)</del>	THE HEALTH SERVICES COST REVIEW COMMISSION, OR AN ENTITY
21 22	` '	D BY THE COMMISSION, SHALL DEVELOP A METHODOLOGY TO
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EVALUATE THE EFFECTIVENESS OF THE PROGRAM, INCLUDING AN ANALYSIS OF THE

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect

EFFECT OF THE PROGRAM ON HOSPITAL ADMISSIONS.

October 1, 2016 January 1, 2017.

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