HB 1267

Department of Legislative Services

Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1267 (Delegate Morhaim)
Health and Government Operations

Poly-Morphone-Assisted Treatment Pilot Program - Harm Reduction Act of 2016

This bill establishes a Poly-Morphone-Assisted Treatment Pilot Program that begins by January 1, 2018, and continues for four years (likely until January 1, 2022) to (1) provide poly-morphone-assisted treatment at participating health care facilities to certain opioid dependent individuals who are not benefitting from or cannot tolerate other types of treatment and (2) evaluate the effectiveness of this treatment compared to traditional treatment methods. The bill establishes a pilot program advisory board that is responsible for reviewing program proposals submitted for approval among other things. Further, the bill specifies research, implementation, evaluation, and related reporting requirements for participating health care facilities as well as various means of funding the program. The bill establishes legal protections for participating program providers and recipients, and it requires an annual report by the Department of Health and Mental Hygiene (DHMH).

The bill terminates June 30, 2022.

Fiscal Summary

State Effect: General fund expenditures increase by $22,600 in FY 2017 for one part-time contractual administrator for DHMH to staff the advisory board, collect data from participating programs, collate, and submit the compilation of reports. Future years reflect annualization and inflation. Although not reflected below, general fund expenditures may increase significantly from FY 2018 through 2022. Revenues are not affected.

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	$0	$0	$0	$0	$0
GF Expenditure	22,600	22,800	23,600	24,400	25,200
Net Effect	($22,600)	($22,800)	($23,600)	($24,400)	($25,200)

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

Local Effect: To the extent that a local health department runs a participating health care facility, expenditures increase, likely significantly to fulfill the bill's requirements. These expenditures may be offset by any revenue collected from billing for services provided.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary:

Relevant Definitions

"Poly-morphone-assisted treatment" means the administering or dispensing of pharmaceutical-grade heroin, hydromorphone, or other opiates by a health care practitioner in a health care facility to select opioid-dependent individuals. "Opioid dependence" has the meaning stated in the Diagnostic and Statistical Manual of Mental Disorders, 4th Edition, published by the American Psychiatric Association.

Advisory Board

DHMH staffs the six-member board. The purpose of the board is to review and approve proposals submitted by health care facilities that are requesting participation in the program within 30 days after receiving a proposal. The board must approve health care facilities and health care practitioners that demonstrate an ability to carry out the bill's requirements. If the board denies a request to participate, the board must state its reasons for denial and modifications that may be made to the proposal to obtain board approval.

Participating Health Care Facility

A participating health care facility must conduct research, adopt guidelines and protocols, and take measures necessary to develop and implement the program including (1) ascertain various trends and data related to opioid dependence in the State; (2) review heroin-assisted treatment studies and programs in other countries and determine best practices; (3) develop criteria for selecting the health care facilities and practitioners who will participate in the program; (4) establish screening and eligibility criteria and develop a recruitment strategy for participants; (5) establish assessment and treatment protocols and best clinical practices for various types of care; (6) coordinate with the federal government to obtain pharmaceutical-grade heroin and other opiates required for use in the program or with other best available sources if unable to obtain opiates from the federal government; (7) develop a broad-based program evaluation process; and (8) establish a plan for the storage and administration of opiates provided under the program.

Legal Protections

Providing or receiving treatment authorized under the program may not be a basis for the seizure or forfeiture of any products, materials, equipment, property, or assets. Further, a State or local criminal, civil, or administrative penalty may not be imposed on any program participant based solely on the provision or receipt of poly-morphone-assisted treatment under the program. A participating health care practitioner is not subject to any disciplinary action under the Health Occupations Article solely for the act of providing treatment that is in accordance with protocols and guidelines approved by the board under the bill's provisions.

A program provider is exempt from any requirements established under the Prescription Drug Monitoring Program when providing poly-morphone-assisted treatment to recipients in the program.

Program Fees and Funding

The bill specifies that a program provider may collect, and a program recipient may remit, fees charged for poly-morphone-assisted treatment and other health care services provided to a program recipient. Further, a program provider may bill, and a program recipient's health insurance carrier may reimburse, for services performed by a program provider.

Funding for providing poly-morphone-assisted treatment may come from State appropriations; fee revenue as described above; federal, State, or local grants or other assistance; and any other money made available to the program from any public or private source.

Reporting Requirements

Participating health care facilities must submit annual status reports starting on November 30, 2018. Thereafter, the report is due on November 1, with the final report due by November 1, 2021. The final report must include an analysis of the program evaluation data and specified determinations, recommendations, and conclusions on the success of the program, whether it should become permanent, and whether any changes should be made.

DHMH must submit an annual compilation of the required participating health care facilities' annual status reports to the Governor and General Assembly beginning December 30, 2018. Thereafter, the annual report is due on December 1.

Current Law:

Heroin and Opioid Emergency Task Force

In February 2015, Governor Hogan established, by executive order, the Heroin and Opioid Emergency Task Force. The task force was chaired by the Lieutenant Governor and consisted of appointees of the President of the Senate, the Speaker of the House, and the Attorney General, as well as seven members of the public. The task force issued its final report in December 2015, which included a recommendation for legislation authorizing any county in Maryland to establish an opioid-associated disease prevention and outreach program to provide outreach, education, and linkage to treatment services, including the exchange of sterile syringes to people who inject drugs.

Opioid Maintenance Therapy Programs in Maryland

Methadone is a synthetic opioid used to treat heroin and other opioid drug addictions, specifically helping to mitigate withdrawal symptoms and drug cravings for heroin and opiate medications. A clinic that administers methadone as a drug addiction treatment is regulated as an opioid treatment program (OTP). OTPs are subject to strict regulation at the federal and state level; local jurisdictions also regulate OTPs, to a more limited extent.

The Behavioral Health Administration (BHA) and the Office of Health Care Quality within DHMH license and provide joint oversight over OTP programs at the State level. BHA advises that there are 74 licensed OTP programs in the State; almost half are located in Baltimore City (32 OTPs). Baltimore City has significantly more OTP programs than other jurisdictions in the State. Anne Arundel County has eight licensed OTP programs; the remaining counties have five or fewer programs each.

Background: DHMH's 2015 report, *Drug and Alcohol-Related Intoxication Deaths in Maryland*, indicated that drug- and alcohol-related intoxication deaths in Maryland totaled 1,039 in 2014, a 21% increase since 2013, and a 60% increase since 2010. Of all intoxication deaths, 887 deaths (86%) were opioid-related, including deaths related to heroin, prescription opioids, and nonpharmaceutical fentanyl. Opioid-related deaths increased by 76% between 2010 and 2014. Heroin-related deaths more than doubled between 2010 and 2014, and they increased by 25% between 2013 and 2014. Preliminary data from DHMH shows that the number of intoxication deaths continued to increase in 2015, with 889 deaths from January through September 2015 compared to 767 deaths during the same period in 2014 (a 16% increase).

State Expenditures: General fund expenditures increase by $22,643 in fiscal 2017, which accounts for the bill's October 1, 2016 effective date. DHMH has determined that 1.5 regular full-time positions are needed to implement this bill. However, the Department

of Legislative Services (DLS) advises that the added responsibilities due to the legislation are not permanent and, thus, may be performed by a contractual employee. Further, DHMH calculated positions necessary to compile and publish a final report by November 1, 2021, that required further evaluation and development of recommendations. However, DLS advises that the bill only requires DHMH to *compile* the final reports of participating health care facilities rather than develop its own recommendations and conclusions based on their final reports.

As such, this estimate includes only costs for DHMH to staff the advisory board (with ongoing advisory board meetings), collect data from participating programs, collate, and submit the compilation of reports. Although the program must begin by January 1, 2018, this estimate assumes the staff member is necessary at the time the bill goes into effect to get the program up and running. This estimate reflects the cost of hiring one part-time contractual employee. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	0.5
Salaries and Fringe Benefits	$18,054
Operating Expenses	4,589
Total FY 2017 State Expenditures	**$22,643**

Future year expenditures reflect a part-time salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses. This estimate assumes participation by health care facilities.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

Under the bill, program providers may fund the costs of providing poly-morphone-assisted treatment with appropriations provided in the State budget. This analysis assumes that such programs are funded with grants from other sources and other monies as authorized. However, to the extent State funding is provided, general funds would have to be used for this purpose. If so, general fund expenditures could increase significantly from fiscal 2018 through 2022.

Local Fiscal Effect: To the extent that a local health department chooses to implement a program, expenditures increase, likely significantly to fulfill the bill's reporting, data collection and analysis, and other requirements depending on the size and scope of the program implemented. To the extent that a program is successful at collecting fees for services provided, receives reimbursement from a health insurance carrier, or receives funding from another authorized source, these expenditures are offset.

Small Business Effect: To the extent that a participating health care facility is a small business, expenditures increase, likely significantly to fulfill the bill's reporting, data collection and analysis, and other requirements depending on the size and scope of the program implemented. To the extent that a program is successful at collecting fees for services provided, receives reimbursement from a health insurance carrier, or receives funding from another authorized source, these expenditures are offset.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Health and Mental Hygiene, Maryland Insurance Administration, Heroin and Opioid Emergency Task Force, Department of Legislative Services

Fiscal Note History: First Reader - March 7, 2016
md/ljm

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