

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1010 (Delegate Kipke)
Health and Government Operations

Health - Certified Recovery Residences - Urine Testing

This bill requires a recovery residence credentialing entity to establish minimum standards that require (1) residents and employees of a certified recovery residence to submit to a urine test, of a type and at a frequency determined by the credentialing entity, and (2) the certified recovery residence to maintain a record of any urine testing supplies purchased by the certified recovery residence, which will be subject to inspection by the credentialing entity.

Fiscal Summary

State Effect: Potential significant increase in general fund expenditures for the Department of Health and Mental Hygiene (DHMH), as discussed below. Revenues are not affected.

Local Effect: None.

Small Business Effect: Potential meaningful for those recovery residences that must comply with any requirements under the bill, as determined by the credentialing entity.

Analysis

Current Law: Under § 7.5-101 of the Health-General Article, “recovery residence” means a service that (1) provides alcohol-free and illicit-drug-free housing to individuals with substance-related disorders or addictive disorders or those with co-occurring mental disorders and either substance-related disorders or addictive disorders and (2) does not include clinical treatment services.

A behavioral health program must be licensed by the Secretary of Health and Mental Hygiene before program services may be offered in Maryland. However, the Secretary may exempt specified entities from licensure requirements, including recovery residences.

Chapters 710 and 711 of 2016 required DHMH to approve a credentialing entity to develop and administer a certification process for recovery residences. By October 1, 2017, the credentialing entity must submit a list of the recovery residences that have a certificate of compliance to DHMH. By November 1, 2017, DHMH must publish a list of each credentialing entity and the credentialing entity's contact information on its website; likewise, a credentialing entity must publish a list of the recovery residences that hold a certificate of compliance on its website. A credentialing entity's published list must include only the owner of the recovery residence and the owner's contact information. A person may not advertise, represent, or imply to the public that a recovery residence is a certified recovery residence unless the recovery residence has a certificate of compliance. Violation is subject to a civil penalty of up to \$1,000 for each offense, assessed by DHMH. DHMH must consider specified factors when determining the amount of the civil penalty to assess.

Pursuant to Chapters 710 and 711, the credentialing entity must (1) establish certification requirements; (2) establish processes to administer the application, certification, and recertification process; (3) establish processes to monitor and inspect recovery residences; (4) conduct an on-site inspection of a recovery residence before issuing a certificate of compliance and at least once during each certification renewal period; and (5) issue a certificate of compliance on approval of the application process and the inspection.

A certificate of compliance is valid for one year from the date of issuance. The credentialing entity may revoke the certificate of compliance if the credentialing entity finds that the recovery residence is not in compliance with requirements.

State Expenditures: DHMH's Behavioral Health Administration (BHA) advises that it must cover the costs of any required urine testing under the bill and that, because an average of 1,300 individuals reside in recovery residences with significant turnover every three months, BHA expects an average of 5,200 individuals residing in recovery residences to potentially be subject to urine testing under the bill. According to BHA, a urine toxicology test costs \$171. Thus, BHA advises that general fund expenditures could increase by \$1,779,440 annually to cover the cost of just one test per resident. This estimate does not reflect any additional costs to perform urine tests on employees of recovery residences, as required under the bill.

The Department of Legislative Services (DLS) notes that the bill requires the credentialing entity to determine the type and frequency of any required urine testing. Further, it is unclear which entity is responsible for the cost of any urine testing under the bill. To the

extent BHA pays for any required testing, either directly or through increased reimbursement to recovery residences, general fund expenditures increase, potentially significantly, beginning in fiscal 2018 – however, DLS advises that this cost cannot be reliably estimated at this time.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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