

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
 Third Reader - Revised

House Bill 1396

(Delegate Howard, *et al.*)

Health and Government Operations

Finance

Maryland Department of Health - Substance Use Disorder Treatment and
 Recovery Levels of Care - Study

This bill requires the Maryland Department of Health (MDH) to (1) conduct a study regarding linkages between the various levels of care within the substance use disorder (SUD) treatment and recovery continuum of care; (2) make recommendations on improvements to existing discharge and linkage requirements and improvements to the process for enforcing such requirements; and (3) by December 1, 2024, report to specified committees of the General Assembly. The study must specifically examine linkages from high-intensity outpatient treatment programs to a patient’s need for comprehensive services and existing requirements related to discharge planning in accreditation standards, statute, and regulation. **The bill takes effect June 1, 2024.**

Fiscal Summary

State Effect: No material effect in FY 2024. General fund expenditures increase by \$87,000 in FY 2025 only for contractual staff. Revenues are not affected.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	87,000	0	0	0	0
Net Effect	(\$87,000)	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Maryland regulations (COMAR 10.63.03) specify the accreditation-based licensure criteria for several substance-related disorder treatment programs ranging from outpatient treatment level 1 programs that provide treatment for less than 9 hours a week to adults (or 6 hours for minors) to individuals who are able to function in their usual environment to residential-intensive (American Society of Addiction Medicine or ASAM Level 3.7) programs that provide medical monitored, intensive treatment in an intermediate residential care facility for a minimum of 36 hours of therapeutic services per week on a planned regimen of 24-hour evaluation, care, and treatment that meets the requirements for withdrawal management services. Substance-related disorder treatment programs located in a State or local correctional facility must also meet the specified requirements and obtain a license before operating.

ASAM Levels of Care classify treatment services for substance-related disorder treatment. There are five broad levels of care and subsets within these levels to represent gradations of intensity of services and certain benchmarks:

- Level 0.5: early intervention;
- Level 1.0: outpatient services;
- Level 2.0: intensive outpatient/partial hospitalization services;
- Level 2.1: intensive outpatient services;
- Level 2.5: partial hospitalization services;
- Level 3.0: residential/inpatient services;
- Level 3.1: clinically managed, low-intensity residential services;
- Level 3.3: clinically managed population-specific high-intensity residential services;
- Level 3.5: clinically managed, high-intensity residential services;
- Level 3.7: medically monitored, intensive inpatient services; and
- Level 4.0: medically managed, intensive inpatient services.

The federal Centers for Medicare and Medicaid Services approved Maryland's § 1115 Waiver on December 10, 2021, which authorized use of federal fund matching revenues without a cap on the length of stay for inpatient and residential SUD treatment, subject to the requirement that the State maintain a statewide average length of stay not exceeding 30 days.

Chapter 580 of 2017 requires MDH to publish a list on the MDH website of each recovery residence operating in each county in the State. The list, which must be posted by November 1, 2017, must indicate whether the owner of a recovery residence has received a valid certificate of compliance. In addition, a behavioral health program or health

professional must provide an individual with a list of certified recovery residences and provide an individual who has been assessed as in need of ASAM Level 3.1 services with information on where the individual may receive those services when referring the individual to receive services at a recovery residence.

State Expenditures: MDH advises that it requires additional staff resources to complete the study and issue the required report by December 1, 2024. Thus, general fund expenditures for MDH increase by \$87,016 in fiscal 2025 only, which accounts for a 30-day start-up delay from the bill’s June 1, 2024 effective date. This estimate reflects the cost of hiring one contractual program administrator to oversee the study and provide recommendations and one contractual health policy analyst to develop and submit the report. It includes salaries, fringe benefits, one-time start-up costs, and termination of the positions at the end of December 2024.

Contractual Positions	2.0
Salaries and Fringe Benefits	\$73,044
Operating Expenses	<u>13,972</u>
Total FY 2025 State Expenditures	\$87,016

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.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Association of County Health Officers; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2024
rh/jc Third Reader - March 27, 2024
Revised - Amendment(s) - March 27, 2024

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