HB 1131

Department of Legislative Services

Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1131 (Delegates Vogel and Tomlinson)
Health and Government Operations

Public Health - Buprenorphine - Training Grant Program and Workgroup

This bill establishes the Buprenorphine Training Grant Program in the Maryland Department of Health (MDH) to assist a county with offsetting the cost of training paramedics to administer buprenorphine. A county may apply to MDH for a grant from the program, which may only be used to train paramedics to administer buprenorphine. The Governor must include an appropriation in the annual budget bill of at least $50,000 from the Opioid Restitution Fund (ORF) for the program. The authorized purposes of ORF are expanded to include the program. The Maryland Office of Overdose Response (MOOR) must establish a workgroup to study access to buprenorphine in the State and report to specified committees of the General Assembly by December 31, 2025. **The bill's provisions relating to the workgroup take effect July 1, 2025, and terminate June 30, 2026; provisions establishing the grant program, including the mandated appropriation, take effect October 1, 2025, and terminate September 30, 2030.**

Fiscal Summary

State Effect: MDH special fund expenditures increase by $50,000 in FY 2027 through 2031 due to the mandated appropriation. In the absence of the bill, ORF monies could be used for other currently authorized and discretionary purposes. Accordingly, there is no net impact on total ORF spending reflected below. MOOR general fund expenditures increase by $56,100 in FY 2026 only for contractual personnel to staff the workgroup. Revenues are not affected. **This bill establishes a mandated appropriation for FY 2027 through 2031.**

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	$0	$0	$0	$0	$0
GF Expenditure	56,100	0	0	0	0
Net Effect	($56,100)	$0	$0	$0	$0

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

Local Effect: To the extent that local health departments (LHDs) and counties apply for and receive grants for buprenorphine training, local revenues and expenditures may increase beginning in FY 2027. Local behavioral health agencies (LBHAs) that participate in the workgroup may incur indeterminate expenditures, as described below.

Small Business Effect: None.

Analysis

Bill Summary: The workgroup must include (1) one member of the Senate, appointed by the President of the Senate; (2) one member of the House of Delegates, appointed by the Speaker; and (3) representatives of the Maryland Institute of Emergency Medical Services Systems, the Behavioral Health Administration, hospitals, LBHAs, and the Maryland Association of Counties.

The workgroup must examine (1) how buprenorphine services are offered in the State; (2) the capacity of providers to provide buprenorphine; (3) any geographic areas where significant gaps in buprenorphine services may exist; (4) the feasibility of financial support for a long-term expansion of buprenorphine services; (5) a plan for ongoing data collection for the purpose of the monitoring and improvement of buprenorphine services; (6) how to effectively grow a hub-and-spoke model to ensure access to buprenorphine in the State; and (7) any other strategies that would improve buprenorphine services in the State.

Current Law:

Buprenorphine

Buprenorphine, methadone, and naltrexone are used in medication-assisted treatment to help people reduce or quit their use of heroin or other opiates. Buprenorphine is used to treat opioid use disorders (OUDs) and may be prescribed or dispensed in physician's offices.

Authorized Uses of the Opioid Restitution Fund

Chapter 537 of 2019 established ORF, a special fund to retain any revenues received by the State relating to specified opioid judgments or settlements, which may be used only for opioid-related programs and services. Chapter 270 of 2022 specifies that ORF may be used for programs, services, supports, and resources for evidence-based substance use disorder (SUD) prevention, treatment, recovery, or harm reduction that have the purpose of currently authorized outcomes and activities. ORF may also be used for:

- supporting community-based nonprofit recovery organizations that provide nonclinical substance abuse recovery support services in the State;
- evidence-informed SUD prevention, treatment recovery, or harm reduction pilot programs or demonstration studies that are not evidence based if the advisory council determines that emerging evidence supports funding or that there is a reasonable basis for funding with the expectation of creating an evidence-based program and approves the use of money for the pilot program or demonstration study; and
- evaluations of the effectiveness and outcomes reporting for SUD abatement infrastructure, programs, services, supports, and resources for which the fund is used.

For more information about ORF and OUDs in the State, please see **Appendix – Opioid Crisis.**

State Expenditures:

Use of Opioid Restitution Fund for the Grant Program

As the bill requires that ORF monies (as appropriated through the State budget) be used for the grant program, MDH ORF special fund expenditures increase by $50,000 beginning in fiscal 2027 as a result of the mandated appropriation. To the extent discretionary funding is provided, MDH special fund expenditures could also increase by $50,000 in fiscal 2026.

As the program and associated mandated appropriation terminate September 30, 2030, funding is assumed to be provided through fiscal 2031 (which begins July 1, 2030), with grants made in the first quarter of that year.

MOOR advises that ORF has sufficient funds to cover the annual appropriation. However, ORF spending for other purposes authorized under State law decreases by an equivalent amount each year, assuming available funding is fully subscribed. As of November 2024, the balance in ORF was $90.0 million. Accordingly, there may be no net effect on total ORF spending.

Workgroup

MOOR advises that the workgroup necessitates additional staff given the six-month time from the workgroup's establishment until the report is due. Thus, MOOR general fund expenditures increase by $56,066 in fiscal 2026, which accounts for the bill's July 1, 2025 effective date. This estimate reflects the cost of hiring one contractual health policy analyst to staff the workgroup and prepare the required report. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	1.0
Salary and Fringe Benefits	$48,874
Operating Expenses	7,192
Total FY 2026 General Fund Expenditures	**$56,066**

Future year expenditures reflect termination of the position on January 31, 2026, one month after submission of the workgroup's required report.

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.

Local Fiscal Effect: The Maryland Association of County Health Officers advises that applications for grants could be completed with existing resources and could result in increased revenue for LHDs and LBHAs. Additionally, to the extent that ORF monies that would otherwise go to local governments and/or LHDs for other purposes are instead used for the grant program, local governments and LHDs may be impacted.

Under the bill, representatives of LBHAs would be required to participate in the workgroup. Participation may incur indeterminate operational and fiscal effects in fiscal 2026 depending on the number of LBHA representatives required to participate and their municipality of origin.

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 Institute for Emergency Medical Services Systems; Baltimore and Charles counties; Maryland's Office of Overdose Response; Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2025
js/jc

Analysis by: Eliana R. Prober

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

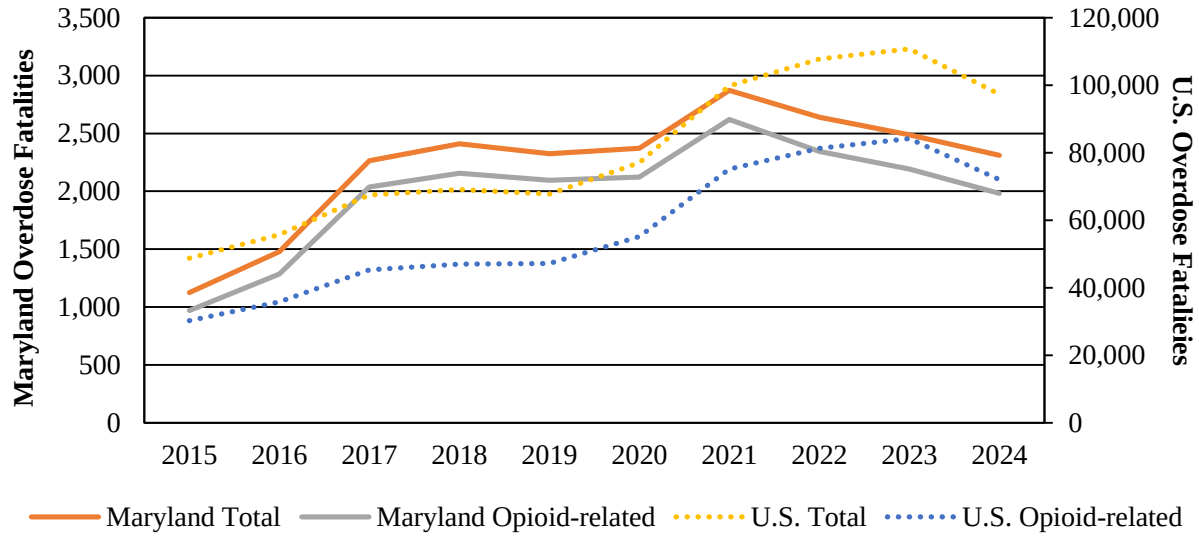
Appendix – Opioid Crisis

Opioid Overdose Deaths

Between April 2015 and April 2024, 22,286 individuals died from overdose in Maryland. Approximately 89% of the deaths involved opioids, and 73% involved synthetic opioids excluding methadone (primarily fentanyl). During the same period, 801,436 individuals died from overdoses nationally, with 71.5% of those fatalities involving opioids. Since 2021, there has been a gradual decrease in overdose deaths both in Maryland and nationally.

According to preliminary data covering April 2023 through April 2024, overdose deaths have decreased in both the United States and Maryland by approximately 1.9% and 2.4%, respectively. However, overdose fatalities remain high. **Exhibit 1** shows the number of overdose fatalities recorded in a 12-month period (April to April) in Maryland and the United States from 2015 to 2024.

Exhibit 1
Overdose Fatalities in Maryland and the United States
April 2015 to April 2024



U.S.: United States

Note: Data for 2022-2024 is preliminary.

Source: Centers for Disease Control and Prevention; Department of Legislative Services

In Maryland, disparities in overdose fatalities persist across race, age, gender, and jurisdiction. Statewide, Black men, particularly those aged 55 and older, have the highest overdose fatality rate, which is nearly double that of white men, the group with the second highest overdose fatality rate. Across race groups, more than twice the number of males die by overdose compared to females, and individuals aged 55 and older comprise the highest number of overdose deaths among each race and gender category except for white females. The Maryland Overdose Response Advisory Council voted in June 2024 to reinstate the Racial Disparities in Overdose Task Force to study the causes of racial disparities and recommend solutions.

Although opioid overdose fatalities are problematic statewide, the greatest concern is in Baltimore City. Between calendar 2018 and 2022, Baltimore City experienced an overdose fatality rate nearly twice that of any other U.S. city. According to the Maryland Department of Health (MDH), there were 1,891 overdose-related fatalities across the State from October 2023 to September 2024, of which 846 occurred in Baltimore City, representing approximately 45% of the State's total overdose fatalities but just 9% of the State's population.

Maryland Actions to Address the Opioid Crisis

Legislative Response: The General Assembly has passed numerous bills to address the State's opioid crisis, including prevention, treatment, overdose response, and prescribing guidelines.

- Chapters 573 and 574 of 2017 expand drug education in public schools to include heroin and opioid addiction prevention; require local boards of education to require each public school to store naloxone and other overdose-reversing medication; and require institutions of higher education that receive State funding to establish a policy that addresses heroin and opioid addiction and prevention.

- Chapter 570 of 2017 requires a health care provider to prescribe the lowest effective dose of an opioid and a quantity that is no greater than that needed for the expected duration of pain severe enough to require an opioid that is a controlled dangerous substance, with specified exceptions.

- Chapters 215 and 216 of 2018 require a health care provider to advise a patient of the benefits and risks associated with a prescribed opioid or co-prescribed benzodiazepine.

- Chapter 537 of 2019 establishes the Opioid Restitution Fund (ORF), a special fund to retain any revenues received by the State relating to specified opioid judgments or settlements, which may be used only for opioid-related programs and services.

- Chapter 82 of 2022 requires MDH to adopt a reporting system to monitor the prescribing of medications to treat opioid use disorders (OUDs) in the State, identify and reach out to prescribers who regularly prescribe nonpreferred medications, and identify barriers to individuals who need medication to treat an OUD to obtaining the medication in a timely manner.

- Chapter 224 of 2022 requires the Prescription Drug Monitoring Program to monitor the dispensing of naloxone medication and to maintain confidentiality with regard to naloxone medication data.

- Chapter 239 of 2022 broadens existing requirements and protections relating to the administration or provision of naloxone to encompass any opioid overdose reversal drug approved by the U.S. Food and Drug Administration (FDA) and authorizes specified providers and organizations across the State to offer naloxone free of charge to individual community members.

- Chapter 408 of 2024 requires MDH to report to the legislature each year until 2026 on (1) current opioid overdose reversal drugs approved by the FDA and (2) whether MDH has added each current FDA-approved opioid overdose reversal drug to a standing order.

- Chapter 764 of 2024 expands the Public Access Automated External Defibrillator (AED) Program to include an initiative to locate up to two doses of naloxone with each AED in a public building.

- Chapter 886 of 2024 requires hospitals, beginning January 1, 2025, to establish protocols to provide appropriate care for patients admitted for opioid-related conditions, including overdose, possess specified medication for the treatment of OUD, and treat a patient who presents in an emergency room for opioid-related overdose or emergency medical condition, as specified.

Maryland has a statewide standing order for opioid overdose reversal drugs that authorizes any Maryland-licensed pharmacist to dispense unlimited prescriptions and refills of naloxone and devices for its administration to any individual, as specified. A pharmacist must provide consultation with the individual regarding the naloxone dosage that is most appropriate, select and dispense two doses of naloxone, and provide directions for use. If a patient cannot afford naloxone or related copayments, or does not wish to use insurance coverage, pharmacists are instructed to refer them to the Opioid Response Program, where they can obtain a naloxone kit free of charge.

Legal Actions Related to the Opioid Crisis: In October 2020, the U.S. Department of Justice announced a global resolution of its criminal and civil investigations of opioid

manufacturer Purdue Pharma. However, the resolution was subject to approval by the bankruptcy court for the Southern District of New York, which rejected the bankruptcy settlement in December 2021. After multiple rejected settlements, including a $6 billion settlement rejected by the Supreme Court, in January 2025, Purdue agreed to a $7.4 billion settlement, which still requires court approval. If the deal proceeds, the Sackler family must also give up ownership of Purdue.

Maryland and a coalition of states were part of the $21 billion Janssen settlement, a settlement with opioid manufacturer Johnson & Johnson and three of its distributors – McKesson, Cencora (formerly Amerisource Bergen), and Cardinal Health. Maryland's share of the settlement is approximately $395 million over 18 years.

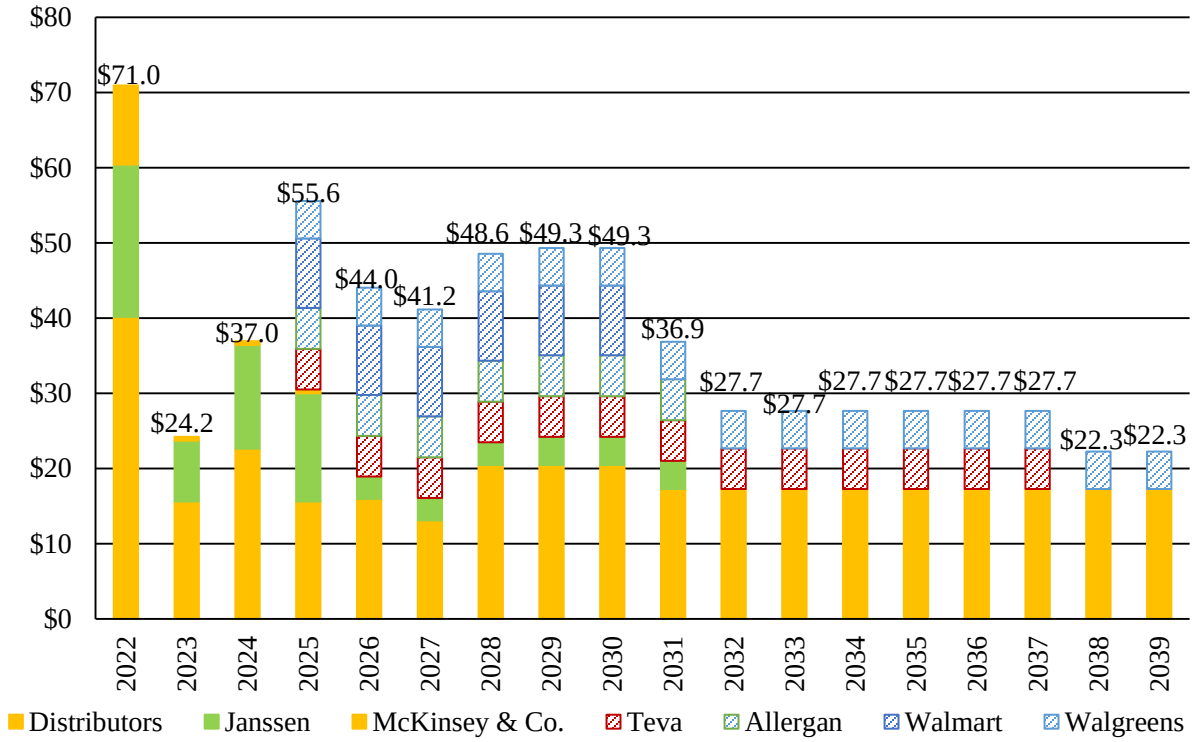
Maryland and several other states also reached a $573 million settlement with McKinsey & Company in 2021. Maryland's share of the settlement is about $12.0 million, the final installment of which was received in July 2024. The State was part of several other settlements, including ones with Walmart, Walgreens, Allergan, Teva, and Publicis Health. All settlement revenues are allocated to ORF, as described below.

Opioid Restitution Fund: **Exhibit 2** shows the actual and projected ORF revenue from opioid settlements from fiscal 2022 through 2039, which is expected to total $668 million.

MDH distributes this funding to local health departments, correctional facilities, and community organizations through block grants and competitive grants, and annually reports its spending to the General Assembly. The ORF Advisory Council meets throughout the year to discuss the best uses of funding and submit recommendations on spending priorities. Per the various settlement agreements, most ORF funding will be expended through competitive grants, and some will be distributed to local governments as block grants through a formula. Some ORF funding is expended at the discretion of the Secretary of Health who, in 2024, committed to distributing all discretionary funds through grants to local governments and organizations.

While each Maryland county will receive block grant funding through ORF, Baltimore City will only receive ORF funds from just one settlement, as it opted out of all other settlements to pursue separate litigation in pursuit of higher award amounts. As of December 2024, Baltimore City has announced approximately $409.7 million in settlement awards, with additional settlements in progress.

Exhibit 2
Sources of Opioid Restitution Fund Revenue
Fiscal 2022-2039
($ in Millions)



Source: Maryland Department of Health; Department of Legislative Services

Funding to Address the Opioid Crisis: Maryland receives federal funding to address opioid misuse and overdose. Active federal grants include the Substance Abuse Block Grant (SABG) to address substance use disorder (SUD) and the State Opioid Response Grant Program targeted to address opioid misuse. MDH distributes SABGs to each jurisdiction for activities related to substance abuse prevention, education, and treatment, including for alcohol. Federal regulations require that 20% of each SABG be directed toward supporting prevention activities.

The fiscal 2026 budget as introduced includes nearly $492 million for substance abuse treatment programs, overdose response, behavioral health investment, and other substance abuse-related programs. There is $67.6 million budgeted for ORF, $10.0 million for the Office of Overdose Response, and $959,020 for the Lieutenant Governor's Heroin and Opioid Task Force, all from general funds. The fiscal 2026 budget as introduced also

includes $78.6 million in general funds invested in the Behavioral Health Administration, which can be used for a variety of purposes, including crisis services, inpatient services, hospital overstay, and SUD prevention and treatment. Lastly, between general funds, special funds, federal dollars, and reimbursable expenditures, there is a total $334.6 million budgeted for substance abuse-related grant programs, including SABG and the State Opioid Response Grant Program.