



House of Representatives

General Assembly

File No. 68

January Session, 2019

Substitute House Bill No. 7090

House of Representatives, March 19, 2019

The Committee on Human Services reported through REP. ABERCROMBIE of the 83rd Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING AN EQUITABLE MINIMUM METHADONE MAINTENANCE REIMBURSEMENT RATE UNDER THE MEDICAID PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2019*) (a) For purposes of this
2 section: (1) "Methadone maintenance" means a chemical maintenance
3 program under which an addiction to one drug, including, but not
4 limited to, heroin, is treated with the drug methadone in a weekly
5 program that includes on and off-site methadone administration, drug
6 testing and counseling; and (2) "chemical maintenance provider"
7 means a provider certified and licensed by the federal Substance
8 Abuse and Mental Health Services Administration and the state
9 Department of Public Health who meets all federal and state
10 requirements, including, but not limited to, requirements specific to
11 the provision of chemical maintenance services.

12 (b) The Commissioner of Social Services shall amend the Medicaid

13 state plan to supplement provider-specific weekly methadone
14 maintenance reimbursement rates with a more equitable minimum
15 reimbursement rate applied equally to all chemical maintenance
16 providers.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	New section

Statement of Legislative Commissioners:

The title was changed.

HS *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Social Services, Dept.	GF - See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Department of Social Services to apply a more equitable weekly methadone maintenance reimbursement rate equally to all providers under Medicaid, which is unspecified in the bill. The net fiscal impact to the state, after accounting for federal Medicaid reimbursement¹ is dependent upon the revised minimum weekly rate established, by provider. For context, the current minimum weekly rate based on FY 18 cost reports ranges from \$75.80 to \$99.49. There are currently nine clinics which received approximately \$53.3 million in Medicaid reimbursement for services in FY 18.

For reference, the following table reflects the net state impact from three scenarios based on the current reimbursement rates:

	Rate - \$	State Share - \$	Federal Share - \$	Gross Impact - \$
Lowest	75.80	(1,916,405)	(5,895,563)	(7,811,968)
Average	90.55	301,242	747,987	1,049,229
Highest	99.49	1,645,362	4,774,654	6,420,016

¹ The current federal match for these services is approximately 75%, based on FY 18 cost reports and the current Medicaid population mix being served at providers.

The Out Years

The annualized ongoing fiscal impact identified above will continue into the future subject to the weekly Medicaid methadone maintenance reimbursement rate established and utilization by providers.

OLR Bill Analysis**sHB 7090*****AN ACT CONCERNING AN EQUITABLE MINIMUM METHADONE MAINTENANCE REIMBURSEMENT RATE UNDER THE MEDICAID PROGRAM.*****SUMMARY**

This bill requires the Department of Social Services (DSS) to provide a minimum Medicaid reimbursement rate for chemical maintenance providers that provide methadone maintenance, which, under the bill, treats addiction to one drug (e.g., heroin) in a weekly program that includes on-and off-site methadone administration, drug testing, and counseling.

In practice, DSS reimburses such providers with a provider-specific weekly methadone maintenance rate. The bill requires the DSS commissioner to amend the Medicaid state plan to supplement the provider-specific rates with a more equitable minimum reimbursement rate applied equally to all providers.

The bill's provisions apply to chemical maintenance providers that are certified and licensed by the federal Substance Abuse and Mental Health Services Administration and the state Department of Public Health and meet all federal and state requirements.

EFFECTIVE DATE: July 1, 2019

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 18 Nay 0 (03/05/2019)