

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: S.243 Name of Bill: An act relating to combating opioid abuse in Vermont

Agency/ Dept: AHS/DVHA Author of Bill Review: Susan Coburn, Lindsay Parker

Date of Bill Review: 5/3/16 Related Bills and Key Players VDH

Status of Bill: (check one): ☐ Upon Introduction ☐ As passed by 1st body- senate ☒ As passed by both

Recommended Position:

☒ Support ☐ Oppose ☐ Remain Neutral ☐ Support with modifications identified in #8 below

Analysis of Bill

1. Summary of bill and issue it addresses. *Describe what the bill is intended to accomplish and why.*

S.243 outlines strategies to combat the growing and costly issues of opioid abuse in Vermont.

At a high-level this bill proposes to:

- Maximize the use of the Vermont Prescription Monitoring System (VPMS) by expanding and aligning standards for health care providers and dispensers; as overseen and coordinated by the Vermont Department of Health (VDH).
- Establish a statewide prescription drug disposal program (VDH and Department of Public Safety).
- Expand Access to substance abuse treatment by: encouraging care coordination with primary care providers, use of telemedicine for addiction treatment, and allowing pharmacists to practice clinical pharmacy (no mandate for insurers to reimburse for clinical pharmacy services).
- VDH to consider expanding the scope of continuing medical education, including complementary and alternative therapies to treat chronic pain.
- Allow pharmacists to practice clinical pharmacy Appropriations made for some of above mandates.

Provisions in the bill, that impact DVHA include (more information below in responses to #3):

- Section 3; Subchapter 1 - Regional Opioid Addiction Treatment System
- Section 3; Subchapter 2 - Care Coordination
- Section 4 – Coverage of Telemedicine Services
- Sections 5 & 6 – Clinical Pharmacists
- Section 7 – Retail Pharmacies; Filling of Prescriptions
- Section 12 – Pharmaceutical Manufacturer Fee
- Section 15 A – Acupuncture Pilot for Chronic Pain

2. Is there a need for this bill? *Please explain why or why not.*

Legislation is not needed for the provisions with directives or impacts to DVHA. Appropriations are needed for components that impact DVHA as outlined below.

3. What are likely to be the fiscal and programmatic implications of this bill for this Department?

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The following are sections of the bill with fiscal and programmatic impact to DVHA and the Blueprint.

Section 3- Regional Opioid Addiction Treatment System & Care Coordination

Provisions:

- DVHA added to existing statute with VDH to establish a regional system of opioid addiction treatment.
- Prescribing physicians and collaborating health care and addictions professionals may coordinate care for patients receiving medication-assisted treatment for substance use disorder, which may include monitoring adherence to treatment, coordinating access to recovery supports, and providing counseling, contingency management, and case management services.
- Effective upon passage.

Implications:

- None. This provisions represents current Medicaid covered services. There is no mandate to expand Medicaid services or change delivery system.
- Medicaid already provides and reimburses for these services under our Medicaid State Plan Service of health homes (Hubs & Spokes) for Medication Assisted Therapy (MAT) for opioid addiction.

DVHA Position: Support

Section 4. Coverage of Telemedicine Services

Provisions:

- In order to facilitate the use of telemedicine in treating substance use disorder, health insurers and the Department of Vermont Health Access shall ensure that both the treating clinician and the hosting facility are reimbursed for the services rendered, unless the health care providers at both the host and service sites are employed by the same entity.
- Effective upon passage of bill.

Implications:

- None. Medicaid already reimburses for Medicaid covered services delivered via telemedicine, and reimburses for the services provided as well as a facility fee for the hosting site.
- Medicaid is required to reimburse for telemedicine via state law:
 - Services delivered through telemedicine from one facility to another facility - *Sec. 1. 8 V.S.A. Chapter 107, Subchapter 14. Telemedicine*
 - Primary care services delivered through telemedicine outside of health facilities - *33 V.S.A. § 1901i. MEDICAID COVERAGE FOR PRIMARY CARE TELEMEDICINE*
- This service delivery method is approved by CMS via the State Plan (with federal match):
 - Telemedicine facility to facility for all Medicaid covered services, including services provided by addiction specialists.
 - Telemedicine to patient outside a health care facility (i.e., community or residential) for primary care services only.

DVHA Position: Support

Sections 5 & 6- Clinical Pharmacy

Provisions: Defines clinical pharmacy and allows pharmacists to engage in the practice of clinical pharmacy in accordance with rules adopted by the Board.

Implications:

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- No impacts to DVHA, as proposed in bill.
- Pharmacists are not currently enrolled as Medicaid providers.
- Current reimbursement is made to pharmacies for ingredient costs of medications and for licensed pharmacists to dispense medications.
- If there was a mandate that required DVHA to enroll pharmacists as providers, then there would be programmatic and fiscal implications.
 - Resources would be needed to set up pharmacists as providers, enrolling new providing, setting criteria for reimbursement, coding and rate setting and administration, and assuring non-duplication of services.
 - AHS/DVHA would need CMS approval of this new provider type via an amendment to the Medicaid State Plan.

DVHA Position: Neutral

Section 7 – Retail Pharmacies; Filling of Prescriptions

Provisions:

- Section 3(b) allows retail pharmacists to fill prescriptions in the same manner and at the same level of reimbursement as mail order pharmacies, with respect to quantity of drugs and days supply of drugs dispensed with each prescription.
- Section 3(c) provides that if an insurer, including Medicaid, reimburses for a service that falls within the scope of practice of pharmacy, then the insurer *may* reimburse a pharmacist for those services.
- Effective upon passage.

Implications: None. This section is current law; amendments are non-substantive changes.

DVHA Position: Neutral

Section 12 - Manufacturer Fee

Provisions:

- Increases the annual fee that pharmaceutical manufacturers must pay to AHS from 0.5 to 1.5% of previous year Medicaid drug spend.
- Mandates how funds generated by this fee will be used.
- DVHA shall maintain on its website a list of the manufacturers who have failed to provide timely payment as required under this section.
- Effective on passage and retrospective to January 1, 2016.

Implications:

- DVHA will now need to post to its website a list of the manufacturers who have failed to provide timely payment of the fee. Currently, DVHA collects this fee over 80% of drug manufacturers.

DVHA Position: Support

Section 15A – Acupuncture; Medicaid Pilot Project

Provisions:

- Directs DVHA to develop and implement pilot project that offers acupuncture services to Medicaid beneficiaries with chronic pain as an alternative treatment to opioids. The pilot includes the creation of an advisory group of pain management specialists and acupuncture providers. Includes collaboration with VDH to promote consistency with other State policy initiatives designed to reduce the reliance on opioid medications in treating or managing chronic pain.
- \$200,000 in general funds have been appropriated for implementation of the pilot in SFY 2017.

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- By January 15, 2017, DVHA, in consultation with VDH, must submit a legislative report that includes:
 1. Report on the acupuncture pilot for chronic pain, including a progress update on the implementation plan.
 2. Report on how acupuncture can be used to treat substance use disorder. This report includes consultation with providers who use acupuncture for substance use disorder.

Implications:

- Staff and resources for the design, development and implementation of a pilot project, and preparation of the legislative report with two defined objectives (or asks from Committees).
- DVHA cannot ensure federal match for this pilot. The source of the state funds is from Drug Manufacturer's Fee which makes the entire revenue source a provider tax and presents challenges in drawing down federal match.

DVHA Position: Support

4. What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?

The bill includes many provisions with mandates for VDH.

DFR and the Board of Pharmacy Regulations would need to promulgate administrative rule if pharmacists are added as clinicians.

Public Safety and VDH would be required to develop and implement a new drug disposal model..

5. What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it? (for example, public, municipalities, organizations, business, regulated entities, etc)

Pharmacists may support this bill as there is a provision that expands their scope of practice, which may result in new and increased revenue for these providers.

Opiate-treatment providers are likely to support this bill because it outlines a collaborative and integrated approach to combating opioid abuse in Vermont.

State authorities who are combating opiate addiction in Vermont communities are likely to support this bill as it may result in enhanced strategies for preventing opioid abuse, including decreased access to opiates on the street.

Acupuncturists will support this bill as the mandate for DVHA to perform a pilot studying acupuncture for chronic pain may lead to expanded reimbursement for their services.

Insurance carriers may oppose bill provisions that could increase costs or administrative burden, such as telemedicine for buprenorphine treatment.

6. Other Stakeholders:

6.1 Who else is likely to support the proposal and why?

Unknown at this time.

6.2 Who else is likely to oppose the proposal and why?

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Unknown at this time.

7. Rationale for recommendation: *Justify recommendation stated above.*

DVHA supports efforts to bolster treatment and monitoring for substance abuse disorders.

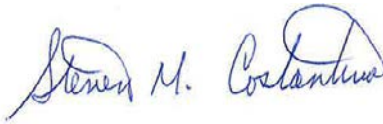
8. Specific modifications that would be needed to recommend support of this bill: *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.*

None.

9. Will this bill create a new board or commission AND/OR add or remove appointees to an existing one? If so, which one and how many?

No new board or appointees.

Secretary/Commissioner has reviewed this document:



____ **Date:** 5/12/16 _____