# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 524 PRINTER NO. 1076

AMOUNT FUND

Indeterminate Fiscal Impact General Fund

DATE INTRODUCED PRIME SPONSOR

February 19, 2015 Senator Scarnati

## DESCRIPTION AND PURPOSE OF BILL

Senate Bill 524, as amended, amends Title 61 (Prisons and Parole) of the Pennsylvania Consolidated Statutes to establish a pilot program that utilizes non-narcotic, non-addictive medications to assist in substance abuse treatment and imposes powers and duties on the Pennsylvania Department of Corrections (DOC).

Specifically, this legislation does the following:

- Creates Chapter 46 of Title 61, which establishes the Non-narcotic Medication
  Assisted Substance Abuse Treatment Grant Pilot Program within the DOC to
  provide grants to counties to provide long-acting, non-narcotic, non-addictive
  medication and substance abuse treatment to eligible offenders upon release
  from county correctional institutions;
- Stipulates that grants shall be limited to fiscal year 2015-2016;
- Mandates that grants shall be awarded to counties eligible to participate in the pilot program within six (6) months of the effective date;
- Establishes certain criteria for counties to be eligible for grant funding under the pilot program. Counties must:
  - Submit an application to the DOC;
  - 2) Have a county correctional institution with an institutional substance abuse treatment program for offenders transitioning from a county correctional institution to the community or offenders who are sentenced to serve intermediate punishment or restricted intermediate punishment sentences, or both types of offenders;
  - 3) Be able to contract with a provider as required under section 4604 (relating to use of grant funding); and
  - 4) Meet any other requirements established by the DOC.
- Requires counties awarded grant funding under the pilot program to contract with an entity, provider or organization to do all of the following:
  - 1) Assess each offender, prior to release from custody, and determine if the offender is a candidate who should be administered medication that prevents relapse to opioid dependence or alcohol dependence, or both;

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- 2) Create an individualized program for each offender;
- 3) Provide access to and administer non-narcotic, non-addictive medication assisted treatment;
- 4) Provide clinically appropriate inpatient or outpatient services determined as necessary to support each individual's treatment plan;
- 5) Cooperate with the county probation and parole office; and
- 6) Create a discharge plan for each offender.
- Provides for certain powers and duties of the DOC. The DOC shall do all of the following:
  - 1) Establish a form for counties to apply for grant funding under the pilot program;
  - 2) Establish criteria for grant funding to counties;
  - Develop or approve training and instructional materials for the law enforcement community about opioid and alcohol addiction and the use of non-narcotic medication;
  - 4) Make a form available to providers to confirm that an offender is eligible for and enrolled in the pilot program; and
  - 5) Promulgate any rules and regulations necessary to implement this newly created chapter.
- Stipulates that grant awards shall be at the discretion of the DOC and limited to amounts annually appropriated to the Department for the pilot program;
- Stipulates that naltrexone shall be approved as part of any prior authorization process by any Medicaid managed care plan operating under contract with the Commonwealth;
- Mandates that within 90 days of the effective date of this legislation, the Department of Human Services (DHS) shall issue a bulletin notice, instructing Medicaid managed care plans that approval of naltrexone must be granted if the eligible offenders are enrolled in the pilot program; and
- Mandates that within 18 months of the effective date of this legislation, the DOC shall issue a report to the Judiciary and Appropriations Committees of the House of Representatives and the Senate of Pennsylvania, evaluating the effectiveness of the pilot program. The report shall include all of the following:
  - 1) The number of eligible offenders to whom the medication was administered;
  - 2) The number of eligible offenders who completed the pilot program;
  - 3) Recidivism rates of eligible offenders that participated in the pilot program;
  - 4) The average amount of grants awarded to counties;
  - 5) The number of providers available on a county-by-county basis; and
  - 6) The impact of the use of non-narcotic, non-addictive medication assisted treatment on treatment outcomes and any potential cost savings.

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This act shall take effect in 60 days.

### FISCAL IMPACT:

According to the 2014 Annual Report of Pennsylvania County Correctional Facilities, produced by the Pennsylvania Department of Corrections, Office of County Inspection & Services, there were approximately 210,000 individuals released from county correctional institutions in 2013. This number includes each release from pretrial detention, parole violations and every county sentence. According to the Governor's Office of the Budget, over 40 percent, or 80,000, individuals released from prison have drug and/or alcohol addictions and may participate in the pilot program. It's assumed that only 5 percent of that population, or 4,000 individuals, will receive the non-narcotic, non-addictive medication assisted treatment under this pilot program, excluding those who are ineligible for Medical Assistance (MA) and those who cannot or will not participate in the pilot program due to conflicting medical conditions.

### **Department of Drug and Alcohol Programs (DDAP)**

According to the Governor's Office of the Budget, the Department of Drug and Alcohol Programs (DDAP), in consultation with the DOC, may incur minimal costs in developing training and instructional materials concerning opioid and alcohol addiction. These costs can be absorbed in the department's base budget.

#### **Department of Corrections (DOC)**

The DOC may incur estimated personnel costs of \$80,000 to \$250,000, in FY 2015-2016, to manage and monitor the grant pilot program. Additionally, grants awarded to eligible counties, by the DOC, will be determined by the amount appropriated to the department by the General Assembly in FY 2015-2016.