

# FISCAL NOTE

October 29, 2019

<b>Bill No:</b>	SB 722	<b>Printer's No:</b>	892	<b>Sponsor:</b>	Tartaglione
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### COST / (SAVINGS)

<b>Fund (s)</b>	<b>2019-20</b>	<b>2020-21</b>
General Fund - Federal	See "Fiscal Impact"	\$56,000,000

**SUMMARY:** Amends Act 175 of 1929, known as the Administrative Code, for the purpose of providing the Department of Drug and Alcohol Programs with specific powers and duties.

**ANALYSIS:** The powers and duties given to the department relate to utilizing criteria developed or adapted by the department to meet the needs, service requirements and regulatory structure of the commonwealth to guide decisions governing the type, level and length of care for certain individuals. Such individuals include: those needing hospital detoxification, pregnant addicted women, addicted women with dependent children, veterans, homeless individuals with addiction, low-level drug offenders sent to treatment as part of sentencing by drug courts, and other patients receiving drug and alcohol addiction treatment through Federal or State funding.

In carrying out this duty, the Department of Drug and Alcohol Programs may not utilize criteria from a national tool.

This act shall take effect in 60 days upon passage.

**FISCAL IMPACT:** The Department of Human Services currently has a 1115 Medicaid Waiver that was approved by the Centers for Medicare and Medicaid Services (CMS) to fund residential treatment services for substance abuse using the American Society of Addiction Medicine (ASAM) criteria.

If this bill passes, DHS would be prevented from using ASAM, an evidence-based tool and CMS will withdraw DHS' approved 1115 Waiver. Absent this waiver, DHS would only be able to utilize state funding. Therefore, we are estimating this proposal, if passed, would result in the commonwealth losing nearly \$56,000,000 in federal funding.