

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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S.243 – An act relating to combating opioid abuse in Vermont

As passed the Senate (3/31/16)

Overview:

Blueprint – Sec. 3(e)

Sec. 3(e) requires the Director of Blueprint to recommend to the Commissioner of Vermont Health Access whether to increase payments to primary care providers participating in the Blueprint who choose to engage in care coordination by prescribing buprenorphine or drug containing buprenorphine for patients with opioid addiction. While a “recommendation” itself has no fiscal impact, should the Department act on such a recommendation and decide to increase payments, an appropriation would be required.

No appropriation requested

Telemedicine for Treatment of Substance Abuse Disorder pilot (Sec. 4)

This section requires the Green Mountain Care Board and the Department of Vermont Health Access (DVHA) to develop a pilot program to enable a patient taking buprenorphine or a drug containing buprenorphine for a substance abuse disorder to receive treatment from an addiction medicine specialist delivered through telemedicine. DVHA currently allows for telemedicine facility to facility without restrictions on provider type and does not anticipate any additional costs associated with this pilot.

No appropriation required

Manufacturer Fee (Sec. 12)

Currently fees collected from the manufacturer fee are deposited into the Evidence-Based Education and Advertising Fund. This section increases the Manufacturer fee from 0.5% to 1.5%. Currently the fund supports the Vermont prescription monitoring system, evidence-based education program (“aka” counter-detailing), and the Departments Opioid Antagonist Program. In the absence of this legislation, the manufacturer fee is expected to raise \$1 million in SFY’17. This change would increase revenues by approximately \$2.05 million for a total of approximately \$3.08 million.

Est. New Revenues = \$2.05 million

Between CY 2011 and 2014, collection of the fee has ranged from between 88% to 98%. Sec. 12 also institutes fines for failure to pay the manufacturer fee similar to penalties and interest assessed for late payment of incomes taxes and requires VDH to maintain a list on its website of the manufacturers who have failed to provide timely payment.

Controlled Substance Abuse Advisory Council - Per Diems (Sec. 14 and 18)

Sec. 18 repeals the Unified Pain Management System Advisory Council, which consisted of 26 members, and creates a new Controlled Substance Advisory Council. Advisory council members who are not employed by the state or whose participation is not supported through their

employment or association will be entitled to per diem and expenses. There are approximately the same numbers of non-state employees on both councils therefore it is expected that the per diem costs will be budget neutral.

No appropriation required

Acupuncture; Medicaid Pilot Project (Sec. 15a & 17)

Sec. 15 requires DVHA to develop a pilot project to offer acupuncture services to Medicaid-eligible Vermonters with a diagnosis of chronic pain for a defined period of time to determine if acupuncture treatment as an alternative or adjunctive to prescribing opioids is as effective or more effective than opioids alone. On or before January 15, 2017, DVHA will provide an implementation plan and progress report to the legislature.

Sec. 17 appropriates \$200,000 from the Evidence-Based Education and Advertising Fund to DVHA for the purpose of “exploring nonpharmacological approaches to pain management by implementing the pilot project.” There is no set date for implementation, nor does the bill indicate how long the pilot project would last, which could have implications for out-years.

Finally, if acupuncture were to become a covered service under Medicaid, a state plan amendment would be required, rules would have to be promulgated, and further fiscal analysis would be needed.

Appropriation = \$200,000 state

Note: It is anticipated this project will be able to draw federal match (\$237,828 in federal dollars for a gross of \$437,828) through Global Commitment.

Appropriations (Sec. 17)

In addition to the pilot project, Sec. 17 appropriates money from the Evidence-Based Education and Advertising Fund to the Department of Health for the following:

- **\$250,000** to expand the evidence-based education program for inclusion of evidence-based information about safe prescribing of controlled substances and alternatives to opioids for treating pain.
- **\$625,000** for funding statewide unused prescription drugs disposal initiatives including:
 - \$100,000 for a MedSafe collection and disposal program and program manager
 - \$50,000 for unused medication envelopes for a mail-back program
 - \$225,000 for a public information campaign on safe disposal of controlled substances
 - \$250,000 for a public information campaign on the responsible use of prescription drugs
- **\$150,000** for purchasing and distributing opioid antagonist rescue kits
- **\$250,000** for establishing a hospital microbial program to reduce hospital-acquired infections.
- **\$32,000** for purchasing and distributing naloxone to emergency medical services personnel throughout the state.

Appropriation = \$1.307 million

SUMMARY:

TOTAL APPROPRIATION = \$1.507 million

EST. NEW REVENUE = \$2.05 million