

1 S.36

2 Introduced by Senators Lyons and Gulick

3 Referred to Committee on Health and Welfare

4 Date: January 30, 2025

5 Subject: Human services; Medicaid, substance use disorder; mental health;
6 long-term residential treatment

7 Statement of purpose of bill as introduced: This bill proposes to require the
8 Agency of Human Services to provide coverage for long-term residential
9 treatment to Medicaid beneficiaries with substance use disorder and a co-
10 occurring mental health condition.

~~An act relating to Medicaid coverage of long-term residential treatment for
co-occurring substance use disorder and mental health condition.~~ *An act
relating to the Medicaid payment model for residential substance use
disorder treatment services*

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 ~~Sec. 1, 33 V.S.A. § 1901m is added to read:~~

13 § 1901m. LONG-TERM RESIDENTIAL TREATMENT FOR SUBSTANCE
14 USE DISORDER AND CO-OCCURRING MENTAL HEALTH
15 CONDITION

~~(a) The Agency of Human Services shall provide coverage for medically necessary long-term residential treatment to Medicaid beneficiaries with substance use disorder and a co-occurring mental health condition when long-term residential treatment is prescribed by a health care professional practicing within the scope of the professional's license and the residential treatment program is participating in Vermont's Medicaid program.~~

~~(b) Coverage provided under this section shall not be for less than:~~

~~(1) 30 days if the beneficiary's substance use disorder can be successfully addressed by medication for opioid use disorder; and~~

~~(2) 60 days if the beneficiary's substance use disorder cannot be successfully addressed by medication for opioid use disorder.~~

Sec. 2. 33 V.S.A. § 1901m is redesignated to read:

§ ~~1901m~~ 1901n. REIMBURSEMENT FOR EMERGENCY MEDICAL
SERVICES

Sec. 3. EFFECTIVE DATE

~~This act shall take effect on July 1, 2025.~~

Sec. 1. 33 V.S.A. § 1901n is added to read:

*§ 1901n. HIGH-INTENSITY RESIDENTIAL TREATMENT FOR
SUBSTANCE USE DISORDER AND CO-OCCURRING
MENTAL CONDITIONS*

(a) The Agency of Human Services shall provide coverage for medically necessary high-intensity, medically monitored residential treatment episodes to Medicaid beneficiaries with substance use disorder and a co-occurring mental health condition when medically necessary high-intensity, medically monitored residential treatment episodes are prescribed by a health care professional

employed by a residential treatment program who is practicing within the scope of the health professional's license and the residential treatment program is participating in Vermont's Medicaid program.

(b) Coverage provided under this section shall be for the entire length of stay prescribed by a health care professional employed by a residential treatment program, who shall take into account current best practices for each level of care within the substance use continuum of care.

Sec. 2. 33 V.S.A. § 1901o is added to read:

§ 1901o. LOW-INTENSITY RESIDENTIAL TREATMENT FOR
SUBSTANCE USE DISORDER AND CO-OCCURRING
MENTAL CONDITIONS

(a) The Agency of Human Services shall provide coverage for medically necessary low-intensity, clinically managed residential treatment episodes to Medicaid beneficiaries with substance use disorder and a co-occurring mental health condition when medically necessary low-intensity, clinically managed residential treatment episodes are prescribed by a health care professional employed by a residential treatment program who is practicing within the scope of the health care professional's license and the residential treatment program is participating in Vermont's Medicaid program.

(b) Coverage provided under this section shall be for the entire length of stay prescribed by a health care professional employed by a residential treatment program, who shall take into account current best practices for levels of care within the substance use continuum of care.

Sec. 3. REPORT; MEDICAID PAYMENT MODEL FOR RESIDENTIAL
SUBSTANCE USE DISORDER TREATMENT SERVICES

The Agency of Human Services shall conduct a review of the Medicaid payment model for residential substance use disorder treatment services with special consideration given to the actual cost of providing residential treatment services, commensurate with length of stay, co-occurring physical and mental health needs, and postresidential treatment service needs. The results of the review shall be submitted to the House Committee on Human Services and the Senate Committee on Health and Welfare on or before December 1, 2025. The review shall include recommendations and proposed legislation to:

(1) align the Medicaid payment model with the clinical needs of individuals receiving residential substance use disorder treatment services; and

(2) ensure coordinated transitions between residential substance use disorder treatment providers offering varying acuity of care.

Sec. 4. REPEAL

2019 Acts and Resolves No. 6, Secs. 99 and 100 (amendments to 18 V.S.A. §§ 4810(d)–(j) and 4811 that prohibited public inebriates from being incarcerated in a Department of Corrections’ facility) are repealed.

Sec. 5. 2019 Acts and Resolves No. 6, Sec. 105 is amended to read:

Sec. 105. EFFECTIVE DATES

* * *

(c) Secs. 99 and 100 (amending 18 V.S.A. §§ 4910 and 4811) shall take effect on July 1, 2025. [Deleted.]

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Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2025.