ASSEMBLY, No. 5270

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 25, 2021

Sponsored by:
Assemblyman LOUIS D. GREENWALD
District 6 (Burlington and Camden)
Assemblyman RAJ MUKHERJI
District 33 (Hudson)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

Co-Sponsored by:
Assemblyman Armato, Assemblywomen Vainieri Huttle and Chaparro

SYNOPSIS

Establishes pilot programs for 24-hour urgent care for behavioral health and 24-hour county substance use disorder crisis centers; revises requirements to become authorized medication-assisted treatment provider; appropriates $7 million.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 11/8/2021)

AN ACT concerning behavioral health and substance use disorders, supplementing Title 30 of the Revised Statutes and P.L.1969, c.152 (C.26:2G-1 et seq.), amending P.L.1970, c.226, and making an appropriation.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. As used in sections 1 thorough 4 of P.L. , c. (C.) (pending before the Legislature as this bill):

"Behavioral health" or "behavioral health care" means procedures or services rendered by a health care or mental health care provider for the treatment of mental illness, mental health or emotional disorders, or substance use disorders.

"Care transition" means the transfer or transition of a patient from an urgent care facility to a health care or behavioral health care provider.

"Commissioner" means the Commissioner of Human Services.

"Community health center" means a federally qualified health center (FQHC), an ambulatory care facility, a certified community behavioral health clinic (CCBHC), a behavioral health program, and a substance use disorder facility.

"Department" means the Department of Human Services.

"Hospital" means a general acute care hospital licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.).

"Managed care organization" means a Medicaid managed care organization, as that term is defined pursuant to 42 U.S.C. s.1396b(m)(1)(A).

"Medicaid" means the Medicaid program established pursuant to P.L.1968, c.413 (C.30:4D-1 et seq.).

"Pilot program" means the Urgent Care Facility Behavioral Health Pilot Program established pursuant to this act.

"Rapid referral" means the taking of appropriate steps by an urgent care facility as may be necessary to facilitate: a patient's referral or transfer to, prompt access to an appointment with, and timely receipt of services from, another appropriate health care or behavioral health care services provider; a patient's prompt and voluntary admission to an inpatient psychiatric facility; or a patient's prompt evaluation by a screening service or mental health screener to determine whether involuntary commitment to treatment is warranted pursuant to P.L.1987, c.116 (C.30:4-27.1 et seq.).

"Supportive contacts" means brief communications with a patient that occur during care transitions, and which show support for the patient and are designed to promote a patient's feeling of connection to treatment and willingness to collaboratively

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

participate in treatment. "Supportive contacts" may include the sending of postcards, letters, email messages, and text messages, or the making of phone calls.

"Warm hand-off" means a safe care transition that connects a patient directly with a health care or mental health care provider or interim contact, such as a crisis center worker or peer specialist, before the patient's first appointment with the new provider, or that connects a patient directly with a screening service or mental health screener for the purposes of determining whether involuntary commitment to treatment is warranted pursuant to P.L.1987, c.116 (C.30:4-27.1 et seq.).

"Urgent care facility" means a health care facility that offers episodic, walk-in care for the treatment of acute, but not life-threatening, health conditions 24 hours per day, seven days per week.

2. a. The Department of Human Services shall establish a two-year Urgent Care Facility Behavioral Health Pilot Program, commencing upon the selection of the managed care organizations pursuant to subsection b. of this section, in accordance with the provisions of sections 1 through 4 of P.L. , c. (C.) (pending before the Legislature as this bill). The goal of the pilot program shall be to provide behavioral health care at certain hospital urgent care facilities to stabilize individuals experiencing behavioral health crises in a way that reduces unnecessary hospital emergency department and inpatient admissions.

b. Within 180 days after the effective date of this act or, if the department submits State plan amendments or waivers pursuant to section 9 of this act, within 30 days of the receipt of any necessary federal approvals, the department shall issue a request for proposals and select one or more managed care organizations to participate the pilot program. The managed care organizations selected pursuant to this subsection shall demonstrate the ability to meet the requirements of the pilot program and shall operate in the northern, central, and southern regions of the State.

c. The managed care organizations selected to participate in the pilot program shall contract with six hospitals, two in each of the northern, central, and southern regions of the State to provide integrated behavioral health care within one of the hospital's urgent care facilities. To be eligible, a hospital shall demonstrate the ability to coordinate a patient's with primary care providers, outpatient behavioral health and substance abuse providers, community health centers, and social service providers and shall not receive funding from the department to provide Early Intervention Support Services.

d. Each participating urgent care facility shall integrate behavioral health care with the facility's existing physical health services, which shall, at a minimum, include: employing a

behavioral health team of at least one licensed behavioral clinician and one licensed clinical social worker; partnering with one or more licensed psychiatrists to provided services, as needed, via telemedicine; providing behavioral health awareness and intervention training to staff; and the use of warm hand-offs, rapid referrals, supportive contacts, and other efficient and supportive care transition methods.

3. a. The pilot program established pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be funded through the Medicaid program using a value-based payment system. The value-based payment system shall be modeled on, and be consistent with, the population-based payment methodology that is described under Category 4 of the alternative payment methodologies (APM) framework developed by the Health Care Payment Learning and Action Network. Specifically, the value-based payment system shall provide for a quarterly advanced bundled payment to be provided to the managed care organization for the purposes of financing the total cost of behavioral health care that is provided by participating urgent care facilities. The quarterly bundled payment rate shall be established by the Commissioner of Human Services and shall be based on the commissioner's evaluation of the following factors:

(1) an assessment of claims data indicating the cost to provide behavioral health care in a hospital emergency department and inpatient settings, absent the pilot program;

(2) the number of patients who are expected to be served by the pilot program;

(3) the average anticipated per-patient cost of care under the pilot program;

(4) the anticipated costs to participating urgent care facilities of complying with the provisions of subsection d. of section 2 of P.L. , c. (C.) (pending before the Legislature as this bill); and

(5) any other factors that may affect the cost of care.

b. The quarterly bundled payment provided under this section shall be limited to the bundled rate established by the commissioner under subsection a. of this section, and shall not be subject to increase, regardless of whether the actual costs of care received by patients in the pilot program exceed the bundled payment rate provided hereunder. If the managed care organization, in cooperation with participating urgent care facility, is able to reduce the per-patient costs of care for patients engaged in the pilot program, the managed care organization may retain, and shall not be required to repay, any bundled payment funds that remain unexpended thereby. Any such savings achieved shall be shared by the managed care organization with the participating urgent care facility at a rate that is proportional to the rate of per-patient cost

reduction savings achieved by each such facility. If the actual per-patient costs of care for patients engaged in the pilot program exceed the advanced bundled payment rate established by the commissioner under this section, the managed care organization shall ensure that all patients continue to receive appropriate services and care from participating urgent care facilities without being subject to an increase in out-of-pocket costs. Any financial loss suffered by the managed care organization as a result of an increase in the per-patient cost of care for patients in the pilot program shall be shared by the managed care organization with the participating urgent care facilities at a rate that is proportional to the rate of per-patient cost increase attributed to each facility.

4. a. Within 90 days after the two-year pilot program established pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill) is terminated, the department shall prepare and submit a written report of its findings and recommendations to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature.

b. At a minimum, the report shall:

(1) identify the managed care organizations that were selected to participate in the pilot program;

(2) identify the hospitals who were contracted by the managed care organizations pursuant to subsection c. of section 2 of P.L. , c. (C.) (pending before the Legislature as this bill), as well as the participating urgent care facilities in the pilot program;

(3) identify the total number and percentage of patients in each managed care network and the number and percentage of patients in each of the northern, central, and southern regions of the State who received behavioral health care from a participating urgent care facility under the pilot program;

(4) a summary of patient outcomes following an urgent care visit under the pilot program, including follow-up care regarding behavioral health;

(5) a comparison of costs of behavioral health care provided in a hospital emergency department and inpatient settings versus under the pilot program; and

(6) include recommendations as to whether and how the pilot program should be continued on a permanent basis.

5. a. The Commissioner of Human Services shall select up to five counties to participate in a two-year pilot program, under which the selected counties will establish county substance use disorder crisis centers to provide substance use disorder treatment services and referrals 24 hours per day, seven days per week, to individuals seeking treatment or services related to a substance use disorder, as well as to individuals who are transported to the

substance use disorder crisis center by an emergency medical services provider pursuant to subsection d. of this section.

b. Counties selected to participate in the pilot program may designate a health care services provider that is currently providing services in the county and that meets the requirements of subsection c. of this section to serve as that county's substance use disorder crisis center. As a condition of designating a health care services provider as a county substance use disorder crisis center, the county may require the provider to expand the range of services it provides, to provide proof that the provider has entered into agreements or partnerships with regional substance use disorder treatment providers, social services providers, and a regional health hub consistent with the requirements of subsection c. of this section, or take other actions consistent with the provisions of this section. In designating a health care services provider to serve as that county's substance use disorder crisis center, counties shall grant priority to facilities that have entered into patient transfer agreements with a general acute care hospital or other health care provider capable of providing acute treatment services for an overdose when the patient requires a level of treatment that exceeds the services available through the crisis center.

c. At a minimum, each county substance use disorder crisis center shall:

(1) be capable of providing treatment for acute opioid overdose as well as other types of acute substance overdose, providing detoxification services, and initiating medication-assisted treatment;

(2) establish protocols and procedures to assess the immediate, short-term, and long-term needs of the individual with regard to substance use disorder treatment services, and prepare or assist in the preparation of a substance use disorder treatment plan for the individual;

(3) be capable of arranging or coordinating ongoing treatment for the individual's substance use disorder, which shall include:

(a) providing inpatient substance use disorder treatment services, outpatient substance use disorder treatment services, or both, at or through the crisis center;

(b) entering into agreements and partnerships with regional inpatient and outpatient substance use disorder treatment service providers, including, to the extent possible, one or more outpatient community behavioral health care providers, primary care providers, and opioid treatment providers, to ensure the county substance use disorder crisis center has the ability to promptly refer individuals to a substance use disorder treatment provider capable of providing services appropriate to the individual's needs; or

(c) both;

(4) connect with the New Jersey Health Information Network and enter into such agreements as are necessary for the county substance use disorder crisis center to connect with the health

information exchange of the Regional Health Hub in closest proximity to the county substance use disorder crisis center;

(5) assist individuals seeking substance use disorder treatment services from the county substance use disorder crisis center who are not enrolled in a health benefits plan to enroll in the Medicaid program or NJ FamilyCare program, if the individual meets the eligibility requirements for enrollment, or to otherwise procure coverage through Get Covered New Jersey or a successor program;

(6) coordinate with regional health care providers, as well as any clean syringe access programs as are operating in the region, to promote referrals of individuals with substance use disorders to the county substance use disorder crisis center;

(7) enter into agreements and partnerships with social services providers to the extent necessary to ensure individuals seeking substance use disorder treatment services from the county substance use disorder crisis center are provided access and referrals to wraparound services, including social services, child care services, housing assistance, employment assistance, transportation assistance, educational and vocational training, counseling services, legal assistance, and other appropriate services as are necessary to support the individual's substance use disorder treatment plan; and

(8) for individuals who present at or are transported to the county substance use disorder crisis center but decline to participate in a treatment plan, provide the individual with information about clean syringe access programs operating in that region, harm reduction strategies related to injection drug use, safe disposal of used needles and syringes, the importance of not using drugs unless someone is present who can obtain assistance in the event of an overdose or other emergency, and other programs, initiatives, or information that can reduce the risk of overdose, prevent the spread of bloodborne disease, and reduce the risk of physical injuries attendant to intravenous and other drug use.

d. (1) Subject to the provisions of paragraph (3) of this subsection, emergency medical services providers transporting a patient in connection with an opioid or other substance overdose or other acute health issues related to a substance use disorder may transport the patient to the nearest county substance use disorder crisis center in lieu of transporting the patient to a hospital emergency department, provided that the county substance use disorder crisis center is capable of providing services appropriate to the patient's immediate clinical needs, and transporting the patient to a county substance use disorder crisis center in lieu of a hospital emergency department will not jeopardize the health or safety of the patient.

(2) The Commissioner of Health shall approve any waiver of any State statute, rule, or regulation as is necessary to enable emergency medical services providers to transport patients to county substance use disorder crisis centers in lieu of hospital

emergency departments pursuant to paragraph (1) of this subsection. The Commissioner of Health shall promulgate any rules, regulations, or guidance concerning the protocols for transporting patients to a county substance use disorder crisis center under paragraph (1) of this subsection as shall be necessary to implement the provisions of this subsection.

(3) Nothing in this subsection shall be construed to authorize any emergency medical services provider to deviate from standard of care requirements related to the treatment and transportation of patients experiencing an opioid or other substance overdose or other acute health issues related to a substance use disorder.

e. (1) The Commissioner of Health, the Commissioner of Human Services, and professional licensing boards under the Division of Consumer Affairs in the Department of Law and Public Safety shall each approve any waiver of any State statute, rule, or regulation as is necessary to ensure that individuals seeking treatment for a substance use disorder at a county substance use disorder crisis center can be promptly initiated on medication-assisted treatment without the need for detoxification, except as may be otherwise clinically-indicated, and without the need to complete an assessment using the American Society of Addiction Medicine's (ASAM) Criteria or a comparable assessment, except as may otherwise be necessary to determine the type of medication-assisted treatment that is appropriate to the individual's immediate needs.

(2) Nothing in this subsection shall be construed to authorize any health care practitioner to deviate from standard of care requirements, or to authorize any health care practitioner to initiate any form of medication-assisted treatment if initiating the medication-assisted treatment would jeopardize the health or safety of an individual receiving services through a county substance use disorder crisis center.

f. Each county substance use disorder crisis center shall develop a program to encourage health care practitioners and other entities providing clinical services to individuals with substance use disorders to obtain any federal approvals or certifications as are necessary to authorize the health care practitioner or other entity to use all forms of medication-assisted treatment in connection with the treatment of individuals with substance use disorders.

g. The Commissioner of Human Services shall identify and apply for, and provide assistance and support to counties in applying for, any sources of federal funding as may be available to implement the provisions of this section or otherwise support county substance use disorder crisis centers and services provided by, through, or with the assistance of, a county substance use disorder crisis center.

h. The Commissioner of Human Services shall prepare a report concerning the pilot program established pursuant to this section,

which report shall outline the results of the pilot program, including its effectiveness in facilitating access to substance use disorder treatment services, reducing overdose deaths, and helping individuals adhere to their substance use disorder treatment plans, as well as the commissioner's recommendations with regard to continuing, expanding, or modifying the pilot program. The report shall be submitted to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, no later than six months after the pilot program ends, provided that nothing in this subsection shall be construed to prohibit the commissioner from submitting recommendations to the Governor and the Legislature concerning the continuation, extension, or modification of the pilot program prior to the end of the pilot program.

i. As used in this section:

"Emergency medical services provider" means any association, organization, company, department, agency, service, program, unit, or other entity that provides pre-hospital emergency medical care to patients in this State, including, but not limited to, a basic life support ambulance service, a mobile intensive care unit, an air medical service, or a volunteer or non-volunteer first aid, rescue, and ambulance squad.

"Medication-assisted treatment" means the use of any medications approved by the federal Food and Drug Administration to treat substance use disorders, including, but not limited to, extended-release naltrexone, methadone, buprenorphine, and combinations of buprenorphine and naloxone, in combination with counseling and behavioral therapies, to provide a whole-patient approach to the treatment of substance use disorders.

"Regional Health Hub" means any entity designated as a Regional Health Hub pursuant to P.L.2019, c.517 (C.30:4D-8.16 et seq.).

6. Section 2 of P.L.1970, c.226 (C.24:21-2) is amended to read as follows:

2. As used in P.L.1970, c.226 (C.24:21-1 et seq.):

"Administer" means the direct application of a controlled dangerous substance, whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by: (1) a practitioner (or, in the practitioner's presence, by the practitioner's lawfully authorized agent), or (2) the patient or research subject at the lawful direction and in the presence of the practitioner.

"Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser but does not include a common or contract carrier, public warehouseman, or employee thereof.

"Commissioner" means the Commissioner of Health.

"Controlled dangerous substance" means a drug, substance, or immediate precursor in Schedules I through V of article 2 of

P.L.1970, c.226 (C.24:21-1 et seq.). The term shall not include distilled spirits, wine, malt beverages, as those terms are defined or used in R.S.33:1-1 et seq., or tobacco and tobacco products.

"Counterfeit substance" means a controlled dangerous substance which, or the container or labeling of which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor, or dispenser other than the person or persons who in fact manufactured, distributed, or dispensed such substance and which thereby falsely purports or is represented to be the product of, or to have been distributed by, such other manufacturer, distributor, or dispenser.

"Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a controlled dangerous substance, whether or not there is an agency relationship.

"Director" means the Director of the Division of Consumer Affairs in the Department of Law and Public Safety.

"Dispense" means to deliver a controlled dangerous substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for that delivery.

"Dispenser" means a practitioner who dispenses.

"Distribute" means to deliver other than by administering or dispensing a controlled dangerous substance.

"Distributor" means a person who distributes.

"Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

"Drug Enforcement Administration" means the Drug Enforcement Administration in the United States Department of Justice.

"Drugs" means (a) substances recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; and (b) substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (c) substances (other than food) intended to affect the structure or any function of the body of man or other animals; and (d) substances intended for use as a component of any article specified in subsections (a), (b), and (c) of this section; but does not include devices or their components, parts or accessories. "Drugs" shall not mean hemp or a hemp product cultivated, handled, processed, transported, or sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

"Hashish" means the resin extracted from any part of the plant genus Cannabis and any compound, manufacture, salt, derivative, mixture, or preparation of such resin. "Hashish" shall not mean hemp or a hemp product cultivated, handled, processed, transported,

or sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

"Marihuana" means all parts of the plant genus Cannabis, whether growing or not; the seeds thereof; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant; but shall not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Marihuana" shall not mean hemp or a hemp product cultivated, handled, processed, transported, or sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

"Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled dangerous substance, either directly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled dangerous substance by an individual for the individual's own use or the preparation, compounding, packaging, or labeling of a controlled dangerous substance: (1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled dangerous substance in the course of the practitioner's professional practice, or (2) by a practitioner (or under the practitioner's supervision) for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

<u>“Medication-assisted treatment” means the use of any medications approved by the federal Food and Drug Administration to treat substance use disorders, including, but not limited to, extended-release naltrexone, methadone, buprenorphine, and combinations of buprenorphine and naloxone, in combination with counseling and behavioral therapies, to provide a whole-patient approach to the treatment of substance use disorders.</u>

"Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(a) Opium, coca leaves, and opiates;

(b) A compound, manufacture, salt, derivative, or preparation of opium, coca leaves, or opiates;

(c) A substance (and any compound, manufacture, salt, derivative, or preparation thereof) which is chemically identical with any of the substances referred to in subsections (a) and (b), except that the words "narcotic drug" as used in P.L.1970, c.226

(C.24:21-1 et seq.) shall not include decocainized coca leaves or extracts of coca leaves, which extracts do not contain cocaine or ecgonine.

"Official written order" means an order written on a form provided for that purpose by the Attorney General of the United States or his delegate, under any laws of the United States making provisions therefor, if such order forms are authorized and required by the federal law, and if no such form is provided, then on an official form provided for that purpose by the division. If authorized by the Attorney General of the United States or the division, the term shall also include an order transmitted by electronic means.

"Opiate" means any dangerous substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having such addiction-forming or addiction-sustaining liability. It does not include, unless specifically designated as controlled under section 3 of P.L.1970, c.226 (C.24:21-1 et seq.), the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does include its racemic and levorotatory forms.

"Opium poppy" means the plant of the species Papaver somniferum L., except the seeds thereof.

"Person" means any corporation, association, partnership, trust, other institution or entity, or one or more individuals.

"Pharmacist" means a registered pharmacist of this State.

"Pharmacy owner" means the owner of a store or other place of business where controlled dangerous substances are compounded or dispensed by a registered pharmacist; but nothing in this chapter contained shall be construed as conferring on a person who is not registered or licensed as a pharmacist any authority, right, or privilege that is not granted to the person by the pharmacy laws of this State.

"Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

"Practitioner" means a physician, dentist, veterinarian, scientific investigator, laboratory, pharmacy, hospital, or other person licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or administer a controlled dangerous substance in the course of professional practice or research in this State.

(a) "Physician" means a physician authorized by law to practice medicine in this or any other state.

(b) "Veterinarian" means a veterinarian authorized by law to practice veterinary medicine in this State.

(c) "Dentist" means a dentist authorized by law to practice dentistry in this State.

(d) "Hospital" means any federal institution, or any institution for the care and treatment of the sick and injured, operated or

approved by the appropriate State department as proper to be entrusted with the custody and professional use of controlled dangerous substances.

(e) "Laboratory" means a laboratory to be entrusted with the custody of narcotic drugs and the use of controlled dangerous substances for scientific, experimental, and medical purposes and for purposes of instruction approved by the Department of Health.

"Production" includes the manufacture, planting, cultivation, growing, or harvesting of a controlled dangerous substance.

"Immediate precursor" means a substance which the division has found to be and by regulation designates as being the principal compound commonly used or produced primarily for use, and which is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled dangerous substance, the control of which is necessary to prevent, curtail, or limit such manufacture.

"Substance use disorder involving drugs" means taking or using a drug or controlled dangerous substance, as defined in this chapter, in association with a state of psychic or physical dependence, or both, arising from the use of that drug or controlled dangerous substance on a continuous basis. A substance use disorder is characterized by behavioral and other responses, including, but not limited to, a strong compulsion to take the substance on a recurring basis in order to experience its psychic effects, or to avoid the discomfort of its absence.

"Ultimate user" means a person who lawfully possesses a controlled dangerous substance for the person's own use or for the use of a member of the person's household or for administration to an animal owned by the person or by a member of the person's household.

(cf: P.L.2019, c.238, s.11)

7. Section 11 of P.L.1970, c.226 (C.24:21-11) is amended to read as follows:

11. Registration. a. The division shall not register an applicant to manufacture or distribute controlled dangerous substances included in Schedules I through IV of article 2 of P.L.1970, c.226 (C.24:21-3 et seq.), as amended and supplemented, unless it determines that the issuance of such registration is consistent with the public interest. In determining the public interest, the following factors shall be considered:

(1) Maintenance of effective controls against diversion of particular controlled dangerous substances into other than legitimate medical, scientific, or industrial channels;

(2) Compliance with applicable State and local laws;

(3) Any convictions of the applicant under any federal and State laws relating to any controlled dangerous substance;

(4) Past experience in the manufacture of controlled dangerous substances, and the existence in the applicant's establishment of effective controls against diversion;

(5) Furnishing by the applicant false or fraudulent material in any application filed under this act;

(6) Suspension or revocation of the applicant's federal registration to manufacture, distribute, or dispense controlled dangerous substances as authorized by federal law; and

(7) Such other factors as may be relevant to and consistent with the public health and safety.

b. Registration granted under subsection a. of this section shall not entitle a registrant to manufacture and distribute controlled dangerous substances in Schedule I or II other than those specified in the registration.

c. Practitioners shall be registered to dispense substances in Schedules II through IV if they are authorized to dispense or conduct research under the law of this State. The director need not require separate registration under this article for practitioners engaging in research with nonnarcotic controlled dangerous substances in Schedules II through IV where the registrant is already registered under this article in another capacity. Practitioners registered under federal law to conduct research in Schedule I substances are permitted to conduct research in Schedule I substances within this State upon furnishing the director evidence of that federal registration.

d. Compliance by manufacturers and distributors with the provisions of the federal law respecting registration (excluding fees) entitles them to be registered under P.L.1970, c.226 (C.24:21-1 et seq.), as amended and supplemented.

e. The division shall initially permit persons to register who own or operate any establishment engaged in the manufacture, distribution or dispensing of any controlled dangerous substances prior to the effective date of P.L.1970, c.226, as amended and supplemented, and who are registered or licensed by the State.

f. An incorporated humane society or a licensed animal control facility may designate an officer, a member of its board of trustees, the owner, the operator or the manager as its duly authorized agent. The division shall, consistent with the public interest, register such duly authorized agent for the limited purpose of buying, possessing, and dispensing to registered and certified personnel sodium pentobarbital to euthanize injured, sick, homeless and unwanted domestic pets or domestic or wild animals. The duly authorized agent shall file, on a quarterly basis, a report of any purchase, possession and use of sodium pentobarbital, which report shall be certified by the humane society or animal control facility as to its accuracy and validity. This report shall be in addition to any other recordkeeping and reporting requirements of State and federal law and regulation.

The division shall adopt rules and regulations providing for the registration and certification of any individual who, under the direction of the duly authorized and registered agent of an incorporated humane society or licensed animal control facility, uses sodium pentobarbital to euthanize injured, sick, homeless and unwanted domestic pets or domestic or wild animals. The division may also adopt such other rules and regulations as shall provide for the safe and efficient use of sodium pentobarbital by animal control facilities and humane societies. Nothing herein shall be deemed to waive any other requirement imposed on animal control facilities and humane societies by State and federal law and regulation.

g. (1) Notwithstanding any other provision of law to the contrary, any entity that meets the requirements for and obtains any licenses, registrations, and other approvals as are required under federal law to provide medication-assisted treatment, shall, within the scope of those federal approvals, be permitted to acquire, store, dispense, and administer the medications used in medication-assisted treatment in connection with the treatment of a substance use disorder consistent with the requirements of federal law.

(2) Nothing in paragraph (1) of this subsection shall be construed to prohibit an individual practitioner employed by or providing services at an entity that is an approved medication-assisted treatment provider from individually acquiring and maintaining the required approvals to be a medication-assisted treatment provider and providing treatment in connection with a substance use disorder using medication-assisted treatment within the scope of those approvals.

(cf: P.L.2007, c.244, s.10)

8. The Commissioner of Health, the Commissioner of Human Services, and the Director of the Division of Consumer Affairs in the Department of Law and Public Safety shall each adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as shall be necessary to implement the provisions of this act.

9. The Commissioner of Human Services shall apply for such State plan amendments or waivers as may be necessary to implement the provisions of sections 1 through 5 this act and secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

10. There is hereby appropriated $7,000,000 to the Department of Human Services from the General Fund for the implementation of section 5 of P.L. , c. (C.) (pending before the Legislature as this bill). To the extent possible, the amount appropriated shall be funded by federal assistance, including but not limited to such funds provided pursuant to the federal Substance

Abuse Prevention and Treatment Block Grant program, authorized by section 1921 of Title XIX, Part B, Subpart II and III of the "Public Health Service Act," (42 USC s.300x-21), and the Community Mental Health Services Block Grant program, authorized by section 1911 of Title XIX, Part B, Subpart I and III of the "Public Health Service Act," (42 USC s.300x), to the extent not prohibited by federal law.

11. This act shall take effect immediately.

STATEMENT

This bill seeks to expand access to substance use disorder and behavioral health care services by: requiring the Department of Human Services (DHS) to establish a two-year Urgent Care Facility Behavioral Health Pilot Program; requiring the DHS to establish a two-year county substance use disorder crisis center pilot program; and revising the requirements for entities to become approved medication-assisted treatment (MAT) providers.

Urgent Care Facility Behavioral Health Pilot Program

The bill requires the DHS to establish a two-year Urgent Care Facility Behavioral Health Pilot Program. The goal of the program will be to provide behavioral health care at hospital urgent care facilities to stabilize individuals experiencing behavioral health crises in a way that reduces unnecessary emergency department and inpatient admissions. In doing so, it is the sponsor's goal to provide quality, timely behavioral health care in a setting that offers positive patient outcomes, addresses the stigma associated with behavioral health issues, reduces the burden on hospital emergency room departments, and minimizes costs. Under the bill, "behavioral health" or "behavioral health care" means procedures or services rendered by a health care or mental health care provider for the treatment of mental illness, mental health or emotional disorders, or substance use disorders.

Within 180 days after the effective date of the bill or, if the DHS submits State plan amendments or waivers pursuant to the bill, within 30 days of the receipt of any necessary federal approvals, the DHS is required to issue a request for proposals and select one or more Medicaid managed care organizations to participate in the pilot program. Under the bill, the two-year pilot program is to commence upon the selection of the managed care organizations. The managed care organizations selected are to demonstrate the ability to meet the requirements of the pilot program and are required to operate in the northern, central, and southern regions of the State.

The selected managed care organizations are required to contract with six hospitals, two in each of the northern, central, and southern regions of the State to provide integrated behavioral health care within one of the hospital's urgent care facilities. Under the bill, a participating urgent care facility is required to provide services 24 hours per day, seven days per week. Furthermore, to be eligible, a hospital is to demonstrate the ability to coordinate a patient's care with primary care providers, outpatient behavioral health and substance abuse providers, community health centers, and social service providers, and may not receive funding from the DHS to provide Early Intervention Support Services.

Each participating urgent care facility is required to integrate behavioral health care with the facility's existing physical health services, which shall, at a minimum, include: employing a behavioral health team of at least one licensed behavioral clinician and one licensed clinical social worker; partnering with one or more licensed psychiatrists to provided services, as needed, via telemedicine; providing behavioral health awareness and intervention training to staff; and the use of warm hand-offs, rapid referrals, supportive contacts, and other efficient and supportive care transition methods.

The pilot program is to be funded through the Medicaid program using a value-based payment system. The value-based payment system is to be modeled on, and be consistent with, the population-based payment methodology that is described under Category 4 of the alternative payment methodologies (APM) framework developed by the Health Care Payment Learning and Action Network. Specifically, the value-based payment system is required to provide for a quarterly advanced bundled payment to be provided to the managed care organization for the purposes of financing the total cost of behavioral health care that is provided by participating urgent care facilities.

The quarterly bundled payment rate is to be established by the Commissioner of Human Services and is required to be based on the commissioner's evaluation of the following factors:

(1) an assessment of claims data indicating the cost to provide behavioral health care in a hospital emergency department and inpatient settings, absent the pilot program;

(2) the number of patients who are expected to be served by the pilot program;

(3) the average anticipated per-patient cost of care under the pilot program;

(4) the anticipated costs to participating urgent care facilities of complying with the provisions of the bill; and

(5) any other factors that may affect the cost of care.

The quarterly bundled payment is not to be subject to increase, regardless of whether the actual costs of care received by patients in the pilot program exceed the bundled payment rate provided. If the

managed care organization, in cooperation with participating urgent care facility, is able to reduce the per-patient costs of care for patients engaged in the pilot program, the managed care organization may retain, and will not be required to repay, any bundled payment funds that remain unexpended thereby. Any such savings achieved is required to be shared by the managed care organization with the participating urgent care facility at a rate that is proportional to the rate of per-patient cost reduction savings achieved by each such facility. If the actual per-patient costs of care for patients engaged in the pilot program exceed the advanced bundled payment rate established by the commissioner, the managed care organization is to ensure that all patients continue to receive appropriate services and care from participating urgent care facilities without being subject to an increase in out-of-pocket costs. Any financial loss suffered by the managed care organization as a result of an increase in the per-patient cost of care for patients in the pilot program is to be shared by the managed care organization with the participating urgent care facilities at a rate that is proportional to the rate of per-patient cost increase attributed to each facility.

The bill requires the DHS, within 90 days after the two-year pilot program is terminated, to prepare and submit a written report of its findings and recommendations to the Governor and Legislature.

The Commissioner of Human Services will be required to apply for any State plan amendments or waivers as may be necessary to implement the bill's provisions and secure federal financial participation for State Medicaid expenditures under the federal Medicaid program.

County Substance Use Disorder Crisis Centers

This bill requires the Commissioner of Human Services to establish a two-year pilot program, under which up to five counties will be selected to establish a substance use disorder crisis center to provide substance use disorder treatment services and referrals 24 hours per day, seven days per week, to individuals seeking treatment or services related to a substance use disorder, as well as to individuals who are transported to the substance use disorder crisis center by an emergency medical services provider under the bill. The bill additionally revises the requirements for entities to become approved medication-assisted treatment providers.

At a minimum, each county substance use disorder crisis center will be required to:

(1) be capable of providing treatment for acute opioid overdose and other acute substance overdoses, providing detoxification services, and initiating medication-assisted treatment (MAT);

(2) establish protocols and procedures to assess the immediate, short-term, and long-term needs of the individual with regard to substance use disorder treatment services, and prepare or assist in

the preparation of a substance use disorder treatment plan for the individual;

(3) be capable of arranging or coordinating ongoing treatment for the individual's substance use disorder by providing or referring the patient to appropriate inpatient and outpatient treatment services;

(4) connect with the New Jersey Health Information Network and enter into such agreements as are necessary for the county substance use disorder crisis center to connect with the health information exchange of the Regional Health Hub in closest proximity to the county substance use disorder crisis center;

(5) assist individuals seeking substance use disorder treatment services from the county substance use disorder crisis center who are not enrolled in a health benefits plan to enroll in the Medicaid program or NJ FamilyCare program, if the individual meets the eligibility requirements for enrollment, or to otherwise procure coverage through Get Covered New Jersey or a successor program;

(6) coordinate with regional health care providers, as well as any clean syringe access programs as are operating in the region, to promote referrals of individuals with substance use disorders to the county substance use disorder crisis center;

(7) enter into agreements and partnerships with social services providers to the extent necessary to ensure individuals seeking substance use disorder treatment services from the county substance use disorder crisis center are provided access and referrals to wraparound services, including social services, child care services, housing assistance, employment assistance, transportation assistance, educational and vocational training, counseling services, legal assistance, and other appropriate services as are necessary to support the individual's substance use disorder treatment plan; and

(8) for individuals who present at or are transported to the county substance use disorder crisis center but decline to participate in a treatment plan, provide the individual with information about clean syringe access programs operating in that region, harm reduction strategies related to injection drug use, safe disposal of used needles and syringes, the importance of not using drugs without having someone present who can get help in the event of an emergency, and other programs, initiatives, or information that can reduce the risk of overdose, prevent the spread of bloodborne disease, and reduce the risk of physical injuries attendant to intravenous and other drug use.

A county may designate an existing health care services provider to serve as that county's substance use disorder crisis center, provided that the entity meets the requirements for designation as an substance use disorder crisis center. As a condition of designating an existing health care services provider as that county's substance use disorder crisis center, the county may require the provider to expand the range of services it provides, to

provide proof that the provider has entered into agreements or partnerships with regional substance use disorder treatment providers, social services providers, and a regional health hub, or to take other actions consistent with the requirements of the bill. Counties are to grant priority to providers that have entered into a patient transfer agreement with a general acute care hospital or other provider that is capable of providing an advanced level of treatment services, in the event a patient presenting at the crisis center needs a level of care that exceeds the services available at the crisis center.

Emergency medical services (EMS) providers transporting a patient in connection with an opioid or other substance overdose or another acute health issue related to a substance use disorder will be authorized to transport the patient to the nearest county substance use disorder crisis center in lieu of transporting the patient to a hospital emergency department, provided that the county substance use disorder crisis center is capable of providing services appropriate to the patient's immediate clinical needs, and transporting the patient to a county substance use disorder crisis center instead of a hospital emergency department will not jeopardize the health or safety of the patient. The Commissioner of Health will be required to approve any waivers as are necessary to enable EMS providers to transport patients to county substance use disorder crisis centers in lieu of hospital emergency departments, and will be required to promulgate rules, regulations, or guidance concerning the protocols for transporting patients to a county substance use disorder crisis center as may be necessary.

Nothing in the bill is to be construed to authorize any EMS provider to deviate from standard of care requirements related to the treatment and transportation of patients experiencing an overdose or other acute health issues related to a substance use disorder.

The Commissioner of Health, the Commissioner of Human Services, and professional licensing boards under the Division of Consumer Affairs in the Department of Law and Public Safety will each be required to approve any waivers as are necessary to ensure that individuals seeking treatment for a substance use disorder at a county substance use disorder crisis center can be promptly initiated on MAT without the need for detoxification, except as may be otherwise clinically indicated, and without the need to complete an assessment using the American Society of Addiction Medicine's (ASAM) Criteria or a comparable assessment, except as may otherwise be necessary to determine the type of MAT that is appropriate to the individual's immediate needs. Nothing in the bill is to be construed to authorize any health care practitioner to deviate from standard of care requirements, or to authorize any health care practitioner to initiate any form of MAT if initiating MAT would jeopardize the health or safety of the patient.

County substance use disorder crisis centers will be required to develop programs to encourage health care practitioners and other entities providing clinical services to individuals with substance use disorders to obtain any federal approvals or certifications as are necessary to authorize the health care practitioner or other entity to use all forms of MAT in connection with the treatment of individuals with a substance use disorder.

The Commissioner of Human Services will be required to apply for any State plan amendments or waivers as are necessary to implement the provisions of the bill and secure federal financial participation for State Medicaid expenditures under the federal Medicaid program for substance use disorder treatment services provided by, through, or with the assistance of, county substance use disorder crisis centers. The commissioner will also be required to identify and apply for, and assist counties with applications for, any sources of federal funding as may be available to implement the provisions of the bill or otherwise support county substance use disorder crisis centers and services provided by, through, or with the assistance of, a county substance use disorder crisis center.

No later than six months after the end of the pilot program, the Commissioner of Human Services will be required to submit a report to the Governor and the Legislature concerning the results of the pilot program on reducing overdoses, facilitating access to treatment services, and helping individuals to adhere to treatment plans, as well as the commissioner's recommendations for continuing, expanding, or modifying the pilot program. The commissioner will also have the ability to recommend continuation, expansion, or modification of the pilot program prior to the pilot program ending.

Medication-Assisted Treatment Provider Approval

The bill provides that any entity that meets the requirements for and obtains any licenses, registrations, and other approvals as are required under federal law to be a medication-assisted treatment (MAT) provider may become a MAT provider for the purposes of State law and, consistent with federal law, acquire, store, dispense, and administer MAT medications within the scope of those approvals. Under current law, except in the case of a facility that provides detoxification services, only individual practitioners may become MAT providers.

Nothing in the bill will prohibit an individual practitioner who is employed by or providing services at an entity that is an approved MAT provider from separately obtaining and maintaining approval as a MAT provider, and treating individuals using MAT within the scope of those approvals.

The bill appropriates to the Department of Human Services $7,000,000 to implement the county substance use disorder crisis center pilot program.

It is the sponsor's intent to expand access to MAT by ensuring the approval to acquire, store, dispense, and administer MAT medications attaches to facilities providing services to individuals with a substance use disorder, and not to individual practitioners employed by or providing services at the facility.