

115TH CONGRESS  
2D SESSION

# H. R. 5477

To amend title XIX of the Social Security Act to provide for a demonstration project to increase substance use provider capacity under the Medicaid program.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2018

Mr. O'HALLERAN introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XIX of the Social Security Act to provide for a demonstration project to increase substance use provider capacity under the Medicaid program.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Development  
5 of Opioid Capacity Services Act” or the “Rural DOCS  
6 Act”.

1 **SEC. 2. DEMONSTRATION PROJECT TO INCREASE SUB-**  
2 **STANCE USE PROVIDER CAPACITY UNDER**  
3 **THE MEDICAID PROGRAM.**

4 Section 1903 of the Social Security Act (42 U.S.C.  
5 1396b) is amended by adding at the end the following new  
6 subsection:

7 “(aa) DEMONSTRATION PROJECT TO INCREASE SUB-  
8 STANCE USE PROVIDER CAPACITY.—

9 “(1) IN GENERAL.—Beginning January 1,  
10 2019, the Secretary shall conduct a 5-year dem-  
11 onstration project under which the Secretary shall  
12 provide to an eligible State (as defined in paragraph  
13 (2)(A)) payments, in accordance with paragraph (3),  
14 with respect to expenditures by such eligible State  
15 for incentives, training, and technical assistance for  
16 providers under the State plan (or a waiver of such  
17 plan) to expand substance use treatment and recov-  
18 ery services for individuals enrolled under such State  
19 plan (or waiver), including each of the following ac-  
20 tivities:

21 “(A) Activities that support the develop-  
22 ment of an assessment of the behavioral health  
23 treatment needs of the State to determine the  
24 extent to which providers are needed (including  
25 the types of such providers and geographic area  
26 of need) to improve the network of providers

1           that treat substance use disorders under the  
2           State plan (or waiver), including:

3                   “(i) An estimate of the number of in-  
4                   dividuals enrolled under the State plan (or  
5                   a waiver of such plan) who have a sub-  
6                   stance use disorder.

7                   “(ii) Information on the capacity of  
8                   providers to provide substance use disorder  
9                   services to individuals enrolled under the  
10                  State plan (or waiver), including informa-  
11                  tion on providers who provide such serv-  
12                  ices.

13                  “(iii) Information on the gap in sub-  
14                  stance use disorder treatment under the  
15                  State plan (or waiver) based on the infor-  
16                  mation described in clauses (i) and (ii).

17                  “(iv) Projections regarding the extent  
18                  to which participating under the dem-  
19                  onstration project would increase the num-  
20                  ber of providers offering substance use dis-  
21                  order services under the State plan (or  
22                  waiver) during the period of the dem-  
23                  onstration project.

24                  “(B) Activities that, taking into account  
25                  the results of the assessment described in sub-

1 paragraph (A), support the recruitment, train-  
2 ing, and provision of technical assistance for  
3 current, new, and prospective participating pro-  
4 viders under the State plan (or a waiver of such  
5 plan) that specialize in substance use disorder  
6 treatment and recovery.

7 “(C) Activities that specifically expand, in-  
8 cluding through the provision of incentives, the  
9 number of providers participating under the  
10 State plan (or waiver) that—

11 “(i) are authorized to dispense drugs  
12 approved by the Food and Drug Adminis-  
13 tration for individuals with a substance use  
14 disorder who need withdrawal management  
15 or maintenance treatment for such dis-  
16 order;

17 “(ii) have in effect a registration or  
18 waiver under section 303(g) of the Con-  
19 trolled Substances Act for purposes of dis-  
20 pensing narcotic drugs to individuals for  
21 maintenance treatment or detoxification  
22 treatment and are in compliance with any  
23 regulation promulgated by the Assistant  
24 Secretary for Mental Health and Sub-  
25 stance Use for purposes of carrying out

1 the requirements of such section 303(g);  
2 and

3 “(iii) are licensed or certified under  
4 applicable State law to provide substance  
5 use disorder treatment and recovery serv-  
6 ices.

7 “(D) Activities that specifically expand, in-  
8 cluding through the provision of incentives, the  
9 number of providers participating under the  
10 State plan (or waiver) that have the qualifica-  
11 tions to address the treatment and recovery  
12 needs of—

13 “(i) individuals enrolled under the  
14 State plan (or a waiver of such plan) who  
15 have neonatal abstinence syndrome, in ac-  
16 cordance with guidelines issued by the  
17 American Academy of Pediatrics and  
18 American College of Obstetricians and  
19 Gynecologists relating to maternal care  
20 and infant care with respect to neonatal  
21 abstinence syndrome;

22 “(ii) postpartum women and infants,  
23 particularly the concurrent treatment and  
24 comprehensive case management of post-

1 partum women and infants, enrolled under  
2 the State plan (or a waiver of such plan);

3 “(iii) adolescents and young adults be-  
4 tween the ages of 12 and 21 enrolled  
5 under the State plan (or a waiver of such  
6 plan); or

7 “(iv) American Indian and Alaska Na-  
8 tive individuals enrolled under the State  
9 plan (or a waiver of such plan).

10 “(2) ELIGIBLE STATES.—

11 “(A) DEFINITION.—For purposes of this  
12 subsection, the term ‘eligible State’ means a  
13 State selected by the Secretary under subpara-  
14 graph (B).

15 “(B) SELECTION.—For purposes of this  
16 subsection, the Secretary shall select 10 States  
17 that meet the criteria for eligibility under sub-  
18 paragraph (C). In selecting such States, the  
19 Secretary shall—

20 “(i) select States in a manner that en-  
21 sures geographic diversity;

22 “(ii) give preference to States with a  
23 prevalence of substance use disorders (in  
24 particular opioid use disorders) that is  
25 comparable to or higher than the national

1 average prevalence, as measured by aggre-  
2 gate drug overdoses, or any other measure  
3 that the Secretary deems appropriate; and

4 “(iii) take into consideration the qual-  
5 ity of applications submitted under sub-  
6 paragraph (D).

7 “(C) CRITERIA FOR ELIGIBILITY.—To be  
8 eligible for selection under subparagraph (B), a  
9 State shall—

10 “(i) have a State plan (or waiver of  
11 the State plan) approved under this title;  
12 and

13 “(ii) submit to the Secretary an appli-  
14 cation in accordance with the requirements  
15 in subparagraph (D).

16 “(D) APPLICATIONS.—For purposes of this  
17 paragraph, a State shall submit to the Sec-  
18 retary, at such time and in such form and man-  
19 ner as the Secretary requires, an application  
20 that includes such information, provisions, and  
21 assurances, as the Secretary may require, in ad-  
22 dition to the following:

23 “(i) A proposed process for under-  
24 taking the assessment described in para-  
25 graph (1)(A).

1           “(ii) A proposed process for reviewing  
2 reimbursement methodologies and other  
3 policies related to substance use disorder  
4 services under the State plan (or waiver)  
5 that may create barriers to increasing the  
6 number of providers delivering substance  
7 use disorder services.

8           “(iii) A proposed process for devel-  
9 oping a plan that will result in long-term  
10 and sustainable provider networks under  
11 the State plan (or waiver) that will offer a  
12 continuum of care for substance use dis-  
13 orders. Such plan shall include the fol-  
14 lowing:

15           “(I) Specific activities to increase  
16 access to providers (including pro-  
17 viders that specialize in providing sub-  
18 stance use disorder services, hospitals,  
19 health care systems, and Federally  
20 qualified health centers) that offer  
21 substance use disorder treatment, re-  
22 covery, and support services, including  
23 short-term detoxification services, out-  
24 patient substance use disorder serv-



1                   ices, and evidence-based peer recovery  
2                   services.

3                   “(II) Strategies that will  
4                   incentivize providers described in  
5                   paragraph (1)(C) to obtain the nec-  
6                   essary training, education, and sup-  
7                   port to deliver substance use disorder  
8                   services in the State.

9                   “(III) Milestones and timeliness  
10                  for implementing activities set forth in  
11                  the plan.

12                  “(IV) Specific measurable targets  
13                  for increasing the substance use dis-  
14                  order provider network under the  
15                  State plan (or a waiver of such plan).

16                  “(iv) A proposed process for reporting  
17                  the information required under paragraph  
18                  (4)(A), including information demonstrat-  
19                  ing the progress of the efforts of the State  
20                  to expand the capacity of providers to de-  
21                  liver substance use disorder services during  
22                  the period of the demonstration project  
23                  under this subsection.

24                  “(v) A projected five-year budget for  
25                  the State to carry out under the dem-

1           onstration project under this subsection  
2           the activities set forth in the plan.

3           “(3) PAYMENT.—

4           “(A) IN GENERAL.—For each quarter oc-  
5           curring during the period for which the dem-  
6           onstration project is conducted, the Secretary  
7           shall pay under this subsection, subject to sub-  
8           paragraph (B), to each eligible State an amount  
9           equal to 90 percent of so much of the sums ex-  
10          pended during such quarter as are attributable  
11          to activities described in paragraph (1).

12          “(B) NON-DUPLICATION OF PAYMENT.—In  
13          the case that payment is made under subpara-  
14          graph (A) with respect to expenditures for ac-  
15          tivities carried out by an eligible State under  
16          the demonstration project under this sub-  
17          section, payment may not also be made under  
18          subsection (a) with respect to expenditures for  
19          the same activities carried out by the eligible  
20          State.

21          “(4) REPORTS.—

22          “(A) STATE REPORTS.—A State receiving  
23          payments under this subsection shall, for the  
24          period of the demonstration project under this  
25          subsection, submit to the Secretary a quarterly

1 report, with respect to expenditures for activi-  
2 ties for which payment is made to the State  
3 under this subsection, on the following:

4 “(i) The specific activities with re-  
5 spect to which payment under this sub-  
6 section was provided.

7 “(ii) The number of providers that de-  
8 livered substance use disorder services in  
9 the State under the demonstration project  
10 compared to the estimated number of pro-  
11 viders that would have otherwise delivered  
12 such services in the absence of such dem-  
13 onstration project.

14 “(iii) The number of individuals en-  
15 rolled under the State plan (or a waiver of  
16 such plan) who received substance use dis-  
17 order services under the demonstration  
18 project compared to the estimated number  
19 of such individuals who would have other-  
20 wise received such services in the absence  
21 of such demonstration project.

22 “(iv) Other matters as determined by  
23 the Secretary.

24 “(B) CMS REPORTS.—

1           “(i) INTERIM REPORT.—Not later  
2 than October 1, 2022, the Administrator  
3 of the Centers for Medicare & Medicaid  
4 Services shall submit to Congress an in-  
5 terim report on activities carried out under  
6 the demonstration project under this sub-  
7 section.

8           “(ii) FINAL REPORT.—Not later than  
9 October 1, 2024, the Administrator of the  
10 Centers for Medicare & Medicaid Services  
11 shall submit to Congress a final report on  
12 activities carried out under the demonstra-  
13 tion project under this subsection.”.

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