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ADP BULLETIN

Title

INFORMATION ON SENATE BILL 1447 (CHAPTER 543, STATUTES OF 2002)

Deputy Director Approval

Carmen Delgado signed for

JESSE A. McGUINN, M.S.W.
Program Operations Division

Function:
[ ]Information Management
[ ]Quality Assurance
[X]Service Delivery
[X]Fiscal
[ ]Administration

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PURPOSE

To provide information on the impact of Senate Bill 1447 (Chapter 543, Statutes of 2002) signed into law on September 13, 2002. The effective date of the law changes is January 1, 2003.

DISCUSSION

The following information identifies the current law and the new law effective January 1, 2003, due to the passage of SB 1447:

- Current Health and Safety Code (HSC) states that if a physician is treating an addict for opiate addiction, the physician may not prescribe for or furnish to the addict more than 180 milligrams of methadone or 200 milligrams of levoalphacetylmethadol
  (LAAM) during each of the first 15 days of that treatment and each day thereafter (HSC, Section 11218 and 11219).
  Senate Bill 1447 removes the limit on the amount of methadone and LAAM that a physician treating a person for opiate addiction may lawfully prescribe for or furnish to that person during each of the first 15 days of treatment and each day thereafter.

- Health and Safety Code states that the uniform statewide monthly reimbursement (USMR) rate for ancillary services for narcotic treatment program providers shall be based upon, where available and appropriate, and shall not exceed, for individual services or in the aggregate, the outpatient rates for the same or similar services under the fee-for-service Medi-Cal program. The HSC also states that in establishing the USMR, the California Department of Alcohol and Drug Programs (ADP) shall also

utilize the rate studies completed pursuant to Section 54 of Assembly Bill 3484 of the 1995-96 Regular Session of the Legislature. (HSC, Section 11758.42)

Senate Bill 1447 modifies the structure and the data elements for the development of the USMR rate. The new law identifies that the USMR rates shall be based on additional elements, which are cost reports and other data deemed reliable and relevant by ADP, not only for ancillary services but also for narcotic replacement therapy dosing.

- Current reimbursement to narcotic treatment program (NTP) providers is limited by the provider's usual and customary charge to the general public for the same or similar service. (HSC Section 11758.42)

  Senate Bill 1447 adds a declaration of existing law that a charge to a county for services provided to clients subject to Section 1210.1 or 3063.1 of the Penal Code (Substance Abuse Crime Prevention Act of 2000 [SACPA]), and for which the individual client is not liable to pay, does not constitute the provider's usual and customary charge to the public.

- Certified NTP providers that exclusively bill the State or the county for Drug Medi-Cal (DMC) services shall submit accurate and complete performance reports instead of cost reports.

  Senate Bill 1447 expands the current performance report system to include NTP providers that bill the State or county exclusively for services rendered to persons subject to Section 1210.1 or 3063.1 of the Penal Code (SACPA), or DMC, or both.
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Since the statutes will be in effect before the FY 2002-03 cost reports or performance reports are due, the change in the performance report system will apply for all of FY 2002-03.

The Department is in the process of developing Title 9 emergency regulations to repeal the dosing limits in Section 10355 and Title 22 emergency regulations to implement SB 1447.

REFERENCES

Health and Safety Code, Section 11218
Health and Safety Code, Section 11219
Health and Safety Code, Section 11758.42
Health and Safety Code, Section 11758.46

HISTORY

Assembly Bill 2071 (Chapter 1027, Statutes of 1996) established Sections 11758.42 and 11758.46 of the Health and Safety Code that are impacted by Senate Bill 1447.

QUESTIONS/MAINTENANCE

If you have any questions that relate to removing the methadone and LAAM prescribed dosage limits, please contact the Narcotic Treatment Program Licensing Branch at (916) 322-6682.

If you have any questions that relate to the USMR rate development, the reimbursement for NTPs, and/or the performance reports, please contact the Fiscal Management and Accountability Branch analyst assigned to your county.

EXHIBITS

Chapter 543, Statutes of 2002 (SB 1447)

DISTRIBUTION

County Alcohol and Drug Program Administrators
Wagerman Associates, Inc.
Director's Advisory Council
Narcotic Treatment Providers