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**Health Care & Wellness Committee**

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**HB 2336**

**Brief Description:** Reimbursing contingency management programs.

**Sponsors:** Representatives Davis and Macri.

**Brief Summary of Bill**

- Establishes a pilot project to test reimbursement methodologies for providing a contingency management component to substance use disorder counseling services for Medicaid clients.

**Hearing Date:** 1/29/20

**Staff:** Chris Blake (786-7392).

**Background:**

Substance Use Disorder Treatment in Medicaid.

The Health Care Authority provides medical services to eligible low-income state residents and their families, principally through the Medicaid program. Coverage for medical services is primarily provided through managed care organizations. Managed care is a prepaid, comprehensive system for delivering a complete medical benefits package that is available for eligible families, children under age 19, low-income adults, certain disabled individuals, and pregnant women. Since January 1, 2020, all behavioral health services and medical services have been fully integrated in a managed care health system for most Medicaid clients.

All Medicaid clients are entitled to an assessment of need for substance use disorder services. Medicaid managed care organizations provide both inpatient and outpatient substance use disorder treatments benefits. Outpatient treatment may include brief intervention treatment, medication management, medication monitoring, individual and group therapy, and substance use disorder peer support services.

Contingency Management.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Contingency management is a supplement to substance use disorder counseling that provides reinforcers to participants for attending treatment or abstaining from substance use. Reinforcers, such as vouchers or prizes, may be provided multiple times each week when the participant demonstrates abstinence, typically through urinalysis at the point of care. Contingency management is typically provided for a year or less.

**Summary of Bill:**

The Health Care Authority (Authority) must establish a pilot project to test reimbursement methodologies to provide a contingency management component to the counseling services provided to patients with substance use disorder. "Contingency management" is defined as a supplement to counseling treatment that rewards participants through positive reinforcers for attending treatment or abstaining from substance use. The pilot project must be developed in consultation with Medicaid managed care organizations and implemented at two sites. In the pilot project, the participants may receive positive reinforcers in the form of vouchers or prizes with a total value of up to \$600 per patient over the course of 12 weeks.

The Authority must submit a report to the appropriate committees of the Legislature by December 1, 2021. The report must analyze the addition of contingency management components to counseling services as it relates to the characteristics of the participants, which patients may realize the greatest benefits, design options, funding options, ways to receive federal matching funds under Medicaid, anticipated costs of expanding the component statewide, and effective communications to the community about the role of contingency management in counseling services.

**Appropriation:** None.

**Fiscal Note:** Requested on January 22, 2020.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.