

SENATE, No. 3445

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 11, 2021

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

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: 11/22/2021)

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

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. As used in sections 1 through 4 of P.L. , c. (C.)
10 (pending before the Legislature as this bill):

11 “Behavioral health” or “behavioral health care” means
12 procedures or services rendered by a health care or mental health
13 care provider for the treatment of mental illness, mental health or
14 emotional disorders, or substance use disorders.

15 “Care transition” means the transfer or transition of a patient
16 from an urgent care facility to a health care or behavioral health
17 care provider.

18 “Commissioner” means the Commissioner of Human Services.

19 “Community health center” means a federally qualified health
20 center (FQHC), an ambulatory care facility, a certified community
21 behavioral health clinic (CCBHC), a behavioral health program, and
22 a substance use disorder facility.

23 “Department” means the Department of Human Services.

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

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

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

31 “Pilot program” means the Urgent Care Facility Behavioral
32 Health Pilot Program established pursuant to this act.

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

42 “Supportive contacts” means brief communications with a
43 patient that occur during care transitions, and which show support
44 for the patient and are designed to promote a patient’s feeling of
45 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.

1 participate in treatment. “Supportive contacts” may include the
2 sending of postcards, letters, email messages, and text messages, or
3 the making of phone calls.

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

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

16
17 2. a. The Department of Human Services shall establish a two-
18 year Urgent Care Facility Behavioral Health Pilot Program,
19 commencing upon the selection of the managed care organizations
20 pursuant to subsection b. of this section, in accordance with the
21 provisions of sections 1 through 4 of P.L. , c. (C.) (pending
22 before the Legislature as this bill). The goal of the pilot program
23 shall be to provide behavioral health care at certain hospital urgent
24 care facilities to stabilize individuals experiencing behavioral health
25 crises in a way that reduces unnecessary hospital emergency
26 department and inpatient admissions.

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

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

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

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

8
9 3. a. The pilot program established pursuant to section 2 of
10 P.L. , c. (C.) (pending before the Legislature as this bill)
11 shall be funded through the Medicaid program using a value-based
12 payment system. The value-based payment system shall be
13 modeled on, and be consistent with, the population-based payment
14 methodology that is described under Category 4 of the alternative
15 payment methodologies (APM) framework developed by the Health
16 Care Payment Learning and Action Network. Specifically, the
17 value-based payment system shall provide for a quarterly advanced
18 bundled payment to be provided to the managed care organization
19 for the purposes of financing the total cost of behavioral health care
20 that is provided by participating urgent care facilities. The
21 quarterly bundled payment rate shall be established by the
22 Commissioner of Human Services and shall be based on the
23 commissioner's evaluation of the following factors:

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

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

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

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

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

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

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

13
14 4. a. Within 90 days after the two-year pilot program
15 established pursuant to section 2 of P.L. , c. (C.) (pending
16 before the Legislature as this bill) is terminated, the department
17 shall prepare and submit a written report of its findings and
18 recommendations to the Governor and, pursuant to section 2 of
19 P.L.1991, c.164 (C.52:14-19.1), to the Legislature.

20 b. At a minimum, the report shall:

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

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

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

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

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

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

40
41 5. a. The Commissioner of Human Services shall select up to
42 five counties to participate in a two-year pilot program, under
43 which the selected counties will establish county substance use
44 disorder crisis centers to provide substance use disorder treatment
45 services and referrals 24 hours per day, seven days per week, to
46 individuals seeking treatment or services related to a substance use
47 disorder, as well as to individuals who are transported to the

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

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

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

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

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

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

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

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

45 (c) both;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 i. As used in this section:

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

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

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

32

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

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

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

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

46 "Commissioner" means the Commissioner of Health.

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

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

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

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

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

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

23 "Dispenser" means a practitioner who dispenses.

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

26 "Distributor" means a person who distributes.

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

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

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

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

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

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

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

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

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

- 42 (a) Opium, coca leaves, and opiates;
43 (b) A compound, manufacture, salt, derivative, or preparation of
44 opium, coca leaves, or opiates;
45 (c) A substance (and any compound, manufacture, salt,
46 derivative, or preparation thereof) which is chemically identical
47 with any of the substances referred to in subsections (a) and (b),
48 except that the words "narcotic drug" as used in P.L.1970, c.226

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

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

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

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

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

25 "Pharmacist" means a registered pharmacist of this State.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32

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

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

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

45 (2) Compliance with applicable State and local laws;

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

- 1 (4) Past experience in the manufacture of controlled dangerous
2 substances, and the existence in the applicant's establishment of
3 effective controls against diversion;
- 4 (5) Furnishing by the applicant false or fraudulent material in
5 any application filed under this act;
- 6 (6) Suspension or revocation of the applicant's federal
7 registration to manufacture, distribute, or dispense controlled
8 dangerous substances as authorized by federal law; and
- 9 (7) Such other factors as may be relevant to and consistent with
10 the public health and safety.
- 11 b. Registration granted under subsection a. of this section shall
12 not entitle a registrant to manufacture and distribute controlled
13 dangerous substances in Schedule I or II other than those specified
14 in the registration.
- 15 c. Practitioners shall be registered to dispense substances in
16 Schedules II through IV if they are authorized to dispense or
17 conduct research under the law of this State. The director need not
18 require separate registration under this article for practitioners
19 engaging in research with nonnarcotic controlled dangerous
20 substances in Schedules II through IV where the registrant is
21 already registered under this article in another capacity.
22 Practitioners registered under federal law to conduct research in
23 Schedule I substances are permitted to conduct research in Schedule
24 I substances within this State upon furnishing the director evidence
25 of that federal registration.
- 26 d. Compliance by manufacturers and distributors with the
27 provisions of the federal law respecting registration (excluding fees)
28 entitles them to be registered under P.L.1970, c.226 (C.24:21-1 et
29 seq.), as amended and supplemented.
- 30 e. The division shall initially permit persons to register who
31 own or operate any establishment engaged in the manufacture,
32 distribution or dispensing of any controlled dangerous substances
33 prior to the effective date of P.L.1970, c.226, as amended and
34 supplemented, and who are registered or licensed by the State.
- 35 f. An incorporated humane society or a licensed animal control
36 facility may designate an officer, a member of its board of trustees,
37 the owner, the operator or the manager as its duly authorized agent.
38 The division shall, consistent with the public interest, register such
39 duly authorized agent for the limited purpose of buying, possessing,
40 and dispensing to registered and certified personnel sodium
41 pentobarbital to euthanize injured, sick, homeless and unwanted
42 domestic pets or domestic or wild animals. The duly authorized
43 agent shall file, on a quarterly basis, a report of any purchase,
44 possession and use of sodium pentobarbital, which report shall be
45 certified by the humane society or animal control facility as to its
46 accuracy and validity. This report shall be in addition to any other
47 recordkeeping and reporting requirements of State and federal law
48 and regulation.

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

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

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

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

29

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

36

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

42

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

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

8
9 11. This act shall take effect immediately.

10
11
12 STATEMENT

13
14 This bill seeks to expand access to substance use disorder and
15 behavioral health care services by: requiring the Department of
16 Human Services (DHS) to establish a two-year Urgent Care Facility
17 Behavioral Health Pilot Program; requiring the DHS to establish a
18 two-year county substance use disorder crisis center pilot program;
19 and revising the requirements for entities to become approved
20 medication-assisted treatment (MAT) providers.

21
22 *Urgent Care Facility Behavioral Health Pilot Program*

23
24 The bill requires the DHS to establish a two-year Urgent Care
25 Facility Behavioral Health Pilot Program. The goal of the program
26 will be to provide behavioral health care at hospital urgent care
27 facilities to stabilize individuals experiencing behavioral health
28 crises in a way that reduces unnecessary emergency department and
29 inpatient admissions. In doing so, it is the sponsor’s goal to provide
30 quality, timely behavioral health care in a setting that offers positive
31 patient outcomes, addresses the stigma associated with behavioral
32 health issues, reduces the burden on hospital emergency room
33 departments, and minimizes costs. Under the bill, “behavioral
34 health” or “behavioral health care” means procedures or services
35 rendered by a health care or mental health care provider for the
36 treatment of mental illness, mental health or emotional disorders, or
37 substance use disorders.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28

29 County Substance Use Disorder Crisis Centers

30

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30

31 *Medication-Assisted Treatment Provider Approval*

32

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

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

1 The bill appropriates to the Department of Human Services
2 \$7,000,000 to implement the county substance use disorder crisis
3 center pilot program.

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