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(Original Signature of Member)

113TH CONGRESS
2D SESSION

H. R. _____

To direct the Secretary of Health and Human Services to establish a demonstration project under the Medicaid program under title XIX of the Social Security Act under which payment may be made to States for expenditures for medical assistance with respect to substance use disorder treatment services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. FUDGE introduced the following bill; which was referred to the Committee
on _____

A BILL

To direct the Secretary of Health and Human Services to establish a demonstration project under the Medicaid program under title XIX of the Social Security Act under which payment may be made to States for expenditures for medical assistance with respect to substance use disorder treatment services, and for other purposes.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Breaking Addiction
3 Act of 2014”.

4 **SEC. 2. MEDICAID COMMUNITY-BASED INPATIENT SUB-**
5 **STANCE USE DISORDER TREATMENT DEM-**
6 **ONSTRATION PROJECT.**

7 (a) **AUTHORITY.**—The Secretary of Health and
8 Human Services shall establish a 5-year demonstration
9 project (in this section referred to as the “demonstration
10 project”) under which payment may be made to each par-
11 ticipating State (as described in subsection (b)), for any
12 medical assistance provided with respect to a qualified in-
13 dividual in a community-based institution for mental dis-
14 eases who is being treated in such institution for a sub-
15 stance use condition.

16 (b) **PARTICIPATING STATES.**—

17 (1) **ELIGIBILITY.**—A State is eligible to partici-
18 pate in the demonstration project under this section
19 if the State plan of the State provides for payment
20 under the plan for community-based inpatient sub-
21 stance use disorder treatment services furnished to
22 qualified individuals.

23 (2) **APPLICATION.**—A State seeking to partici-
24 pate in the demonstration project under this section
25 shall submit to the Secretary an application, at such
26 time, in such form, and that contains such informa-

1 tion, provisions, and assurances, as the Secretary
2 may require.

3 (3) SELECTION.—The Secretary shall select, on
4 a competitive basis, from among the States that sub-
5 mit an application under paragraph (1) to the satis-
6 faction of the Secretary, the States that will be par-
7 ticipating in the demonstration project. In selecting
8 such participating States, the Secretary shall seek to
9 achieve an equitable geographic distribution.

10 (c) WAIVER AUTHORITY.—

11 (1) IN GENERAL.—The Secretary shall waive
12 the limitation on payment for care and services im-
13 posed by the subdivision (B) that follows paragraph
14 (29) of section 1905(a) of the Social Security Act
15 (42 U.S.C. 1396d(a)) (relating to a limitation on
16 payments for care or services for any individual who
17 is under 65 years of age and who is a patient in an
18 institution for mental diseases) with respect to pay-
19 ment for the medical assistance described in sub-
20 section (a).

21 (2) LIMITED OTHER WAIVER AUTHORITY.—The
22 Secretary may waive other requirements of titles XI
23 and XIX of the Social Security Act (including the
24 requirements of sections 1902(a)(1) (relating to
25 statewideness) (42 U.S.C. 1396a(a)(1)) and

1 1902(a)(10)(B) (relating to comparability) (42
2 U.S.C. 1396a(a)(10)(B)) of such Act) only to extent
3 necessary to carry out the demonstration project
4 under this section.

5 (d) EVALUATION AND REPORT TO CONGRESS.—

6 (1) EVALUATION.—The Secretary shall conduct
7 an evaluation of the impact the demonstration
8 project carried out under this section has on the
9 functioning of the health and substance use disorder
10 system and individuals enrolled in State plans under
11 the Medicaid program under title XIX of the Social
12 Security Act. The evaluation shall include each of
13 the following:

14 (A) An assessment of the access such indi-
15 viduals have to substance use disorder treat-
16 ment services under the demonstration project
17 carried out under this section, and with respect
18 to such services, the average lengths of inpa-
19 tient stays and emergency room visits.

20 (B) An assessment of the discharge plan-
21 ning by the health care providers furnishing
22 such services.

23 (C) An assessment of the impact of the
24 demonstration project on the costs of the full
25 range of health care items and services, includ-

1 ing inpatient, emergency and ambulatory care,
2 diversions from inpatient and emergency care,
3 and readmissions to institutions for mental dis-
4 eases.

5 (D) An analysis of the percentage of indi-
6 viduals enrolled in such plans who are admitted
7 to community-based institutions for mental dis-
8 eases as a result of the demonstration project
9 as compared to those admitted to such institu-
10 tions through other means.

11 (2) REPORT.—Not later than December 31,
12 2020, the Secretary shall submit to Congress and
13 make available to the public a report that contains—

14 (A) the findings of the evaluation under
15 paragraph (1); and

16 (B) the recommendations of the Secretary
17 regarding whether—

18 (i) the limitation referred to in sub-
19 section (c)(1) is a barrier to care that
20 needs to be reviewed by Congress; and

21 (ii) the demonstration project carried
22 out under this section should be continued
23 after December 31, 2020, and expanded on
24 a national basis.

25 (e) FUNDING.—

1 (1) APPROPRIATION.—Out of any funds in the
2 Treasury not otherwise appropriated, there is appro-
3 priated to carry out this section, \$300,000,000 for
4 fiscal year 2015.

5 (2) 10-YEAR AVAILABILITY.—Funds appro-
6 priated under paragraph (1) shall remain available
7 for obligation through December 31, 2024.

8 (3) FUNDS ALLOCATED TO STATES.—Funds
9 shall be allocated to participating States on the basis
10 of criteria, including a State’s application and the
11 availability of funds, as determined by the Secretary.

12 (4) PAYMENT TO STATES.—For each calendar
13 quarter beginning on or after October 1, 2014, the
14 Secretary shall pay to each participating State, from
15 the allocation made to the State under paragraph
16 (3), an amount equal to the Federal medical assist-
17 ance percentage of the amount expended during
18 such quarter for the medical assistance described in
19 subsection (a).

20 (5) LIMITATION ON PAYMENTS.—In no case
21 may—

22 (A) the aggregate amount of payments
23 made by the Secretary to participating States
24 under this section exceed \$300,000,000; or

1 (B) payments be made by the Secretary to
2 participating States under this section after De-
3 cember 31, 2024.

4 (f) DEFINITIONS.—In this section:

5 (1) FEDERAL MEDICAL ASSISTANCE PERCENT-
6 AGE.—The term “Federal medical assistance per-
7 centage” has the meaning given such term in section
8 1905(b) of the Social Security Act (42 U.S.C.
9 1396d(b)).

10 (2) INSTITUTION FOR MENTAL DISEASES.—The
11 term “institution for mental diseases” has the mean-
12 ing given such term in section 1905(i) of the Social
13 Security Act (42 U.S.C. 1396d(i)).

14 (3) MEDICAL ASSISTANCE.—The term “medical
15 assistance” has the meaning given such term in sec-
16 tion 1905(a) of the Social Security Act (42 U.S.C.
17 1396d(a)).

18 (4) QUALIFIED INDIVIDUAL.—The term “quali-
19 fied individual” means an individual who, because of
20 the individual’s substance use condition, requires
21 substance use disorder treatment and who—

22 (A) is over 21 years of age and under 65
23 years of age; and

24 (B) is eligible for medical assistance under
25 the State plan under the Medicaid program

1 under title XIX of the Social Security Act (42
2 U.S.C. 1396 et seq.).

3 (5) STATE.—The term “State” has the mean-
4 ing given such term for purposes of title XIX of the
5 Social Security Act (42 U.S.C. 1396 et seq.).