

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 5477
OFFERED BY M . _____**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

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

**5 SEC. 2. DEMONSTRATION PROJECT TO INCREASE SUB-
6 STANCE USE PROVIDER CAPACITY UNDER
7 THE MEDICAID PROGRAM.**

8 Section 1903 of the Social Security Act (42 U.S.C.
9 1396b) is amended by adding at the end the following new
10 subsection:

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

13 “(1) IN GENERAL.—Beginning January 1,
14 2019, the Secretary shall conduct a 5-year dem-
15 onstration project under which the Secretary shall,
16 for the first 18-month period of such project, award
17 planning grants described in paragraph (2) and, for
18 the remaining period of such project, provide to an

1 eligible State (as defined in paragraph (3)(A)) pay-
2 ments, in accordance with paragraph (4), with re-
3 spect to expenditures by such eligible State for edu-
4 cation, training, technical assistance, and improved
5 reimbursement rates for providers under the State
6 plan (or a waiver of such plan) to expand provider
7 capacity to deliver substance use treatment and re-
8 covery services for individuals enrolled under such
9 State plan (or waiver), including each of the fol-
10 lowing activities:

11 “(A) For the purpose described in para-
12 graph (2)(B)(i), activities that support an ongo-
13 ing assessment of the behavioral health treat-
14 ment needs of the State, taking into account
15 the matters described in subclauses (I) through
16 (IV) of such paragraph.

17 “(B) Activities that, taking into account
18 the results of the assessment described in sub-
19 paragraph (A), support the recruitment, train-
20 ing, and provision of technical assistance for
21 providers participating under the State plan (or
22 a waiver of such plan) that offer substance use
23 disorder treatment and recovery services.

24 “(C) Improved reimbursement for and ex-
25 pansion of, through the provision of education,

1 training, and technical assistance, the number
2 or treatment capacity of providers participating
3 under the State plan (or waiver) that—

4 “(i) are authorized to dispense drugs
5 approved by the Food and Drug Adminis-
6 tration for individuals with a substance use
7 disorder who need withdrawal management
8 or maintenance treatment for such dis-
9 order;

10 “(ii) have in effect a registration or
11 waiver under section 303(g) of the Con-
12 trolled Substances Act for purposes of dis-
13 pensing narcotic drugs to individuals for
14 maintenance treatment or detoxification
15 treatment and are in compliance with any
16 regulation promulgated by the Assistant
17 Secretary for Mental Health and Sub-
18 stance Use for purposes of carrying out
19 the requirements of such section 303(g);
20 and

21 “(iii) are licensed or certified under
22 applicable State law to provide substance
23 use disorder treatment and recovery serv-
24 ices.

1 “(D) Improved reimbursement for and ex-
2 pansion of, through the provision of education,
3 training, and technical assistance, the number
4 or treatment capacity of providers participating
5 under the State plan (or waiver) that have the
6 qualifications to address the treatment and re-
7 covery needs of—

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

17 “(ii) postpartum women and infants,
18 particularly the concurrent treatment and
19 comprehensive case management of post-
20 partum women and infants, enrolled under
21 the State plan (or a waiver of such plan);

22 “(iii) adolescents and young adults be-
23 tween the ages of 12 and 21 enrolled
24 under the State plan (or a waiver of such
25 plan); or

1 “(iv) American Indian and Alaska Na-
2 tive individuals enrolled under the State
3 plan (or a waiver of such plan).

4 “(2) PLANNING GRANTS.—

5 “(A) IN GENERAL.—For purposes of para-
6 graph (1), the Secretary shall, for the first 18-
7 month period of the demonstration project,
8 award planning grants to at least 10 States for
9 purposes of preparing an application described
10 in paragraph (3)(D) and carrying out the ac-
11 tivities described in subparagraph (B).

12 “(B) ACTIVITIES DESCRIBED.—Activities
13 described in this subparagraph are each of the
14 following:

15 “(i) Activities that support the devel-
16 opment of an initial assessment of the be-
17 havioral health treatment needs of the
18 State to determine the extent to which pro-
19 viders are needed (including the types of
20 such providers and geographic area of
21 need) to improve the network of providers
22 that treat substance use disorders under
23 the State plan (or waiver), including the
24 following:

1 “(I) An estimate of the number
2 of individuals enrolled under the State
3 plan (or a waiver of such plan) who
4 have a substance use disorder.

5 “(II) Information on the capacity
6 of providers to provide substance use
7 disorder services to individuals en-
8 rolled under the State plan (or waiv-
9 er), including information on pro-
10 viders who provide such services and
11 their participation under the State
12 plan (or waiver).

13 “(III) Information on the gap in
14 substance use disorder treatment and
15 recovery services under the State plan
16 (or waiver) based on the information
17 described in subclauses (I) and (II).

18 “(IV) Projections regarding the
19 extent to which the State partici-
20 pating under the demonstration
21 project would increase the number of
22 providers offering substance use dis-
23 order services under the State plan
24 (or waiver) during the period of the
25 demonstration project.

1 “(ii) Activities that, taking into ac-
2 count the results of the assessment de-
3 scribed in clause (i), support the develop-
4 ment of State infrastructure to, with re-
5 spect to the provision of substance use
6 treatment and recovery services under the
7 State plan (or a waiver of such plan), re-
8 cruit prospective providers and provide
9 training and technical assistance to such
10 providers.

11 “(C) FUNDING.—For purposes of subpara-
12 graph (A), there is appropriated, out of any
13 funds in the Treasury not otherwise appro-
14 priated, \$50,000,000, to remain available until
15 expended.

16 “(3) ELIGIBLE STATES.—

17 “(A) DEFINITION.—For purposes of this
18 subsection, the term ‘eligible State’ means a
19 State selected by the Secretary under subpara-
20 graph (B).

21 “(B) SELECTION.—For purposes of this
22 subsection, the Secretary shall select 10 States
23 that received a planning grant under paragraph
24 (2) and that meet the criteria for eligibility

1 under subparagraph (C). In selecting such
2 States, the Secretary shall—

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

5 “(ii) give preference to States with a
6 prevalence of substance use disorders (in
7 particular opioid use disorders) that is
8 comparable to or higher than the national
9 average prevalence, as measured by aggre-
10 gate per capita drug overdoses, or any
11 other measure that the Secretary deems
12 appropriate; and

13 “(iii) take into consideration the qual-
14 ity of applications submitted under sub-
15 paragraph (D).

16 “(C) CRITERIA FOR ELIGIBILITY.—To be
17 eligible for selection under subparagraph (B), a
18 State shall—

19 “(i) have a State plan (or waiver of
20 the State plan) approved under this title;
21 and

22 “(ii) submit to the Secretary an appli-
23 cation in accordance with the requirements
24 in subparagraph (D).

1 “(D) APPLICATIONS.—For purposes of this
2 paragraph, a State shall submit to the Sec-
3 retary, at such time and in such form and man-
4 ner as the Secretary requires, an application
5 that includes such information, provisions, and
6 assurances, as the Secretary may require, in ad-
7 dition to the following:

8 “(i) A proposed process for under-
9 taking the assessment described in para-
10 graph (1)(A).

11 “(ii) A review of reimbursement meth-
12 odologies and other policies related to sub-
13 stance use disorder services under the
14 State plan (or waiver) that may create bar-
15 riers to increasing the number of providers
16 delivering substance use disorder services.

17 “(iii) The development of a plan that
18 will result in long-term and sustainable
19 provider networks under the State plan (or
20 waiver) that will offer a continuum of care
21 for substance use disorders. Such plan
22 shall include the following:

23 “(I) Specific activities to increase
24 the number of providers (including
25 providers that specialize in providing

1 substance use disorder services, hos-
2 pitals, health care systems, and Fed-
3 erally qualified health centers) that
4 offer substance use disorder treat-
5 ment, recovery, and support services,
6 including short-term detoxification
7 services, outpatient substance use dis-
8 order services, and evidence-based
9 peer recovery services.

10 “(II) Strategies that will
11 incentivize providers described in sub-
12 paragraphs (C) and (D) of paragraph
13 (1) to obtain the necessary training,
14 education, and support to deliver sub-
15 stance use disorder services in the
16 State.

17 “(III) Milestones and timeliness
18 for implementing activities set forth in
19 the plan.

20 “(IV) Specific measurable targets
21 for increasing the substance use dis-
22 order and recovery provider network
23 under the State plan (or a waiver of
24 such plan).

1 “(iv) A proposed process for reporting
2 the information required under paragraph
3 (5)(A), including information to assess the
4 effectiveness of the efforts of the State to
5 expand the capacity of providers to deliver
6 substance use disorder and recovery serv-
7 ices during the period of the demonstration
8 project under this subsection.

9 “(v) A projected budget for the State
10 to carry out under the demonstration
11 project under this subsection the activities
12 set forth in the plan.

13 “(4) PAYMENT.—

14 “(A) IN GENERAL.—For each quarter oc-
15 curring during the period for which the dem-
16 onstration project is conducted (after the first
17 18 months of such period), the Secretary shall
18 pay under this subsection, subject to subpara-
19 graph (B), to each eligible State an amount
20 equal to 90 percent of so much of the sums ex-
21 pended during such quarter as are attributable
22 to activities described in paragraph (1) with re-
23 spect to providers participating under the State
24 plan (or a waiver of such plan) and substance

1 use treatment and recovery services furnished
2 by such providers.

3 “(B) NON-DUPLICATION OF PAYMENT.—In
4 the case that payment is made under subpara-
5 graph (A) with respect to expenditures for ac-
6 tivities carried out by an eligible State under
7 the demonstration project under this sub-
8 section, payment may not also be made under
9 subsection (a) with respect to expenditures for
10 the same activities carried out by the eligible
11 State.

12 “(5) REPORTS.—

13 “(A) STATE REPORTS.—A State receiving
14 payments under this subsection shall, for the
15 period of the demonstration project under this
16 subsection, submit to the Secretary a quarterly
17 report, with respect to expenditures for activi-
18 ties for which payment is made to the State
19 under this subsection, on the following:

20 “(i) The specific activities with re-
21 spect to which payment under this sub-
22 section was provided.

23 “(ii) The number of providers that de-
24 livered substance use disorder and recovery
25 services in the State under the demonstra-

1 tion project compared to the estimated
2 number of providers that would have other-
3 wise delivered such services in the absence
4 of such demonstration project.

5 “(iii) The number of individuals en-
6 rolled under the State plan (or a waiver of
7 such plan) who received substance use dis-
8 order services under the demonstration
9 project compared to the estimated number
10 of such individuals who would have other-
11 wise received such services in the absence
12 of such demonstration project.

13 “(iv) Other matters as determined by
14 the Secretary.

15 “(B) CMS REPORTS.—

16 “(i) INITIAL REPORT.—Not later than
17 October 1, 2020, the Administrator of the
18 Centers for Medicare & Medicaid Services
19 shall submit to Congress an initial report
20 on the States awarded planning grants
21 under paragraph (2), the criteria used in
22 such selection, and the activities carried
23 out by such States under such planning
24 grants.

1 “(ii) 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 “(iii) 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.

14 “(6) DATA SHARING AND BEST PRACTICES.—
15 During the period of the demonstration project
16 under this subsection, the Secretary shall, in collabo-
17 ration with eligible States, facilitate data sharing
18 and the development of best practices between eligi-
19 ble States and non-eligible States.

20 “(7) CMS FUNDING.—There is appropriated,
21 out of any funds in the Treasury not otherwise ap-
22 propriated, \$5,000,000 to the Centers for Medicare
23 & Medicaid Services for purposes of implementing
24 this subsection.”.

