

**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.—Not later than the date
14 that is 180 days after the date of the enactment of
15 this section, the Secretary shall, in consultation, as
16 appropriate, with the Director of the Agency for
17 Healthcare Research and Quality and the Assistant
18 Secretary for Mental Health and Substance Use,

1 conduct a 5-year demonstration project for the pur-
2 pose described in paragraph (2) under which the
3 Secretary shall—

4 “(A) for the first 18-month period of such
5 project, award planning grants described in
6 paragraph (3); and

7 “(B) for the remaining 42-month period of
8 such project, provide to each State selected
9 under paragraph (4) payments in accordance
10 with paragraph (5).

11 “(2) PURPOSE.—The purpose described in this
12 paragraph is for each State selected under para-
13 graph (4) to increase the treatment capacity of pro-
14 viders participating under the State plan (or a waiv-
15 er of such plan) to provide substance use disorder
16 treatment or recovery services under such plan (or
17 waiver) through the following activities:

18 “(A) For the purpose described in para-
19 graph (3)(C)(i), activities that support an ongo-
20 ing assessment of the behavioral health treat-
21 ment needs of the State, taking into account
22 the matters described in subclauses (I) through
23 (IV) of such paragraph.

24 “(B) Activities that, taking into account
25 the results of the assessment described in sub-

1 paragraph (A), support the recruitment, train-
2 ing, and provision of technical assistance for
3 providers participating under the State plan (or
4 a waiver of such plan) that offer substance use
5 disorder treatment or recovery services.

6 “(C) Improved reimbursement for and ex-
7 pansion of, through the provision of education,
8 training, and technical assistance, the number
9 or treatment capacity of providers participating
10 under the State plan (or waiver) that—

11 “(i) are authorized to dispense drugs
12 approved by the Food and Drug Adminis-
13 tration for individuals with a substance use
14 disorder who need withdrawal management
15 or maintenance treatment for such dis-
16 order;

17 “(ii) have in effect a registration or
18 waiver under section 303(g) of the Con-
19 trolled Substances Act for purposes of dis-
20 pensing narcotic drugs to individuals for
21 maintenance treatment or detoxification
22 treatment and are in compliance with any
23 regulation promulgated by the Assistant
24 Secretary for Mental Health and Sub-
25 stance Use for purposes of carrying out

1 the requirements of such section 303(g);
2 and

3 “(iii) are qualified under applicable
4 State law to provide substance use disorder
5 treatment or recovery services.

6 “(D) Improved reimbursement for and ex-
7 pansion of, through the provision of education,
8 training, and technical assistance, the number
9 or treatment capacity of providers participating
10 under the State plan (or waiver) that have the
11 qualifications to address the treatment or recov-
12 ery needs of—

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

22 “(ii) pregnant women, postpartum
23 women, and infants, particularly the con-
24 current treatment, as appropriate, and
25 comprehensive case management of preg-

1 nant women, postpartum women and in-
2 fants, enrolled under the State plan (or a
3 waiver of such plan);

4 “(iii) adolescents and young adults be-
5 tween the ages of 12 and 21 enrolled
6 under the State plan (or a waiver of such
7 plan); or

8 “(iv) American Indian and Alaska Na-
9 tive individuals enrolled under the State
10 plan (or a waiver of such plan).

11 “(3) PLANNING GRANTS.—

12 “(A) IN GENERAL.—The Secretary shall,
13 with respect to the first 18-month period of the
14 demonstration project conducted under para-
15 graph (1), award planning grants to at least 10
16 States selected in accordance with subpara-
17 graph (B) for purposes of preparing an applica-
18 tion described in paragraph (4)(C) and carrying
19 out the activities described in subparagraph
20 (C).

21 “(B) SELECTION.—In selecting States for
22 purposes of this paragraph, the Secretary
23 shall—

1 “(i) select States that have a State
2 plan (or waiver of the State plan) approved
3 under this title;

4 “(ii) select States in a manner that
5 ensures geographic diversity; and

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

14 “(C) ACTIVITIES DESCRIBED.—Activities
15 described in this subparagraph are, with respect
16 to a State, each of the following:

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

1 the State plan (or waiver), including the
2 following:

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

7 “(II) Information on the capacity
8 of providers to provide substance use
9 disorder treatment or recovery serv-
10 ices to individuals enrolled under the
11 State plan (or waiver), including in-
12 formation on providers who provide
13 such services and their participation
14 under the State plan (or waiver).

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

20 “(IV) Projections regarding the
21 extent to which the State partici-
22 pating under the demonstration
23 project would increase the number of
24 providers offering substance use dis-
25 order treatment or recovery services

1 under the State plan (or waiver) dur-
2 ing the period of the demonstration
3 project.

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

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

19 “(4) POST-PLANNING STATES.—

20 “(A) IN GENERAL.—The Secretary shall,
21 with respect to the remaining 42-month period
22 of the demonstration project conducted under
23 paragraph (1), select not more than 5 States in
24 accordance with subparagraph (B) for purposes
25 of carrying out the activities described in para-

1 graph (2) and receiving payments in accordance
2 with paragraph (5).

3 “(B) SELECTION.—In selecting States for
4 purposes of this paragraph, the Secretary
5 shall—

6 “(i) select States that received a plan-
7 ning grant under paragraph (3);

8 “(ii) select States that submit to the
9 Secretary an application in accordance
10 with the requirements in subparagraph
11 (C), taking into consideration the quality
12 of each such application;

13 “(iii) select States in a manner that
14 ensures geographic diversity; and

15 “(iv) give preference to States with a
16 prevalence of substance use disorders (in
17 particular opioid use disorders) that is
18 comparable to or higher than the national
19 average prevalence, as measured by aggre-
20 gate per capita drug overdoses, or any
21 other measure that the Secretary deems
22 appropriate.

23 “(C) APPLICATIONS.—

24 “(i) IN GENERAL.—A State seeking to
25 be selected for purposes of this paragraph

1 shall submit to the Secretary, at such time
2 and in such form and manner as the Sec-
3 retary requires, an application that in-
4 cludes such information, provisions, and
5 assurances, as the Secretary may require,
6 in addition to the following:

7 “(I) A proposed process for car-
8 rying out the ongoing assessment de-
9 scribed in paragraph (2)(A), taking
10 into account the results of the initial
11 assessment described in paragraph
12 (3)(C)(i).

13 “(II) A review of reimbursement
14 methodologies and other policies re-
15 lated to substance use disorder treat-
16 ment or recovery services under the
17 State plan (or waiver) that may create
18 barriers to increasing the number of
19 providers delivering such services.

20 “(III) The development of a plan,
21 taking into account activities carried
22 out under paragraph (3)(C)(ii), that
23 will result in long-term and sustain-
24 able provider networks under the
25 State plan (or waiver) that will offer

1 a continuum of care for substance use
2 disorders. Such plan shall include the
3 following:

4 “(aa) Specific activities to
5 increase the number of providers
6 (including providers that spe-
7 cialize in providing substance use
8 disorder treatment or recovery
9 services, hospitals, health care
10 systems, Federally qualified
11 health centers, and, as applicable,
12 certified community behavioral
13 health clinics) that offer sub-
14 stance use disorder treatment, re-
15 covery, or support services, in-
16 cluding short-term detoxification
17 services, outpatient substance use
18 disorder services, and evidence-
19 based peer recovery services.

20 “(bb) Strategies that will
21 incentivize providers described in
22 subparagraphs (C) and (D) of
23 paragraph (2) to obtain the nec-
24 essary training, education, and
25 support to deliver substance use

1 disorder treatment or recovery
2 services in the State.

3 “(cc) Milestones and timeli-
4 ness for implementing activities
5 set forth in the plan.

6 “(dd) Specific measurable
7 targets for increasing the sub-
8 stance use disorder treatment
9 and recovery provider network
10 under the State plan (or a waiver
11 of such plan).

12 “(IV) A proposed process for re-
13 porting the information required
14 under paragraph (6)(A), including in-
15 formation to assess the effectiveness
16 of the efforts of the State to expand
17 the capacity of providers to deliver
18 substance use disorder treatment or
19 recovery services during the period of
20 the demonstration project under this
21 subsection.

22 “(V) The expected financial im-
23 pact of the demonstration project
24 under this subsection on the State.

1 “(VI) A description of all funding
2 sources available to the State to pro-
3 vide substance use disorder treatment
4 or recovery services in the State.

5 “(VII) A preliminary plan for
6 how the State will sustain any in-
7 crease in the capacity of providers to
8 deliver substance use disorder treat-
9 ment or recovery services resulting
10 from the demonstration project under
11 this subsection after the termination
12 of such demonstration project.

13 “(VIII) A description of how the
14 State will coordinate the goals of the
15 demonstration project with any waiver
16 received pursuant to section 1115 for
17 the delivery of substance use services
18 under the State plan, as applicable.

19 “(ii) CONSULTATION.—In completing
20 an application under clause (i), a State
21 shall consult with relevant stakeholders, in-
22 cluding Medicaid managed care plans,
23 health care providers, and Medicaid bene-
24 ficiary advocates, and include in such ap-
25 plication a description of such consultation.

1 “(5) PAYMENT.—

2 “(A) IN GENERAL.—For each quarter oc-
3 ccurring during the period for which the dem-
4 onstration project is conducted (after the first
5 18 months of such period), the Secretary shall
6 pay under this subsection, subject to subpara-
7 graphs (C) and (D), to each State selected
8 under paragraph (4) an amount equal to 80
9 percent of so much of the qualified sums ex-
10 pended during such quarter.

11 “(B) QUALIFIED SUMS DEFINED.—For
12 purposes of subparagraph (A), the term ‘quali-
13 fied sums’ means, with respect to a State and
14 a quarter, the amount equal to the amount (if
15 any) by which the sums expended by the State
16 during such quarter attributable to substance
17 use treatment or recovery services furnished by
18 providers participating under the State plan (or
19 a waiver of such plan) exceeds 1/4 of such sums
20 expended by the State during fiscal year 2018
21 attributable to substance use treatment or re-
22 covery services.

23 “(C) NON-DUPLICATION OF PAYMENT.—In
24 the case that payment is made under subpara-
25 graph (A) with respect to expenditures for sub-

1 stance use treatment or recovery services fur-
2 nished by providers participating under the
3 State plan (or a waiver of such plan), payment
4 may not also be made under subsection (a) with
5 respect to expenditures for the same services so
6 furnished.

7 “(D) CONDITIONS.—In the case of a State
8 selected under paragraph (4) that provides sub-
9 stance use disorder treatment and recovery
10 services under a waiver under section 1115,
11 such State shall, as a condition of receiving
12 payments under subparagraph (A)—

13 “(i) coordinate such services under
14 such waiver with substance use disorder
15 treatment and recovery services provided
16 under the demonstration project under this
17 subsection; and

18 “(ii) take such actions as appropriate
19 under the demonstration project to expand
20 such services under such waiver.

21 “(6) REPORTS.—

22 “(A) STATE REPORTS.—A State receiving
23 payments under paragraph (5) shall, for the pe-
24 riod of the demonstration project under this
25 subsection, submit to the Secretary a quarterly

1 report, with respect to expenditures for sub-
2 stance use treatment or recovery services for
3 which payment is made to the State under this
4 subsection, on the following:

5 “(i) The specific activities with re-
6 spect to which payment under this sub-
7 section was provided.

8 “(ii) The number of providers that de-
9 livered substance use disorder treatment or
10 recovery services in the State under the
11 demonstration project compared to the es-
12 timated number of providers that would
13 have otherwise delivered such services in
14 the absence of such demonstration project.

15 “(iii) The number of individuals en-
16 rolled under the State plan (or a waiver of
17 such plan) who received substance use dis-
18 order treatment or recovery services under
19 the demonstration project compared to the
20 estimated number of such individuals who
21 would have otherwise received such services
22 in the absence of such demonstration
23 project.

24 “(iv) Other matters as determined by
25 the Secretary.

1 “(B) CMS REPORTS.—

2 “(i) INITIAL REPORT.—Not later than
3 October 1, 2020, the Administrator of the
4 Centers for Medicare & Medicaid Services
5 shall, in consultation with the Director of
6 the Agency for Healthcare Research and
7 Quality and the Assistant Secretary for
8 Mental Health and Substance Use, submit
9 to Congress an initial report on—

10 “(I) the States awarded planning
11 grants under paragraph (3);

12 “(II) the criteria used in such se-
13 lection; and

14 “(III) the activities carried out
15 by such States under such planning
16 grants.

17 “(ii) INTERIM REPORT.—Not later
18 than October 1, 2022, the Administrator
19 of the Centers for Medicare & Medicaid
20 Services shall, in consultation with the Di-
21 rector of the Agency for Healthcare Re-
22 search and Quality and the Assistant Sec-
23 retary for Mental Health and Substance
24 Use, submit to Congress an interim re-
25 port—

1 “(I) on activities carried out
2 under the demonstration project
3 under this subsection;

4 “(II) on the extent to which
5 States selected under paragraph (4)
6 have achieved the stated goals sub-
7 mitted in their applications under sub-
8 paragraph (C) of such paragraph;

9 “(III) with a description of the
10 strengths and limitations of such dem-
11 onstration project; and

12 “(IV) with a plan for the sustain-
13 ability of such project.

14 “(iii) FINAL REPORT.—Not later than
15 October 1, 2024, the Administrator of the
16 Centers for Medicare & Medicaid Services
17 shall, in consultation with the Director of
18 the Agency for Healthcare Research and
19 Quality and the Assistant Secretary for
20 Mental Health and Substance Use, submit
21 to Congress a final report—

22 “(I) providing updates on the
23 matters reported in the interim report
24 under clause (ii);

1 “(II) including a description of
2 any changes made with respect to the
3 demonstration project under this sub-
4 section after the submission of such
5 interim report; and

6 “(III) evaluating such dem-
7 onstration project.

8 “(C) AHRQ REPORT.—Not later than
9 three years after the date of the enactment of
10 this subsection, the Director of the Agency for
11 Healthcare Research and Quality shall submit
12 to Congress a summary on the experiences of
13 States awarded planning grants under para-
14 graph (3) and States selected under paragraph
15 (4).

16 “(7) DATA SHARING AND BEST PRACTICES.—
17 During the period of the demonstration project
18 under this subsection, the Secretary shall, in collabo-
19 ration with States selected under paragraph (4), fa-
20 cilitate data sharing and the development of best
21 practices between such States and States that were
22 not so selected.

23 “(8) CMS FUNDING.—There is appropriated,
24 out of any funds in the Treasury not otherwise ap-
25 propriated, \$5,000,000 to the Centers for Medicare

1 & Medicaid Services for purposes of implementing
2 this subsection. Such amount shall remain available
3 until expended.”.

