

Introduced by Senator Wiener
(Principal coauthor: Assembly Member Chiu)
(Coauthor: Assembly Member Friedman)

January 6, 2021

An act to add Section 14021.38 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 110, as introduced, Wiener. Substance use disorder services: contingency management services.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, and under which qualified low-income individuals receive health care services, including substance use disorder services that are delivered through the Drug Medi-Cal Treatment Program and the Drug Medi-Cal organized delivery system. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

To the extent funds are made available in the annual Budget Act, this bill would expand substance use disorder services to include contingency management services, as specified, subject to utilization controls. The bill would require the department to issue guidance and training to providers on their use of contingency management services for Medi-Cal beneficiaries who access substance use disorder services under any Medi-Cal delivery system, including the Drug Medi-Cal Treatment Program and the Drug Medi-Cal organized delivery system. The bill would provide that contingency management services are not a rebate, refund, commission preference, patronage dividend, discount, or any other gratuitous consideration. The bill would authorize the department to implement these provisions by various means, including provider

bulletin, without taking regulatory action, and would condition the implementation of these provisions to the extent permitted by federal law, the availability of federal financial participation, and the department securing federal approval.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14021.38 is added to the Welfare and
2 Institutions Code, immediately following Section 14021.37, to
3 read:

4 14021.38. (a) To the extent funds are made available in the
5 annual Budget Act for this express purpose, substance use disorder
6 services shall include contingency management services as a
7 covered benefit, subject to utilization controls, as described in
8 Section 14133. Contingency management services shall include
9 all of the following components:

- 10 (1) Periodic urinalysis on patients.
- 11 (2) An incentive structure, which includes scaling rewards for
12 continued evidence of specified behaviors or adherence to treatment
13 goals, that rewards participants for specified behaviors, such as a
14 negative urinalysis.
- 15 (3) Other supportive substance use disorder services, including
16 counseling, therapy, or other proven medical alternatives, as
17 necessary to meet the health needs of Medi-Cal beneficiaries.
- 18 (b) The department shall issue guidance and training to providers
19 on their use of contingency management services for Medi-Cal
20 beneficiaries who access substance use disorder services under
21 any Medi-Cal delivery system, including, but not limited to, the
22 Drug Medi-Cal Treatment Program and the Drug Medi-Cal
23 organized delivery system.
- 24 (c) Contingency management services are not a rebate, refund,
25 commission preference, patronage dividend, discount, or any other
26 gratuitous consideration, as described in Section 51478 of Title
27 22 of the California Code of Regulations.
- 28 (d) Notwithstanding Chapter 3.5 (commencing with Section
29 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
30 the department may implement this section by means of a provider
31 bulletin or similar instruction, without taking regulatory action.

1 (e) For purposes of implementing this section, the department
2 shall seek any necessary federal approvals, including approvals of
3 any state plan amendments or federal waivers, by the federal
4 Centers for Medicare and Medicaid Services.

5 (f) (1) This section shall only be implemented to the extent
6 permitted by federal law.

7 (2) This section shall be implemented only to the extent that
8 federal financial participation is available and any necessary federal
9 approvals have been obtained.

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