CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE SENATE BILL 5195

Chapter 273, Laws of 2021

67th Legislature 2021 Regular Session

OPIOID OVERDOSE REVERSAL MEDICATION—PRESCRIBING

EFFECTIVE DATE: July 25, 2021—Except for sections 2 through 4, which take effect January 1, 2022.

Passed by the Senate April 19, 2021 Yeas 49 Nays 0	CERTIFICATE I, Brad Hendrickson, Secretary of
DENNY HECK President of the Senate Passed by the House April 9, 2021 Yeas 89 Nays 8	the Senate of the State of Washington, do hereby certify that the attached is SECOND SUBSTITUTE SENATE BILL 5195 as passed by the Senate and the House of Representatives on the dates hereon set forth.
LAURIE JINKINS Speaker of the House of Representatives	BRAD HENDRICKSON Secretary
Approved May 12, 2021 2:54 PM	FILED
	May 12, 2021

JAY INSLEE

Governor of the State of Washington

Secretary of State

State of Washington

SECOND SUBSTITUTE SENATE BILL 5195

AS AMENDED BY THE HOUSE

Passed Legislature - 2021 Regular Session

State of Washington 67th Legislature 2021 Regular Session

By Senate Ways & Means (originally sponsored by Senators Liias, Muzzall, Das, Dhingra, Nguyen, and Wilson, C.)

READ FIRST TIME 02/22/21.

- AN ACT Relating to opioid overdose reversal medication; amending RCW 70.41.480 and 39.26.125; adding a new section to chapter 70.41 RCW; adding a new section to chapter 71.24 RCW; adding new sections to chapter 74.09 RCW; adding new sections to chapter 70.14 RCW; adding a new section to chapter 41.05 RCW; adding a new section to chapter 48.43 RCW; creating new sections; and providing an effective date.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 9 <u>NEW SECTION.</u> **Sec. 1.** (1) The legislature finds that:
- 10 (a) Opioid use disorder is a treatable brain disease from which 11 people recover;
- 12 (b) Individuals living with opioid use disorder are at high risk 13 for fatal overdose;
- 14 (c) Overdose deaths are preventable with lifesaving opioid 15 overdose reversal medications like naloxone;
- 16 (d) Just as individuals with life-threatening allergies should 17 carry an EpiPen, individuals with opioid use disorder should carry 18 opioid overdose reversal medication;
- 19 (e) There are 53,000 individuals in Washington enrolled in apple 20 health, Washington's medicaid program, that have a diagnosis of

p. 1

opioid use disorder and yet there are alarmingly few medicaid claims for opioid overdose reversal medication; and

- in Washington is currently paid for with flexible federal and state dollars and distributed in bulk, rather than appropriately billed to a patient's insurance. Those finite flexible funds should instead be used for nonmedicaid eligible expenses or for opioid overdose reversal medication distributed in nonmedicaid eligible settings or to nonmedicaid eligible persons. The state's current methods for acquisition and distribution of opioid overdose reversal medication are not sustainable and insufficient to reach all Washingtonians living with opioid use disorder.
- (2) Therefore, it is the intent of the legislature to increase access for all individuals with opioid use disorder to opioid overdose reversal medication so that if they experience an overdose, they will have a second chance. As long as there is breath, there is hope for recovery.
- **Sec. 2.** RCW 70.41.480 and 2019 c 314 s 18 are each amended to 19 read as follows:
 - (1) The legislature finds that high quality, safe, and compassionate health care services for patients of Washington state must be available at all times. The legislature further finds that there is a need for patients being released from hospital emergency departments to maintain access to emergency medications when community or hospital pharmacy services are not available, including medication for opioid overdose reversal and for the treatment for opioid use disorder as appropriate. It is the intent of the legislature to accomplish this objective by allowing practitioners with prescriptive authority to prescribe limited amounts of prepackaged emergency medications to patients being discharged from hospital emergency departments when access to community or outpatient hospital pharmacy services is not otherwise available.
 - (2) A hospital may allow a practitioner to prescribe prepackaged emergency medications and allow a practitioner or a registered nurse licensed under chapter 18.79 RCW to distribute prepackaged emergency medications to patients being discharged from a hospital emergency department in the following circumstances:
- 38 (a) During times when community or outpatient hospital pharmacy 39 services are not available within fifteen miles by road; or

(b) When, in the judgment of the practitioner and consistent with hospital policies and procedures, a patient has no reasonable ability to reach the local community or outpatient pharmacy((; or

- (c) When, in the judgment of the practitioner and consistent with hospital policies and procedures, a patient is at risk of opioid overdose and the prepackaged emergency medication being distributed is an opioid overdose reversal medication. The labeling requirements of RCW 69.41.050 and 18.64.246 do not apply to opioid overdose reversal medications dispensed, distributed, or delivered pursuant to a prescription, collaborative drug therapy agreement, standing order, or protocol issued in accordance with this section. The individual or entity that dispenses, distributes, or delivers an opioid overdose reversal medication as authorized by this section must ensure that directions for use are provided)).
- (3) A hospital may only allow this practice if: The director of the hospital pharmacy, in collaboration with appropriate hospital medical staff, develops policies and procedures regarding the following:
- (a) Development of a list, preapproved by the pharmacy director, of the types of emergency medications to be prepackaged and distributed;
- (b) Assurances that emergency medications to be prepackaged pursuant to this section are prepared by a pharmacist or under the supervision of a pharmacist licensed under chapter 18.64 RCW;
- (c) Development of specific criteria under which emergency prepackaged medications may be prescribed and distributed consistent with the limitations of this section;
- (d) Assurances that any practitioner authorized to prescribe prepackaged emergency medication or any nurse authorized to distribute prepackaged emergency medication is trained on the types of medications available and the circumstances under which they may be distributed;
- (e) Procedures to require practitioners intending to prescribe prepackaged emergency medications pursuant to this section to maintain a valid prescription either in writing or electronically in the patient's records prior to a medication being distributed to a patient;
- (f) Establishment of a limit of no more than a forty-eight hour supply of emergency medication as the maximum to be dispensed to a patient, except when community or hospital pharmacy services will not

- 1 be available within forty-eight hours. In no case may the policy 2 allow a supply exceeding ninety-six hours be dispensed;
 - (g) Assurances that prepackaged emergency medications will be kept in a secure location in or near the emergency department in such a manner as to preclude the necessity for entry into the pharmacy; and
 - (h) Assurances that nurses or practitioners will distribute prepackaged emergency medications to patients only after a practitioner has counseled the patient on the medication.
- 10 (4) The delivery of a single dose of medication for immediate 11 administration to the patient is not subject to the requirements of 12 this section.
- 13 (5) Nothing in this section restricts the authority of a 14 practitioner in a hospital emergency department to distribute opioid 15 overdose reversal medication under RCW 69.41.095.
 - (6) A practitioner in a hospital emergency department must dispense or distribute opioid overdose reversal medication in compliance with section 3 of this act.
 - (7) For purposes of this section:

4

5

7

8

9

1617

18

1920

21

22

- (a) "Emergency medication" means any medication commonly prescribed to emergency department patients, including those drugs, substances or immediate precursors listed in schedules II through V of the uniform controlled substances act, chapter 69.50 RCW, as now or hereafter amended.
- 25 (b) "Distribute" means the delivery of a drug or device other 26 than by administering or dispensing.
- 27 (c) "Opioid overdose reversal medication" has the same meaning as provided in RCW 69.41.095.
- 29 <u>(d)</u> "Practitioner" means any person duly authorized by law or 30 rule in the state of Washington to prescribe drugs as defined in RCW 31 18.64.011(29).
- 32 $((\frac{d}{d}))$ <u>(e)</u> "Nurse" means a registered nurse as defined in RCW 33 18.79.020.
- NEW SECTION. Sec. 3. A new section is added to chapter 70.41 RCW to read as follows:
- 36 (1) A hospital shall provide a person who presents to an 37 emergency department with symptoms of an opioid overdose, opioid use 38 disorder, or other adverse event related to opioid use with opioid 39 overdose reversal medication upon discharge, unless the treating

practitioner determines in their clinical and professional judgment that dispensing or distributing opioid overdose reversal medication is not appropriate or the practitioner has confirmed that the patient already has opioid overdose reversal medication. If the hospital dispenses or distributes opioid overdose reversal medication it must provide directions for use.

- (2) The opioid overdose reversal medication may be dispensed with technology used to dispense medications.
- (3) A person who is provided opioid overdose reversal medication under this section must be provided information and resources about medication for opioid use disorder and harm reduction strategies and services which may be available, such as substance use disorder treatment services and substance use disorder peer counselors. This information should be available in all languages relevant to the communities that the hospital serves.
- (4) The labeling requirements of RCW 69.41.050 and 18.64.246 do not apply to opioid overdose reversal medications dispensed or distributed in accordance with this section.
- (5) Until the opioid overdose reversal medication bulk purchasing and distribution program established in section 7 of this act is operational:
- (a) If the patient is enrolled in a medical assistance program under chapter 74.09 RCW, the hospital must bill the patient's medicaid benefit for the patient's opioid overdose reversal medication utilizing the appropriate billing codes established by the health care authority. This billing must be separate from and in addition to the payment for the other services provided during the hospital visit.
- (b) If the patient has available health insurance coverage other than medical assistance under chapter 74.09 RCW, the hospital must bill the patient's health plan for the cost of the opioid overdose reversal medication.
- (c) For patients who are not enrolled in medical assistance and do not have any other available insurance coverage, the hospital must bill the health care authority for the cost of the patient's opioid overdose reversal medication.
- 37 (6) This section does not prohibit a hospital from dispensing 38 opioid overdose reversal medication to a patient at no cost to the 39 patient out of the hospital's prepurchased supply.

- 1 (7) Nothing in this section prohibits or modifies a hospital's 2 ability or responsibility to bill a patient's health insurance or to 3 provide financial assistance as required by state or federal law.
 - (8) A hospital, its employees, and its practitioners are immune from suit in any action, civil or criminal, or from professional or other disciplinary action, for action or inaction in compliance with this section.
 - (9) For purposes of this section:

5

7

8

11

1415

16

17

1819

20

21

25

2627

28

- 9 (a) "Opioid overdose reversal medication" has the meaning 10 provided in RCW 69.41.095.
 - (b) "Practitioner" has the meaning provided in RCW 18.64.011.
- NEW SECTION. Sec. 4. A new section is added to chapter 71.24
 RCW to read as follows:
 - (1) For any client presenting with symptoms of an opioid use disorder, or who reports recent use of opioids outside legal authority, all licensed or certified behavioral health agencies that provide individuals treatment for mental health or substance use disorder, withdrawal management, secure withdrawal management, evaluation and treatment, or opioid treatment programs must during the client's intake, discharge, or treatment plan review, as appropriate:
- (a) Inform the client about opioid overdose reversal medication and ask whether the client has opioid overdose reversal medication; and
 - (b) If a client does not possess opioid overdose reversal medication, unless the behavioral health provider determines using clinical and professional judgment that opioid overdose reversal medication is not appropriate, the behavioral health provider must:
- 29 (i) Prescribe the client opioid overdose reversal medication or 30 utilize the statewide naloxone standing order; and
- 31 (ii) Assist the client in directly obtaining opioid overdose 32 reversal medication as soon as practical by:
- 33 (A) Directly dispensing the opioid overdose reversal medication, 34 if authorized by state law;
- 35 (B) Partnering with a pharmacy to obtain the opioid overdose 36 reversal medication on the client's behalf and distributing the 37 opioid overdose reversal medication to the client;
- 38 (C) Assisting the client in utilizing a mail order pharmacy or 39 pharmacy that mails prescription drugs directly to the behavioral

p. 6 2SSB 5195.SL

1 health agency or client and distributing the opioid overdose reversal 2 medication to the client, if necessary;

- (D) Obtaining and distributing opioid overdose reversal medication through the bulk purchasing and distribution program established in section 7 of this act; or
- (E) Using any other resources or means authorized by state law to provide opioid overdose reversal medication.
- (2) Until the opioid overdose reversal medication bulk purchasing and distribution program established in section 7 of this act is operational, if a behavioral health agency listed in subsection (1) of this section dispenses, distributes, or otherwise assists the client in directly obtaining the opioid overdose reversal medication such that the agency is the billing entity, the behavioral health agency must:
- (a) For clients enrolled in medical assistance under chapter 74.09 RCW, bill the client's medicaid benefit for the client's opioid overdose reversal medication utilizing the appropriate billing codes established by the health care authority.
- (b) For clients with available health insurance coverage other than medical assistance under chapter 74.09 RCW, bill the client's health plan for the cost of the opioid overdose reversal medication.
- (c) For clients who are not enrolled in medical assistance under chapter 74.09 RCW and do not have any other available health insurance coverage, bill the health care authority for the cost of the client's opioid overdose reversal medication.
- (3) A pharmacy that dispenses opioid overdose reversal medication through a partnership or relationship with a behavioral health agency as described in subsection (1) of this section must bill the health care authority for the cost of the client's opioid overdose reversal medication for clients that are not enrolled in medical assistance under chapter 74.09 RCW and do not have any other available health insurance coverage.
- (4) The labeling requirements of RCW 69.41.050 and 18.64.246 do not apply to opioid overdose reversal medication dispensed or delivered in accordance with this section.
- (5) A person who is provided opioid overdose reversal medication under this section must be provided information and resources about medication for opioid use disorder and harm reduction strategies and services which may be available, such as substance use disorder treatment services and substance use disorder peer counselors. This

information should be available in all languages relevant to the communities that the behavioral health agency serves.

1

2

3

4

5

7

8

9

10

22

2324

25

2627

28

2930

- (6) The individual or entity that dispenses, distributes, or delivers an opioid overdose reversal medication in accordance with this section shall ensure that the directions for use are provided.
- (7) Actions taken in compliance with subsection (1) of this section by an entity that provides only mental health treatment may not be construed as the entity holding itself out as providing or in fact providing substance use disorder diagnosis, treatment, or referral for treatment for purposes of state or federal law.
- 11 (8) A behavioral health agency, its employees, and providers are 12 immune from suit in any action, civil or criminal, or from 13 professional or other disciplinary action, for action or inaction in 14 compliance with this section.
- 15 (9) For purposes of this section, "opioid overdose reversal medication" has the meaning provided in RCW 69.41.095.
- NEW SECTION. Sec. 5. A new section is added to chapter 74.09
 RCW to read as follows:
- 19 Until the opioid overdose reversal medication bulk purchasing and 20 distribution program established in section 7 of this act is 21 operational:
 - (1) Upon initiation or renewal of a contract with the authority to administer a medicaid managed care plan, a managed care organization must reimburse a hospital or behavioral health agency for dispensing or distributing opioid overdose reversal medication to a covered person under sections 3 and 4 of this act.
 - (2) If the person is not enrolled in a medicaid managed care plan and does not have any other available insurance coverage, the authority must reimburse a hospital, behavioral health agency, or pharmacy for dispensing or distributing opioid overdose reversal medication under sections 3 and 4 of this act.
- NEW SECTION. Sec. 6. A new section is added to chapter 74.09
 RCW to read as follows:
- 34 (1) The authority, in consultation with the department of health, 35 the office of the insurance commissioner, and the addictions, drug, 36 and alcohol institute at the University of Washington, shall provide 37 technical assistance to hospitals and licensed or certified, 38 behavioral health agencies to assist these entities, practitioners,

and providers in complying with sections 3 and 4 of this act. The technical assistance provided to behavioral health agencies must include:

- (a) Training nonmedical providers on distributing and providing client education and directions for use of opioid overdose reversal medication;
- (b) Providing written guidance for billing for opioid overdose reversal medication; and
- (c) Analyzing the cost of additional behavioral health agency staff time to carry out the activities in section 4 of this act, and providing written guidance no later than January 1, 2022, for funding and billing direct service activities related to assisting clients to obtain opioid overdose reversal medication.
- (2) The authority shall develop written materials in all relevant languages for each hospital and applicable licensed or certified behavioral health agency to comply with sections 3 and 4 of this act, including directions for the use of opioid overdose reversal medication, and provide them to all hospitals and behavioral health agencies by January 1, 2022.
- NEW SECTION. Sec. 7. A new section is added to chapter 70.14 21 RCW to read as follows:
 - (1) As soon as reasonably practicable, the health care authority shall establish a bulk purchasing and distribution program for opioid overdose reversal medication. The health care authority is authorized to:
 - (a) Purchase or enter into contracts as necessary to purchase and distribute opioid overdose reversal medication, collect an assessment, and administer the program;
 - (b) Bill, charge, and receive payment from health carriers, managed health care systems, and to the extent that any self-insured health plans choose to participate, self-insured health plans; and
 - (c) Perform any other functions as may be necessary or proper to establish and administer the program.
 - (2) To establish and administer the opioid overdose reversal medication bulk purchasing and distribution program, the health care authority may adopt rules providing the following:
- 37 (a) A dosage-based assessment and formula to determine the 38 assessment for each opioid overdose reversal medication provided to

- an individual through the program that includes administrative costs of the program;
- 3 (b) The mechanism, requirements, and timeline for health 4 carriers, managed health care systems, and self-insured plans to pay 5 the dosage-based assessments;
- 6 (c) The types of health care facilities, health care providers,
 7 or other entities that are required to or are permitted to
 8 participate in the program;
- 9 (d) The billing procedures for any participating health care 10 facility, health care provider, or other entity participating in the 11 program; and
- 12 (e) Any other rules necessary to establish, implement, or 13 administer the program.
- 14 (3) The following agencies, health plans, and insurers must 15 participate in the bulk purchasing and distribution program:
 - (a) Health carriers;

19

- 17 (b) Managed health care systems administering a medicaid managed 18 care plan; and
 - (c) The health care authority for purposes of:
- 20 (i) Health plans offered to public employees and their 21 dependents;
- 22 (ii) Individuals enrolled in medical assistance under chapter 23 74.09 RCW that are not enrolled in a managed care plan; and
 - (iii) Uninsured individuals.
- 25 (4) The health care authority may establish an interest charge for late payment of any assessment under this section. The health 26 care authority shall assess a civil penalty against any health 27 carrier, managed health care system, or self-insured health plan that 28 29 fails to pay an assessment within three months of billing. The civil penalty under this subsection is 150 percent of such assessment. The 30 31 health care authority is authorized to file liens and seek judgment 32 to recover amounts in arrears and civil penalties, and recover reasonable collection costs, including reasonable attorneys' fees and 33 costs. Civil penalties so levied must be deposited in the opioid 34 overdose reversal medication account created in section 8 of this 35 36 act.
- 37 (5) The health care authority in coordination with the office of 38 the insurance commissioner may recommend to the appropriate 39 committees of the legislature the termination of the bulk purchasing 40 and distribution mechanism for opioid overdose reversal medication if

- 1 it finds that the original intent of its formation and operation has 2 not been achieved.
 - (6) By January 1, 2022, the health care authority shall submit a report to the legislature on the progress towards establishing the bulk purchasing and distribution program. The health care authority shall submit an updated report on the progress towards establishing the bulk purchasing and distribution program by January 1, 2023.
 - (7) By July 1, 2025, the health care authority shall submit recommendations to the appropriate committees of the legislature on whether and how the opioid overdose reversal medication bulk purchasing and distribution program may be expanded to include other prescription drugs.
- 13 (8) "Opioid overdose reversal medication" has the same meaning as provided in RCW 69.41.095.
- NEW SECTION. Sec. 8. A new section is added to chapter 70.14 RCW to read as follows:
- The opioid overdose reversal medication account is created in the 17 custody of the state treasurer. All receipts from collections under 18 section 7 of this act must be deposited into the account. 19 20 Expenditures from the account may be used only for the operation and administration of the opioid overdose reversal medication bulk 21 purchasing and distribution program identified in section 7 of this 22 act. Only the director of the health care authority or the director's 23 designee may authorize expenditures from the account. The account is 24 25 subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. 26
- 27 **Sec. 9.** RCW 39.26.125 and 2012 c 224 s 14 are each amended to 28 read as follows:
- All contracts must be entered into pursuant to competitive solicitation, except for:
 - (1) Emergency contracts;

4

5

7

8

9

10 11

12

- 32 (2) Sole source contracts that comply with the provisions of RCW 39.26.140;
- 34 (3) Direct buy purchases, as designated by the director. The 35 director shall establish policies to define criteria for direct buy 36 purchases. These criteria may be adjusted to accommodate special 37 market conditions and to promote market diversity for the benefit of 38 the citizens of the state of Washington;

- 1 (4) Purchases involving special facilities, services, or market 2 conditions, in which instances of direct negotiation is in the best 3 interest of the state;
 - (5) Purchases from master contracts established by the department or an agency authorized by the department;
 - (6) Client services contracts;

5

7

8

9

10

1112

13

14

1516

17

1819

20

2425

26

27

28

- (7) Other specific contracts or classes or groups of contracts exempted from the competitive solicitation process when the director determines that a competitive solicitation process is not appropriate or cost-effective;
- (8) Off-contract purchases of Washington grown food when such food is not available from Washington sources through an existing contract. However, Washington grown food purchased under this subsection must be of an equivalent or better quality than similar food available through the contract and must be able to be paid from the agency's existing budget. This requirement also applies to purchases and contracts for purchases executed by state agencies, including institutions of higher education as defined in RCW 28B.10.016, under delegated authority granted in accordance with this chapter or under RCW 28B.10.029;
- 21 (9) Contracts awarded to companies that furnish a service where 22 the tariff is established by the utilities and transportation 23 commission or other public entity;
 - (10) Intergovernmental agreements awarded to any governmental entity, whether federal, state, or local and any department, division, or subdivision thereof;
 - (11) Contracts for services that are necessary to the conduct of collaborative research if the use of a specific contractor is mandated by the funding source as a condition of granting funds;
- 30 (12) Contracts for architectural and engineering services as defined in RCW 39.80.020, which shall be entered into under chapter 32 39.80 RCW;
- 33 (13) Contracts for the employment of expert witnesses for the 34 purposes of litigation; ((and))
- 35 (14) Contracts for bank supervision authorized under RCW 36 ((30.38.040)) 30A.38.040; and
- 37 (15) Contracts for the purchase of opioid overdose reversal 38 medication authorized under section 7 of this act.

- NEW SECTION. Sec. 10. A new section is added to chapter 41.05 RCW to read as follows:
- A health plan offered to public employees and their covered dependents under this chapter that is issued or renewed on or after January 1, 2023, must participate in the bulk purchasing and distribution program for opioid overdose reversal medication established in section 7 of this act once the program is operational.
- 8 <u>NEW SECTION.</u> **Sec. 11.** A new section is added to chapter 48.43 9 RCW to read as follows:
- For health plans issued or renewed on or after January 1, 2023, health carriers must participate in the opioid overdose reversal medication bulk purchasing and distribution program established in section 7 of this act once the program is operational. A health plan may not impose enrollee cost sharing related to opioid overdose reversal medication provided through the bulk purchasing and distribution program established in section 7 of this act.
- NEW SECTION. Sec. 12. A new section is added to chapter 74.09
 RCW to read as follows:

20

2122

23

24

2526

27

- (1) Upon initiation or renewal of a contract with the authority to administer a medicaid managed care plan, a managed health care system must participate in the opioid overdose reversal medication bulk purchasing and distribution program established in section 7 of this act once the program is operational.
- (2) The health care authority must participate in the opioid overdose reversal medication bulk purchasing and distribution program established in section 7 of this act once the program is operational for purposes of individuals enrolled in medical assistance under this chapter that are not enrolled in a managed care plan and are uninsured individuals.
- 30 <u>NEW SECTION.</u> **Sec. 13.** (1) The health care authority may adopt rules necessary to implement sections 7 through 12 of this act.
- 32 (2) The insurance commissioner may adopt rules necessary to 33 implement sections 7 and 11 of this act.
- NEW SECTION. Sec. 14. Sections 2 through 4 of this act take effect January 1, 2022.

Passed by the Senate April 19, 2021.
Passed by the House April 9, 2021.
Approved by the Governor May 12, 2021.
Filed in Office of Secretary of State May 12, 2021.

--- END ---