

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2497S.01I  
Bill No.: SB 521  
Subject: Corrections, Department of; Drugs and Controlled Substances; Health Care;  
Mental Health; Prisons and Jails  
Type: Original  
Date: March 9, 2021

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Bill Summary: This proposal modifies provisions relating to medication-assisted treatment.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue*	(Likely to exceed \$1,330,133)	(Likely to exceed \$1,386,557)	(Likely to exceed \$1,390,163)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Likely to exceed \$1,330,133)</b>	<b>(Likely to exceed \$1,386,557)</b>	<b>(Likely to exceed \$1,390,163)</b>

\*The fiscal impact to the state depends upon the number of prisoners/patients utilizing the MAT system and the medications used. See page 4 for the Department of Corrections' estimates, depending upon the medication(s) used.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
General Revenue	1 FTE	1 FTE	1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>	<b>1 FTE</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §191.1165- Medication assisted treatment

Officials from the **Department of Corrections (DOC)** state Medication Assisted Treatment (MAT) uses a combination of medication, counseling, and behavioral treatment to treat substance use disorders. As written, this bill requires the DOC to provide MAT services, to include the following medications, to offenders diagnosed with substance use disorders.

- (1) Buprenorphine [tablets];
- (2) Methadone;
- (3) Naloxone;
- (4) [Extended-release injectable] Naltrexone; and
- (5) Buprenorphine/naloxone combination

Currently, DOC's prison healthcare provider does administer Naloxone (brand name Narcan/Enzio), a medication that rapidly reverses the effects of opioids, to offenders who are believed to have overdosed. In addition, the DOC partners with the Gateway Foundation, Corizon and the Department of Mental Health – Division of Behavioral Health (DMH/DBH; provides funding through Recidivism Reduction (RR)-MAT) to offer MAT services (counseling/behavioral treatment, a Vivitrol injection prior to release to the community, and post-release Vivitrol injections in the community, if necessary) to DOC offenders that have participated in one of its substance use treatment programs prior to release. The other medications - buprenorphine, methadone, oral naltrexone and buprenorphine/naloxone combination are not being prescribed in DOC's prisons.

MAT has been shown to be a very effective means of treating those with substance use disorders; however, DOC's current contracts for healthcare services and substance use treatment services do not include MAT. Thus, if passed, this legislation would require the DOC to process amendments/rebids to add these services. Adding these services would have a significant fiscal impact on the DOC as additional funding would have to be appropriated to cover the increased contract costs.

At intake, 46% of Missouri's prison population report a history of prescription drug, illicit drug and/or alcohol use. Research indicates that approximately 58% of those confined in prisons have a substance use disorder (Connolly, 2019). It is reasonable to assume offenders likely under-reported their use at intake and that the true incidence is much closer to 58%. Therefore, this is the percentage that will be used to estimate the impact of this bill on the DOC.

Approximately 13,340 (23,000 x 58%) of the offenders incarcerated in Missouri prisons have a substance use disorder. Methamphetamine is still the most common drug of choice among the Missouri offender population; however, opioid use disorders are definitely on the rise and when paired with alcohol use disorders are conservatively estimated to affect 4,002 (13,340 x 30%) incarcerated offenders. What is unknown is how many of these 4,002 individuals would choose to participate in MAT services if given the opportunity.

**Oversight** contacted DOC officials regarding the assumption that 30% of incarcerated offenders are assumed to have both a drug use disorder and an alcohol use disorder. DOC officials indicated this is partially an educated guess based on offender information provided at the time they enter prison and partially a “best guess”. Since DOC cannot estimate the number of offenders that would choose to participate in MAT services, Oversight assumes costs are likely to exceed the lower estimate provided by DOC (as stated in the next paragraph) as that estimate is for the lowest cost medication.

**DOC** states, as indicated in the following table, the average medication costs to treat opioid/alcohol use disorders varies greatly depending on the medication prescribed. Assuming all 4,002 individuals diagnosed with opioid/alcohol use disorders chose to participate in the MAT program, the estimated annual cost for medications would range from \$1,000,500 - \$72,036,000.

MEDICATION	ESTIMATED ANNUAL COST PER OFFENDER	ESTIMATED ANNUAL COST TO TREAT 4,002 OFFENDERS WITH THIS MEDICATION
Buprenorphine (tablets)	\$1,000	\$4,002,000
Buprenorphine/Naloxone Combination (sublingual)	\$5,000	\$20,010,000
Naltrexone (tablets)	\$250	\$1,000,500
Naltrexone (extended release injectable)	\$18,000	\$72,036,000
Methadone	\$2,500	\$10,005,000

Other costs associated with this bill are the additional FTE the healthcare or substance abuse treatment services providers will have to employ to provide the required counseling and behavioral treatment services associated with MAT. As DOC’s current contracts do not include a staffing pattern to support MAT department-wide, it is likely these costs would be passed on to the DOC. Also, DOC’s prisons will either have to earn accreditation as Opioid Treatment Programs or contract with Opioid Treatment Programs to prescribe methadone to the offender population ([Certification of Opioid Treatment Programs, 42 Code of Federal Regulations \(CFR\) 8](#)). And finally, physicians, physician’s assistants and nurse practitioners will have to complete additional training to prescribe Buprenorphine and Buprenorphine/Naloxone (combination). All of these considerations have an unknown fiscal impact on the department.

**Oversight** has no information to the contrary and assumes, for fiscal note purposes, that DOC MAT costs will likely exceed \$1,000,500 annually (General Revenue).

Officials from the **Department of Mental Health (DMH)** state the DMH may be a state entity responsible for the care of detained persons under this bill as Not Guilty by Reason of Insanity (NGRI) or Incompetent to Stand Trial (IST) individuals are committed to DMH state hospitals pursuant to Chapter 552 while criminal charges are pending. DMH assumes this bill would require assessments for substance use disorders by qualified licensed physicians and Medication Assisted Treatment (MAT) if recommended for this population.

In a given year, DMH will have 23 individuals in contracted county jails for which probable cause has been found under the Sexually Violent Predator (SVP) act and approximately 233 individuals in county jails awaiting admission for restoration of competency in a criminal trial. In order for evaluations and re-evaluations to be completed for these individuals, DMH would need to add **1 FTE Psychiatrist** with a specialty in addictions treatment. The **cost** for this position, including statewide travel requirements, would be **\$306,921 for FY22, \$358,802 in FY23 and \$362,408 in FY24.**

Medications	Dosing	Monthly Cost
Naltrexone (Vivitrol)	380mg once every 4 weeks	\$1,136
Oral Naltrexone	50 mg daily	\$19.58
Buprenorphine and Naloxone (Suboxone)	Buprenorphine 8mg/naloxone 2mg SL film once daily	\$114.00 (depends on product used)
Buprenorphine (Subutex)	8mg daily	\$37.31
Disulfiram (Antabuse)	250mg to 500mg daily	<ul style="list-style-type: none"> <li>\$93.6 (250mg)</li> <li>\$402.00 (500mg)</li> </ul>
<a href="#">Acamprosate (Campral)</a>	666mg three times daily	\$108.00
Modafinil (Provigil)	200mg daily	\$23.70 (200mg)
<a href="#">Mirtazapine (Remeron)</a>	15mg to 45mg daily	<ul style="list-style-type: none"> <li>\$8.51 (15mg)</li> <li>\$10.75 (45mg)</li> </ul>
Bupropion SR (Wellbutrin SR)	150mg to 300mg daily	<ul style="list-style-type: none"> <li>\$13.31 (150mg)</li> <li>\$26.62 (300mg)</li> </ul>
<a href="#">Gabapentin (Neurontin)</a>	1800mg daily	\$6.93
Baclofen (Lioresal)	30mg to 80mg daily	<ul style="list-style-type: none"> <li>\$8.70 (30mg)</li> <li>\$24.48 (80mg)</li> </ul>
Topiramate (Topamax)	25mg to 400mg daily	<ul style="list-style-type: none"> <li>\$2.28 (25mg)</li> <li>\$19.80 (400mg)</li> </ul>

Estimated % with Alcohol Use Disorder (AUD) – 35%

Oral naltrexone would likely be the preferred medication because it is cheaper than the injectable form and not a controlled substance and most jails are ill equipped to handle controlled medications.

35% of 256 yearly total = 90

Estimated % with Opioid Use Disorder (OUD) – 10%

Oral naltrexone would likely be the preferred medication because it is cheaper than the injectable form and not a controlled substance and most jails are ill equipped to handle controlled medications.

10% of 256 yearly total = 26

Estimated Yearly Cost for Treatment

To treat the 116 individuals (90AUD + 26 OUD) for year would be:

116 individual x \$19.58 oral naltrexone per month x 12 months = **\$27,255 drug costs**

Therefore, the total costs related to the FTE and MAT drugs would be **\$329,633 for FY22, \$386,057 for FY23, and \$389,663 for FY24** (General Revenue Fund).

**Oversight** has no information to the contrary and will present the costs provided by DMH for fiscal note purposes.

Officials from the **Department of Health and Senior Services**, the **Department of Social Services**, the **Missouri Department of Transportation**, the **Kansas City Police Department**, the **St. Joseph Police Department** and the **St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Department of Public Safety - Missouri Highway Patrol** defer to the MoDOT/MSHP Medical Plan for its response regarding the potential fiscal impact of this proposal.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other sheriffs and police departments were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>GENERAL REVENUE FUND</b>			
<u>Costs – DMH</u> (\$191.1165)			
Personal service	(\$208,333)	(\$252,500)	(\$255,025)
Fringe benefits	(\$80,262)	(\$97,159)	(\$98,011)
Equipment & expense	(\$18,326)	(\$9,143)	(\$9,372)
MAT drugs	(\$22,712)	(\$27,255)	(\$27,255)
<b>Total Costs - DMH</b>	<b>(\$329,633)</b>	<b>(\$386,057)</b>	<b>(\$389,663)</b>
FTE Change – DMH	1 FTE	1 FTE	1 FTE
<u>Costs – DOC</u> (\$191.1165) – Increase in MAT drug costs, contract costs and training	<u>(Likely to exceed \$1,000,500)</u>	<u>(Likely to exceed \$1,000,500)</u>	<u>(Likely to exceed \$1,000,500)</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(Likely to exceed \$1,330,133)</u></b>	<b><u>(Likely to exceed \$1,386,557)</u></b>	<b><u>(Likely to exceed \$1,390,163)</u></b>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

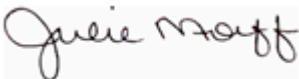
Under this act, the Department of Corrections and all other state entities responsible for the care of persons detained or incarcerated in jails or prisons shall be required to ensure all such persons are assessed for substance abuse disorders; shall make available certain medication-assisted treatment services, consistent with a treatment plan developed by the assessing physician; and shall not impose any arbitrary limitations on the type of medication or other treatment prescribed or dose or duration of the recommended services.

This act also modifies the list of covered medications to include formulations of buprenorphine other than tablets and formulations of naltrexone other than extended-release injectable formulations.


This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services  
Department of Corrections  
Department of Mental Health  
Department of Public Safety – Missouri Highway Patrol  
Department of Social Services  
Missouri Department of Transportation  
Kansas City Police Department  
St. Joseph Police Department  
St. Louis County Police Department



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