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136th General Assembly

Bill Analysis

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Version: As Passed by the House

Primary Sponsors: Reps. Pizzulli and Jarrells

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SUMMARY

Recovery housing residences

State certification

- Converts the program used by the Department of Behavioral Health to monitor recovery housing residences into a state certification program, thereby eliminating the option of relying solely on accrediting organizations.
- Permits the converted program to include acceptance of accreditation in a manner similar to the monitoring program, but limits the purpose of accepting accreditation to the portion of the state certification program that involves determining whether state standards have been satisfied.
- Implements the certification requirement one year after the bill's effective date and meanwhile requires the Department to adopt necessary rules and to begin accepting applications for certification.
- Requires the Department to maintain a registry of recovery housing residences that contains information that is comprehensive and consolidated.
- Prohibits, in the case of services covered by a health benefit plan or Medicaid, any form of kickback for making referrals involving recovery housing residences.
- Requires all investigations of complaints to begin within three days after receipt and requires the Department to permit ADAMHS boards to participate.
- Establishes a process for seeking injunctions against violators that begins with local prosecuting attorneys, rather than the Attorney General, and expressly requires that the process be used if a complaint investigation remains pending after 45 days.

Ohio Recovery Housing Task Force

- Creates the Ohio Recovery Housing Task Force consisting of 16 members, including General Assembly members, relevant state agency directors, various state officers, and chief executive officers of specified interested parties.
- Requires the Task Force to conduct a study and make recommendations regarding recovery housing residences, including an ombudsman program, regulations for quality, distribution based on need, periodic inspections, fraud in billing, human trafficking, and the impact of referrals and relocation.
- Requires the Task Force to meet within 30 days, prepare a report within one year after its first meeting, and submit copies of the report to the General Assembly.

Community addiction services providers

- Requires each community addiction services provider to make full disclosure of the services offered.
- Establishes the following duties for an inpatient addiction treatment facility when an individual chooses to leave against the advice of treatment providers: (1) provide information on any transportation services that are available and (2) assist in finding other addiction services and recovery supports.
- Modifies the procedures used when an individual fails to comply with court-ordered addiction treatment by: (1) requiring the court to notify additional persons, including law enforcement agencies, and (2) authorizing the court to order a peace officer to detain the individual and to transport the individual to the individual's original residence.

Determinations of residency

Requires the Department to consult with the Department of Medicaid if a dispute over an individual's residency, for purposes of addiction or mental health services, also involves Medicaid coverage.

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DETAILED ANALYSIS

RECOVERY HOUSING RESIDENCES

State certification

The bill modifies the system that the Department of Behavioral Health uses to monitor the establishment and operation of recovery housing residences. A recovery housing residence, as described by current law, is a place for individuals recovering from alcohol use disorder or drug addiction that provides an alcohol-free and drug-free living environment, peer support, assistance with obtaining alcohol and drug addiction services, and other recovery assistance.¹

Under the existing monitoring system, the Department has chosen to exercise its option of accepting accreditation from other organizations, rather than establishing its own certification program. The currently accepted accrediting organizations are: (1) Ohio Recovery Housing, which is the Ohio affiliate of the National Alliance for Recovery Residences, and (2) Oxford House, Inc. The accreditation requirement became effective January 1, 2025.²

The bill converts the monitoring system into a direct requirement for the Department to administer a program for state certification of recovery housing residences. Accreditation by Department-selected organizations may be given a role in the regulatory process, but the bill no longer permits accreditation to be the only aspect of that process.³

¹ R.C. 5119.01(A)(17).

² R.C. 5119.39, 5119.391 (existing version), and 5119.392. See Ohio Department of Behavioral Health, “[Recovery Housing Residences](https://www.dbh.ohio.gov),” available by searching for “Recovery Housing” on the Department’s website: [dbh.ohio.gov](https://www.dbh.ohio.gov).

³ R.C. 5119.39; conforming changes in R.C. 340.034(A) and 2925.01(QQ)(1).

Procedures for enforcing the bill's certification requirement remain generally the same as those that apply under the current monitoring system. Specifically, the Director of Behavioral Health is authorized to ask for assistance in obtaining a court order enjoining a violator from operating or advertising the residence.⁴ In addition, the bill maintains the recently enacted criminal penalty that applies to unauthorized operation and improper advertising. Under this provision, a violator is guilty of a first degree misdemeanor.⁵

One-year transition period; adoption of new rules

The bill retains the existing monitoring system for one year. During that period, the Director of Behavioral Health must adopt new rules for state certification of recovery housing residences to replace existing rules that are used for the monitoring system.⁶

Initial rules for certification must be adopted within six months after the bill's effective date. Once the rules are finalized, the bill permits the Department to begin accepting applications for certification in anticipation of the certification requirement going into effect.⁷

Similar to existing rulemaking authority, which would have applied if a state certification process had been used rather than acceptance of private accreditation, the bill requires the Department's new rules on state certification to include the following:⁸

- Standards and procedures for issuing and renewing certification;
- Grounds and procedures for taking disciplinary actions against operators that fail to meet the certification requirements.

The rules must be adopted under the Administrative Procedure Act (R.C. Chapter 119), which requires notice and hearings on proposed rules. The bill grants the Director authority to adopt any other rules the Director considers necessary.

Use of accrediting organizations

In lieu of the Department determining whether a recovery housing residence satisfies the standards for initial or renewed certification, the bill permits the Department to accept accreditation as evidence that the standards have been met. Unlike related provisions of the current monitoring system, the bill does not expressly identify Ohio Recovery Housing and Oxford House as examples of the accrediting organizations that may be accepted. Instead, the bill identifies the following conditions for an accrediting organization to be accepted:⁹

⁴ R.C. 5119.398 (primary); see existing provisions in R.C. 5119.392(B) and 5119.395(B).

⁵ R.C. 5119.392(A), 5119.395, repealed, 5119.398, and 5119.99. See S.B. 138 of the 136th General Assembly.

⁶ R.C. 5119.39, 5119.397, repealed, and 5119.399; Sections 4 and 5.

⁷ Section 5.

⁸ R.C. 5119.39.

⁹ R.C. 5119.39 and 5119.391(A) and (B) (re-enacted version).

- It must conduct in-person, on-site visits;
- It must perform comprehensive policy reviews;
- It must investigate complaints and revoke its accreditation when warranted;
- As with the current monitoring system, it must meet any other conditions that the Department considers appropriate.

Adverse accreditation actions – reports from operators

If a Department-accepted accrediting organization takes an adverse action against a recovery housing residence, the bill requires the residence's operator to notify the Department. The notice must be given within seven days and include a copy of the adverse action notice that the operator received from the accrediting organization.¹⁰ This seven-day deadline supersedes the existing ten-day deadline for reporting adverse decisions based on a complaint investigation.¹¹

Elimination of the new operator 18-month provisional period

One component of the existing monitoring system that is not extended to the bill's certification program involves a phase-in period for new operators of recovery housing residences. Unlike the monitoring system, the bill does not permit a new operator to accept residents for up to 18 months while the operator is actively engaged in efforts to obtain accreditation. Therefore, under the bill, a new operator will be required to obtain the Department's certification before any residents can be accepted.¹²

Kickbacks for referrals prohibited

Regarding services covered by any health benefit plan or Medicaid, the bill establishes prohibitions against activities between recovery housing residences and others involving referrals. The bill's prohibitions are similar to federal prohibitions, which were enacted as part of the Eliminating Kickbacks in Recovery Act of 2018.¹³

Specifically, the bill prohibits any person from knowingly doing either of the following:¹⁴

- Soliciting or receiving any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind, in return for referring a patient or patronage to a recovery housing residence or a community addiction services provider that provides detoxification, risk reduction, outpatient treatment and care, residential treatment, or rehabilitation for substance abuse;

¹⁰ R.C. 5119.391(C) (re-enacted version).

¹¹ R.C. 5119.393(B)(2).

¹² R.C. 5119.392(A)(2).

¹³ See 18 United States Code 220.

¹⁴ R.C. 5119.396(B).

- Paying or offering any remuneration, including any kickback, bribe, or rebate, directly or indirectly, overtly or covertly, in cash or in kind to induce a referral of an individual to a recovery housing residence or a community addiction services provider or in exchange for an individual using the services of a recovery housing residence or community addiction services provider.

Violating either of the prohibitions described above is a first degree misdemeanor. As long as the prohibitions are not violated, an individual is still permitted by current law to receive addiction services while residing in a recovery housing residence.¹⁵

Enforcement against improper referrals

The bill establishes additional mechanisms that may be used in enforcing prohibitions against improper referrals by community providers. The enforcement procedures apply to both addiction and mental health services providers, as follows:

- The Department may deny, refuse to renew, or revoke certification of a provider's services and supports if the provider does any of the following:
 - Knowingly refers a client to an uncertified residence (which corresponds to the existing sanctions for making referrals to a residence that has not complied with the monitoring program);
 - Fails to comply with the existing requirement to maintain records of all referrals that are made;
 - Violates the bill's prohibitions against kickbacks, as described above.¹⁶
- The Director may ask for assistance in obtaining a court order enjoining a violator from continuing to make improper referrals.¹⁷
- A criminal penalty is established for making referrals to uncertified residences, with violators being guilty of a first degree misdemeanor.¹⁸

Registry – comprehensive and consolidated

The bill modifies the Department's existing duty to establish and maintain a registry of recovery housing residences. Rather than serving primarily as a list of residences that have submitted a form with identifying information,¹⁹ the registry maintained under the bill is to serve

¹⁵ R.C. 340.034(F) and 5119.99.

¹⁶ R.C. 5119.36(F)(3).

¹⁷ R.C. 5119.398.

¹⁸ R.C. 5119.396(A)(1) and 5119.99.

¹⁹ See R.C. 5119.391, repealed.

as a comprehensive and consolidated resource. As such, the bill requires the registry to include the following:²⁰

- A list of residences seeking certification;
- A list of residences that have received certification;
- Identification of any accreditation held by a residence and its status;
- Information on complaints, including the status of investigations and their outcomes;
- A list of residences that are subject to administrative disciplinary actions;
- A list of residences known to be operating without certification;
- Any other information the Department considers appropriate to be included.

The bill requires the Department to update the information regularly. If accrediting organizations are used under the Department's certification program, the Department must coordinate the information in the registry with all comparable information held by the accrediting organizations. The bill retains the requirement that the registry be made available to the public on the Department's website.²¹

Investigation of complaints

The bill modifies the procedures that apply under the Department's existing duty to receive and investigate complaints regarding recovery housing residences. These bill's changes include the following:²²

- The Department must permit the appropriate board of alcohol, drug addiction, and mental health services (ADAMHS board) to participate in an investigation.
- Each investigation must begin within three days after a complaint is received.
- If an investigation remains pending on the 45th day after the complaint is received, the Director of Behavioral Health must request the appropriate prosecuting attorney to take action under the bill's procedures for seeking injunctions, described below.
- The findings of the investigation must be included in the Department's recovery housing registry.

Contractors

The bill maintains the Department's authority to contract with an accrediting organization to conduct investigations of complaints, but modifications are made to accommodate the bill's provisions regarding the timing of investigations. First, the bill requires contractors to comply with its three-day deadline for initiating an investigation. Second, in place of monthly reports to

²⁰ R.C. 5119.394(A).

²¹ R.C. 5119.394(B) and (C).

²² R.C. 5119.393(A).

the Department, reports on the status of pending investigations and the findings of completed investigations are to be provided at intervals established by the terms of the contract.²³

Requests for injunctions – local prosecutors first

As an additional means of enforcement, the bill establishes a localized process for the Director to use in seeking assistance in obtaining an injunction against a violator of the bill's requirements. The first step in the process is based on making a request through the appropriate prosecuting attorney.²⁴

Once requested, the prosecuting attorney must file a petition in the court of common pleas of the county where the act of noncompliance is occurring. As an alternative, however, the prosecuting attorney that received the request may ask the Attorney General to file the petition. The bill's localized process for seeking injunctions replaces the existing system, which grants jurisdiction over the matter solely to the Attorney General.²⁵

The bill's injunction-seeking process applies not only to cases with corresponding criminal penalties, but also to cases involving deficiencies in meeting the Department's certification standards. For example, the process may be used when there is any deficiency in meeting standards regarding the health, safety, and welfare of those who reside in a recovery housing residence.²⁶

OHIO RECOVERY HOUSING TASK FORCE

Creation and duties

The bill creates the Ohio Recovery Housing Task Force.²⁷ Its purpose is to study and make recommendations on matters pertaining to recovery housing residences. Areas that must be considered include the following:

1. An ombudsman program to evaluate using a localized system to coordinate information on the operation and regulation of recovery housing residences, including a consolidated procedure for receiving and responding to complaints;
2. Regulation of quality, including standards for the health, safety, and welfare of residents;
3. Distribution of residences, including methods to ensure there is neither a surplus nor a shortage in any particular area;
4. Success of substance use treatment programs in relation to the availability of the residences;

²³ R.C. 5119.393(B).

²⁴ R.C. 5119.398(A).

²⁵ R.C. 5119.392(B) and 5119.395(B) (repealed).

²⁶ R.C. 5119.398(B).

²⁷ Section 6.

5. Periodic inspections of recovery housing residences, including the entity to be given responsibility for conducting the inspections and how to cover the costs;
6. Referrals, including (a) matters related to individuals who relocate from other areas of Ohio or from other states and (b) procedures that may be used to transport them home after no longer residing in recovery housing residences;
7. The impact on Ohio's Medicaid program when individuals relocate from other states to enter Ohio's recovery housing residences and subsequently become Medicaid-eligible;
8. Fraud committed by operators, including fraud in billing residents or third-party payers;
9. Occurrences of human trafficking;
10. Any other matter the Task Force considers relevant to recovery housing residences.

Membership

The Task Force is to consist of the following 16 members or their designees:

- Two members of the House of Representatives, one each appointed by the Speaker of the House of Representatives and Minority Leader of the House of Representatives;
- Two members of the Senate, one each appointed by the President of the Senate and Minority Leader of the Senate;
- The Director of Behavioral Health;
- The Director of Health;
- The Medicaid Director;
- The Director of Public Safety;
- The Attorney General;
- The Inspector General;
- The chief executive officer of the Ohio Prosecuting Attorneys Association;
- The chief executive officer of the Ohio Association of County Behavioral Health Authorities;
- The chief executive officer of the Ohio Council of Behavioral Health and Family Services Providers;
- The chief executive officer of the Ohio Alliance of Recovery Providers;
- The chief executive officer of Ohio Recovery Housing;
- The chief executive officer of Oxford House.

Meetings

Within 30 days after the bill's effective date, the Task Force must hold its first meeting and select a chairperson. Thereafter, meetings are to be held as frequently as the chairperson considers necessary for the Task Force to complete its duties.

Report

Within one year after its first meeting, the Task Force is required to prepare a report on its findings and recommendations. On completion, copies of the report must be submitted to the General Assembly. At that point, the Task Force will cease to exist.

COMMUNITY ADDICTION SERVICES PROVIDERS

Disclosure of services being offered

The bill requires full disclosure by a community addiction services provider of the specific services the provider offers.²⁸ The disclosure requirement applies in both of the following circumstances:

- When a potential service recipient or the individual's representative contacts the provider for information about the services;
- When the provider issues any advertisements or other solicitations.

Information and assistance for self-released inpatients

The bill requires a community addiction services provider that operates an inpatient facility to provide information and assistance when an individual, against the advice of treatment providers, chooses to leave the facility. Specifically, the provider must do both of the following:²⁹

- Provide information on any transportation services that are available to enable the individual to return to the area where the individual's primary residence was located;
- Make every effort reasonably possible to assist the individual in finding other addiction services and recovery supports.

In fulfilling these requirements, the provider must ensure that the information or assistance is safe and therapeutically appropriate for the individual.³⁰

Response to noncompliance with court-ordered treatment

Notices

The bill expands the notification requirements that apply when an individual fails to undergo or complete addiction treatment that has been ordered by a court. Currently, the treatment provider – which may be a community addiction services provider or an individual

²⁸ R.C. 5119.365(B).

²⁹ R.C. 5119.369(A).

³⁰ R.C. 5119.369(B).

practitioner – must notify the probate court that issued the order. The bill requires that the following also be notified:³¹

- The prosecuting attorney of the county where the probate court is located and, if different, the prosecuting attorney of the county where the intended patient’s residence is located;
- The law enforcement agency with primary jurisdiction over the area where the intended patient’s treatment services were to begin or were being provided and, if different, the law enforcement agency with primary jurisdiction over the area where the patient’s residence is located;
- The intended patient’s legal guardian, if any and if known, and the patient’s spouse, parents, or nearest relative or friend.

For all cases, however, the bill specifies that the notice may be given only if state and federal laws on privacy of health information are not violated.

Detention and transport

The bill expands the results that may occur when a court issues a summons directed at an individual who fails to undergo or complete court-ordered addiction treatment. Currently, if an individual does not appear at the time and place specified in the summons, the court may order a peace officer to transport the individual to a community addiction services provider or other treatment provider. The bill further authorizes the court to order a peace officer to detain the individual as the first measure to be taken before transporting the individual.³²

Regarding transportation, the bill grants the court the option of ordering a peace officer to transport the individual to the area where the individual’s residence is located. The bill maintains a provision requiring that the cost of the transport be included in the costs of the individual’s treatment, but to address circumstances when no treatment has been provided, the bill requires that the transportation costs be paid by the probate court that ordered the treatment.

DETERMINATIONS OF RESIDENCY

Relocation of statutes

The bill relocates the statutes that describe the meaning of “residency” under the addiction and mental health service laws administered by the Department. The substance of the statutes is retained, but in place of a definitional approach, the bill describes the provisions as criteria to be used whenever an individual’s residency is determined in connection with eligibility

³¹ R.C. 5119.94(D)(2)(a).

³² R.C. 5119.94(D)(2)(b).

for and receipt of services. Establishing an individual's county of residence remains a primary consideration.³³

Under the relocated statutes, ADAMHS boards remain prohibited from using residency as a basis for denying services. The boards also remain responsible for providing services to an individual while residency is being investigated and while facing an emergency.³⁴

Collaboration with Medicaid

In addition to maintaining the procedures for determining residency, the bill addresses issues that may also involve Medicaid. If a dispute over residency is referred to the Department for investigation and determination, but the case involves Medicaid coverage, the bill requires the Department to collaborate with the Department of Medicaid.³⁵

HISTORY

Action	Date
Introduced	02-04-25
Reported, H. Community Revitalization	02-18-26
Passed House (92-0)	02-25-26

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³³ R.C. 5119.01(A)(19) and 5119.02(A).

³⁴ R.C. 5119.02(C).

³⁵ R.C. 5119.02(B). For information on residency requirements that apply under Medicaid, see R.C. 5160.29, not in the bill.