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S.B. 137
136th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsor: Sen. Johnson

Local Impact Statement Procedure Required: No

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Highlights

- The bill requires, with some exceptions, hospitals to provide overdose reversal drugs to patients who presented to the emergency department for adverse events related to opioid use. Many hospitals may currently provide these medications to at-risk individuals. Any government-owned hospitals that do not would realize costs to do so. However, the bill permits hospitals to seek insurance or Medicaid reimbursement, which would reduce at least some of these costs.
- The bill also requires the Ohio Department of Mental Health and Addiction Services to provide overdose reversal drugs to hospitals if adequate funds are available.

Detailed Analysis

The bill requires hospitals to provide overdose reversal drugs, such as naloxone, to patients who presented to the emergency department for adverse events related to opioid use, with some exceptions. The bill permits a hospital, that purchases its own supply of these drugs, to seek insurance or Medicaid reimbursement for providing overdose reversal to patients. The bill requires hospitals that provide overdose reversal drugs to patients to prepare and submit reports to the Ohio Department of Health (ODH) and the Ohio Department of Mental Health and Addiction Services (OhioMHAS). The bill also requires OhioMHAS to provide overdose reversal drugs to hospitals if adequate funds are available.

Fiscal impact

Government-owned hospitals could realize costs to provide overdose drugs and to prepare reports regarding distribution of these drugs. However, many factors impact the cost associated with this requirement. First, it appears that many hospitals may already provide overdose reversal drugs to individuals specified by the bill. Second, the bill permits hospitals to

seek insurance or Medicaid reimbursement for providing these drugs. Therefore, government-owned hospitals would be reimbursed for at least a portion of costs associated with any drugs prescribed. Lastly, there may be resources that government-owned hospitals could use to help acquire these drugs. The Project Dawn Network, which is coordinated by ODH, has over 221 programs registered in Ohio. These programs distribute naloxone, fentanyl test strips, and provide training to prevent opioid overdose. Many Project Dawn programs partner with other entities. Partnership and distribution settings include emergency departments, correctional facilities, among others. For instance, the Ohio State Medical Center has partnered with Project Dawn to provide training and free naloxone kits at their hospital pharmacy locations. If this resource was available to other government-owned hospitals, this might reduce associated costs.

As mentioned previously, the bill requires OhioMHAS to provide overdose reversal drugs to hospitals if adequate funds are available. The bill does not specify what funding source OhioMHAS would use or the amount that might be available. Moneys from federal Fund 3HB1 line item 336644, State Opioid Response, have been, and are currently being, used to distribute overdose reversal drugs. Assuming these funds are still available in the future for this purpose, this would help decrease costs to government-owned hospitals. OhioMHAS may experience information technology costs to set up a system to track and manage orders from hospitals. Additionally, OhioMHAS may have to pay delivery costs for the naloxone sent to hospitals.