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Senate Bill 578 (as introduced 6-30-21)
Sponsor: Senator Winnie Brinks
Committee: Health Policy and Human Services

(Senate-passed version)

Date Completed: 6-9-22

CONTENT

The bill would amend the Public Health Code to allow the Chief Medical Executive to issue a standing order for the purpose of a community-based organization or a staff member of the organization distributing opioid antagonists to individuals.

Section 17744e of the Code allows the Chief Medical Executive in the Office of Chief Medical Executive created within the Department of Health and Human Services (DHHS) to issue a standing order that does not identify particular patients when it is issued for the purpose of a pharmacist dispensing opioid antagonists to individuals. ("Opioid antagonist" means naloxone hydrochloride or any other similarly acting and equally safe drug approved by the United States Food and Drug Administration for the treatment of drug overdose.)

Under the bill, the Chief Medical Executive also could issue a standing order that did not identify particular patients when it was issued for the purpose of a community-based organization or a staff member of the organization distributing opioid antagonists to individuals. "Community-based organization" would mean a public or private organization that provides health or human services to meet the needs of a community, including a nonprofit organization, a social service provider, or an organization providing substance use disorder prevention, treatment, recovery, or harm reduction services. The term would not include an agency as that term is defined in the Administration of Opioid Antagonists Act (i.e., a governmental agency).

Generally, a pharmacist may dispense an opioid antagonist to an individual under a standing order issued as described above and rules promulgated under Section 17744e. Under the bill, this also would apply to a community-based organization or a staff member of the organization.

The Chief Medical Executive who issues a standing order for an opioid antagonist or a pharmacist who dispenses an opioid antagonist under a standing order is not liable in a civil action for damages resulting from the dispensing of an opioid antagonist or the administration of or failure to administer the opioid antagonist. Under the bill, this also would apply to a community-based organization that, or a staff member of the organization who, distributed the opioid antagonist as authorized under the bill.

Section 17744e requires the Department of Licensing and Regulatory Affairs (LARA), in consultation with the DHHS, to promulgate rules regarding dispensing, training, and referral to implement Section 17744e. Instead, under the bill, LARA, in consultation with the DHHS, *could* promulgate rules regarding dispensing, training, *distribution*, and referral to implement Section 17744e.

MCL 333.17744e

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have an indeterminate, but likely minor fiscal impact on the Department of Licensing and Regulatory Affairs, and local units of government. Under the bill, LARA would be allowed to promulgate rules regarding the distribution of opioid antagonists by community-based organizations under a standing order. The cost to promulgate rules would depend largely on their complexity and if LARA promulgated those rules. Those costs would be borne by existing LARA resources.

Additionally, the bill would have an indeterminate fiscal impact on the DHHS. Opioid antagonists are covered under the State's Medicaid program. To the extent that the bill would increase use of these prescription drugs, the State would face increased costs. If increased access to opioid antagonists resulted in a reduction in covered visits to hospitals for treatment of the effects of a drug overdose, the State could see a reduction in Medicaid costs that could partially or completely offset the costs related to increased use. The same cost impacts also would be reflected in health care costs for State and local governmental employees.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.