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Joint Informational Hearing
Senate Public Safety and Health Committees
Fentanyl and the Ongoing Opioid Crisis:
Public Safety and Public Health Perspectives
February 27, 2023 – 9:30 a.m.
1021 O Street, Room 1200

This hearing of the Senate Public Safety and Health Committees will focus on the state’s ongoing efforts to address and respond to the opioid crisis from both public safety and public health perspectives. Evaluations of existing programs indicate that significant progress has been made in lowering the number of opioid-related overdose deaths and expanding access to treatment and services for those who experience, or are at risk of experiencing, a substance use disorder (SUD).¹ Two such programs include the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver—initially a five-year demonstration project approved in 2015 and now approved for extension until December 31, 2026, by the Centers for Medicare and Medicaid Services (CMS)—and the Medication-Assisted Treatment (MAT) Expansion Project, which are both administered by the Department of Health Care Services (DHCS). However, there continue to be challenges, particularly with the rise in youth overdose deaths due to synthetic opioids, such as fentanyl-laced pills. For this informational hearing, the Committees will hear testimony from researchers at the University of California, Los Angeles, about trends and statistics regarding fentanyl and opioid use, and about some of DHCS’s projects and their outcomes. Leaders in the public safety realm will discuss current law and penalties related to the sale and distribution of opioids, with a focus on how current laws are used to address and deter illegal activity. Finally, the Committees will hear from DHCS; the California Department of Public Health (CDPH), which has received separate state and federal funding to help address the opioid crisis; and a county representative, who will focus on how the state’s efforts and progress throughout the years have helped to address the problem, as well as give an overview of how the state’s programs actually work at the local level.

¹ <https://www.uclaisap.org/dmc-ods-eval/assets/documents/20220422-DMC-ODS-FY-2021-Evaluation-Report-with-Appendices.pdf>

Background

The opioid epidemic continues to be a national crisis, with some experts warning of a next wave involving synthetic opioids even stronger than fentanyl that are already being used in some parts of the nation. While general rates of opioid-related overdoses and deaths have been lower in California compared to the rest of the nation, some areas of the state, particularly rural regions, are experiencing rates that are higher than the overall overdose and death rates of some of the hardest hit areas in the nation. According to CDPH, based on final 2021 data and early 2022 data, there were 7,175 opioid-related overdose deaths in California; 5,961 of these deaths were related to fentanyl. In 2021, there were 236 fentanyl-related overdose deaths among teens aged 15-19 years old in California. Such statistics have led to a focus on preventing teen access to and use of synthetic opioids, prompting CDPH and the California Department of Education to create a Fentanyl Awareness and Prevention toolkit.

In 2021, Californians received about 14.8 million opioid prescriptions, a marked drop from about 21.8 million in 2017. Opioids are a class of narcotic drugs that include medications such as hydrocodone, oxycodone, morphine, and codeine. Taken as prescribed, opioids can be used to manage pain safely and effectively. However, opioids may also produce other effects. According to the National Institute on Drug Abuse (NIDA), some individuals experience a euphoric response to opioid medications since these drugs affect the regions of the brain involving reward response. NIDA states that those who abuse opioids may seek to intensify their experience by taking the drug in ways other than those prescribed. For example, OxyContin is an oral medication used to treat moderate to severe pain through a slow, steady release of the opioid. However, people may crush or dissolve the drug in order to snort or inject it, thereby increasing the risk for serious medical complications. According to CDPH, in the past, opioids were prescribed to relieve acute, short-term pain. Today, they are increasingly being used for long-term, chronic pain management, which can contribute to addiction and lead to long term health consequences, including limitations in daily activity, impaired driving, mental health problems, trouble breathing, overdose, and death.

Historically, various barriers to treatment have contributed to the overdose epidemic, including a lack of access to providers authorized to treat SUDs; federal requirements on providers that treat patients with SUDs; and a lack of understanding of SUDs, accompanied by stigmatizing attitudes toward those with addictions. However, California has generally been at the forefront of addiction medicine and was an early adopter of the Hub and Spoke System (H&SS), which made MAT available in rural areas that lacked SUD treatment providers. California also pioneered a first-of-its-kind integrated delivery system, the DMC-ODS, which has helped to integrate SUD treatment into the rest of the health care delivery system. Those are examples of strategies that the American Medical Association and Manatt Health highlight in their document, “State Toolkit to End the Nation’s Drug Overdose Epidemic: Leading-edge Actions and Strategies to Remove Barriers to Evidence-based Patient Care,” which focuses on increasing access to evidence-based treatment, ensuring access to addiction medicine, enforcing mental health and SUD parity laws, and expanding harm reduction efforts to reduce death and disease. Further, through the MAT Expansion Project, health care providers in both the emergency department (ED) and office-based settings have received assistance, training, and guidance in inducing patients to MAT to more quickly connect them to much-needed treatment services. Additionally, in a significant move at the federal level, the requirement for physicians interested in treating opioid use disorder (OUD) to submit a Notice of Intent (have a waiver) to prescribe medications, like buprenorphine,

for the treatment of OUD was removed in the beginning of 2023. All practitioners who have a current Drug Enforcement Agency registration that includes Schedule III authority may now prescribe buprenorphine for OUD in their practice if permitted by applicable state law, with no patient limits.

What is California doing?

DHCS has been a national leader by implementing innovative programs that have been either exclusive to or first-initiated in California. For example, through its MAT Expansion Project, DHCS aims to increase access to MAT, reduce unmet treatment need, and reduce opioid overdose related deaths through the provision of prevention, treatment, and recovery activities. The California MAT Expansion Project focuses on populations with limited MAT access, including youth, people in rural areas, and American Indian and Alaska Native tribal communities. According to its website,² to date, the project has assisted 140,000 new patients receive MAT services; distributed two million units of naloxone; reversed 131,000 overdoses; provided 20,000 new patients with treatment for stimulant use; and supported 30 individual projects with a total of 650 access points statewide. Examples of other projects include:

DMC-ODS

DMC-ODS began as a five-year pilot program approved by CMS in 2015 under the Section 1115 Bridge to Reform Demonstration Waiver to test a new method for the organized delivery of health care services for Medi-Cal-eligible individuals with an SUD. After its initial demonstration, CMS approved an expansion, and in December 2021 reauthorized the DMC-ODS in the California Advancing and Innovating Medi-Cal (CalAIM)³ Section 1915(b) waiver through December 31, 2026, alongside the state's other Medi-Cal delivery systems: Medi-Cal managed care, dental managed care, and Specialty Mental Health Services. Elements of the DMC-ODS include providing a continuum of care modeled after the American Society of Addiction Medicine (ASAM) criteria for SUD treatment services; increased control and accountability; greater administrative oversight; utilization controls to improve care and efficient use of resources; evidence-based practices in SUD treatment; and, increased coordination with other systems of care. "Continuum of care" refers to a treatment system in which clients enter treatment at a level appropriate to their needs and then step up to more intense treatment, or down to less intense treatment, as needed. These levels include: early intervention services; outpatient services; intensive outpatient/partial hospitalization services; residential/inpatient services; and, medically managed intensive inpatient services.

H&SS

The federal government has responded to the opioid crisis by awarding billions of dollars since 2017 in the form of opioid-related grants to states to support a comprehensive response to the

² <https://californiamat.org/>

³ CalAIM is a multi-year initiative by DHCS to improve the quality of life and health outcomes of the state's population by implementing broad delivery system, program, and payment reform across the Medi-Cal program. DHCS conducted broad stakeholder engagement to elicit county, provider, and beneficiary feedback on how to improve Medi-Cal programs, including DMC-ODS. As a result of that input, DHCS proposed CMS a set of updates to DMC-ODS, some of which CMS approved for the January – December 2021 extension period (see Information Notice 21-019, 21-020, 21-021, and 21-024), and others which will be effective January 2022, pending CMS approval. The pending policy guidance updates and replaces the Special Terms and Conditions used to describe the DMC-ODS program for the years 2015-2020.

epidemic and to expand access to treatment and recovery support services. This program was modeled after the Vermont H&SS, which successfully increased access to MAT in a rural state with little treatment infrastructure. In California, the H&SS has increased the availability of MAT for patients with OUD by increasing the total number of physicians, physician assistants, and nurse practitioners prescribing buprenorphine. The H&SS consists of narcotic treatment programs, which are referred to as “hubs” and serve as experts in treating OUD, as well as office-based treatment settings, which are referred to as “spokes” and provide ongoing care and maintenance treatment. California has received grants that are administered by DHCS. The State Targeted Response (STR) to the Opioid Crisis grant was received in 2017 for a period between May 2017 and April 2019. The \$90 million STR grant supported DHCS’s MAT Expansion Project 1.0, which included the H&SS, the Tribal MAT project, and various prevention and treatment activities. The State Opioid Response (SOR) grant was received in 2018 for a period between September 2018 and September 2020. The \$140 million SOR grant supported DHCS’s MAT Expansion Project 2.0.⁴ California is currently implementing the SOR III grant from the Substance Abuse and Mental Health Services Administration. Many SOR III programs are continuing efforts from the prior Fiscal Year 2018 and 2020 State Targeted Response (STR) and SOR grants.

Youth Opioid Education and Awareness and Fentanyl Education and Awareness Campaign
CDPH is developing and implementing a \$40.8 million statewide opioid overdose prevention and education media program that will include media and public awareness campaigns and a robust evaluation to monitor the success of the campaigns in increasing public awareness and supporting behavior change. The campaign has three primary aims and audiences:

- To prevent substance use and raise awareness of fentanyl contamination among youth and young adults (ages 16-21);
- To prevent overdose and overdose death among young adults using a harm reduction lens (ages 20-35); and,
- To raise awareness among families and communities, empowering them to respond to the overdose epidemic with life-saving solutions and strategies.

CDPH has selected a media agency partner, Duncan Channon, Inc., to support the media campaigns. The anticipated contract period is March 1, 2023, through June 30, 2025. Given the urgency of the overdose crisis, CDPH and Duncan Channon plan to have initial messages launched in May 2023, with the full media campaign launched in Fall 2023. The campaign will engage local communities to amplify core campaign messages; provide communities, families, and mentors with the information they need to support youth; and, lift up local personal success stories.

MAT in Jails and Drug Courts

According to DHCS, the goal of this project is to increase access to MAT in county jails and drug courts while also building county capacity to effectively respond to individuals with justice system involvement with OUD and other SUDs. The ultimate goal of the Learning Collaborative is for Jail MAT county teams to commit to increasing access to at least two forms of the three FDA-approved medications for treatment of OUD in their jails and drug courts. The technical

⁴ https://www.dhcs.ca.gov/services/Documents/MAT2.0_SAC.pdf

assistance model works from the basis that each county starts at a different point in access to MAT and will progress in accordance with their resources and priorities. The project brings together county teams in a learning collaborative with the objective to improve coordination among all county agencies and providers who serve justice-involved county residents and to develop bridges to further build system capacity to ensure access to effective treatment and recovery supports.

Naloxone Distribution Project (NDP)

The NDP aims to reduce opioid overdose deaths through the provision of free naloxone. Entities can apply to DHCS to have naloxone shipped directly to their address. Eligible entities include:

- Law enforcement such as police departments, county jails and probation;
- Fire, EMS and first responders;
- Schools and universities;
- County public health and behavioral health departments; and,
- Community organizations, such as harm reduction organizations or community opioid coalitions.

CA Bridge Program

CA Bridge is seeking to disrupt the addiction treatment landscape by ensuring that every hospital in California provides 24/7 access to evidence-based care, treating SUD like any other life-threatening condition. CA Bridge is working with hospital EDs to provide immediate access to MAT to anyone seeking help. CA Bridge launched at 52 hospitals in 2018 with a grant from the MAT Expansion Project. In 2020, a state appropriation of \$20 million extended funding to 206 hospitals as part of the Behavioral Health Pilot Project. In the spring of 2022, a new appropriation of \$40 million launched the CalBridge Behavioral Health Navigator Program to enable all 330 hospital EDs to provide 24/7, high-quality care to people with SUDs.

Tribal MAT Project

The Tribal MAT Project was designed to meet the specific OUD prevention, treatment, and recovery needs of California's Tribal and Urban Indian communities. In close partnership with representatives of the communities served, DHCS developed the project to promote opioid safety, improve the availability and provision of MAT, and facilitate wider access to naloxone with special consideration for Tribal and Urban Indian values, culture, and treatments. The Tribal MAT Project is focused on sharing knowledge among Tribal and Urban Indian communities, Tribal and Urban Indian health programs, and community-based partners on best practices for prevention, treatment, and recovery from OUD, stimulant use disorders, and other co-occurring SUDs in California Indian Country.

Legislative Action

Over the past several years, the Legislature has introduced a myriad of bills to help address the opioid crisis in California. These bills range from licensing and treatment requirements to prescription drug misuse and overdose prevention, safe storage issues, and expansion of availability of overdose reversal medications. A sampling of the bills enacted include:

- SB 367 (Hurtado, Chapter 218, Statutes of 2022) requires the governing board of each community college district and the Trustees of the California State University, in collaboration with campus-based and community-based recovery advocacy organizations, to provide educational and preventive information provided by CDPH about opioid overdose and the use and location of opioid overdose reversal medication to students at all campuses, as well as to distribute a federally approved opioid overdose reversal medication, as specified.
- SB 864 (Melendez, Chapter 169, Statutes of 2022) requires, until January 1, 2028, a general acute care hospital to include a urine drug screening, as defined, for fentanyl if a person is treated at the hospital and the hospital conducts a urine drug screening to assist in diagnosing the patient's condition.
- SB 1259 (Laird, Chapter 245, Statutes of 2022) authorizes pharmacists to furnish an opioid antagonist approved by the federal Food and Drug Administration (FDA), rather than just naloxone hydrochloride, subject to completion of continuing education on the use of opioid antagonists.
- AB 1598 (Davies, Chapter 201, Statutes of 2022) excludes from prohibitions in existing law for possession of certain controlled substances any testing equipment that is designed, marketed, used, or intended to be used to analyze a substance for the presence of fentanyl, ketamine, gamma hydroxybutyric acid, or any analog of fentanyl.
- AB 2365 (Patterson, Chapter 783, Statutes of 2022) requires, until January 1, 2027, the California Health and Human Services Agency to establish a grant program to reduce fentanyl overdoses and use throughout the state by giving out six one-time grants to increase local efforts in education, testing, recovery, and support services, as specified.
- AB 2585 (McCarty, Chapter 160, Statutes of 2022) makes findings and declarations, including that the health care system should encourage the use of evidence-based nonpharmacological therapies for pain management.
- AB 381 (Davies and Petrie-Norris, Chapter 437, Statutes of 2021) requires DHCS-licensed adult alcoholism or drug abuse recovery or treatment facilities (RTF), at all times, to maintain at least 2 unexpired doses of naloxone hydrochloride, or any other opioid antagonist that is approved by the FDA for treatment of an opioid overdose, on the premises and have at least one staff member on the premises who knows the specific location of the naloxone hydrochloride, or other opioid antagonist, and who has been trained to administer it, as specified.
- SB 855 (Wiener, Chapter 151, Statutes of 2020) expands California's mental health parity law with broader requirements on health plans and disability insurers to cover medically necessary treatment of mental health and SUDs under the same terms and conditions applied to other medical conditions; establishes new requirements for medically necessary care determinations and utilization review; and bans discretionary clauses in health plan contracts.

- AB 2077 (Ting, Chapter 274, Statutes of 2020) extends until January 1, 2026, the authority of a physician or pharmacist to, without a prescription or permit, furnish hypodermic needles and syringes for human use to a person 18 years of age or older, and the authority of a person 18 years of age or older to, without a prescription or license, obtain hypodermic needles and syringes solely for personal use from a physician or pharmacist.
- SB 823 (Hill, Chapter 781, Statutes of 2018), requires DHCS to adopt the ASAM treatment criteria, or an equivalent evidence-based standard, as the minimum standard of care for DHCS-licensed RTFs.
- SB 992 (Hernandez, Chapter 784, Statutes of 2018) makes various changes to current law for RTFs to improve client treatment, including prohibiting RTFs from discharging or denying admission to clients based solely on them having a valid prescription for MAT.
- AB 1751 (Low, Chapter 478, Statutes of 2018), provides a framework for the Controlled Substance Utilization Review and Evaluation Systems' Prescription Drug Monitoring Program to connect with other states that comply with California's patient privacy and data security standards.
- AB 2086 (Gallagher, Chapter 274, Statutes of 2018), allows prescribers of controlled substances to review a list of patients for whom they are listed as being the prescriber.
- AB 2256 (Santiago, Chapter 259, Statutes of 2018), authorizes a pharmacy or wholesaler to furnish naloxone or other opioid antagonists to law enforcement agencies, under specified conditions.
- AB 2487 (McCarty, Chapter 301, Statutes of 2018), adds opioid addiction training as a continuing medical education requirement for certain physicians in order to increase the availability of buprenorphine treatment.
- AB 2760 (Wood, Chapter 324, Statutes of 2018), requires a prescriber of opioids to offer a co-prescription of naloxone to a patient identified as being at risk for opioid-related overdose based on the presence of specified conditions.
- AB 2789 (Wood, Chapter 438, Statutes of 2018), requires that by 2022 all prescriptions be submitted electronically, with limited exceptions.
- AB 2859 (Caballero, Chapter 240, Statutes of 2018), increases safe storage practice requirements to prevent access to prescription drugs in the home by children and adolescents.
- AB 395 (Bocanegra, Chapter 223, Statutes of 2017), modifies, among other things, the specific controlled substances authorized for use in narcotic replacement therapy to include MAT.
- AB 1748 (Mayes, Chapter 557, Statutes of 2016), authorizes school nurses and other trained personnel to use naloxone or another opioid antagonist to provide emergency medical aid to

persons suffering, or reasonably believed to be suffering, from an opioid-related overdose. AB 1748 also authorized pharmacies to furnish naloxone, without a prescription, to a school district, county office of education, or charter school.

- AB 1535 (Bloom, Chapter 326, Statutes of 2014), authorizes pharmacists to furnish naloxone without a prescription, pursuant to standardized procedures developed by the California Board of Pharmacy and the Medical Board of California.

Conclusion

This joint informational hearing presents an opportunity for the Legislature, stakeholders, and the public to hear about the progress made in addressing the opioid crisis through projects that, according to evaluations, have provided critical and life-saving services for those with SUDs throughout the state. While there continue to be challenges, it appears that some significant progress has been made in addressing the opioid-related overdose and death rates, including innovative service delivery projects to provide services for historically hard-to-treat patients. Through the myriad of existing direct-service projects administered by DHCS through the MAT Expansion Project, as well as the prevention and educational campaigns being launched by CDPH, California has an opportunity to improve SUD services in the future.