



NEWS ALERT

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For Immediate Release: Thursday, March 22, 2018

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Senator Lara Introduces Bill to Stop Abuse of Patients in Recovery from Opioid and Substance Use and Fight Insurance Fraud

Substance Use Disorder Patient Protection Act (Senate Bill 1228) will ban “patient brokering” and raise standards for treatment of addiction

SACRAMENTO, CA – Today Senator Ricardo Lara (D-Bell Gardens) took a major step toward rooting out insurance fraud and improving care for patients in recovery from addiction with the introduction of the Substance Use Disorder Patient Protection Act, Senate Bill 1228.

The need for quality recovery services in California has grown, driven by the opioid crisis and changes in federal law that require insurance coverage of substance use disorders. The opioid epidemic claimed 1,925 lives in California in 2016, and drug and opioid overdoses are in the top 20 causes of death statewide. Excessive alcohol use claims approximately 2,100 lives [per year](#).

Yet only 1 in 5 people who need treatment for opioid use disorders currently receive it, according to the U.S. Surgeon General.

“California needs to raise the bar for patient care and protect people in recovery from patient brokering, where quality care takes a backseat to profits and insurance fraud,” said Senator Ricardo Lara. **“We are starting to break through the stigma and meet the need for recovery from opioids, alcohol, and other substances. California has to watch out for desperate families and patients so low-quality care and shady businesses don’t make them repeat victims of the opioid and substance use crisis.”**

SB 1228 will prohibit recovery programs licensed by the state of California from engaging in patient brokering.

Patients have been recruited with the offer of [cash payments or drugs](#). Patients with acute medical needs have even [died after being referred](#) to facilities that did not meet their needs. Insurance fraud and overbilling for medical services can result from patient brokering.

Several states including Florida and New York have banned patient brokering.

SB 1228 requires licensed recovery programs to refer patients only to certified facilities that meet high standards of patient care and protect patients from physical, sexual or financial abuse.

SB 1228 also requires that certified recovery facilities provide access to life-saving overdose-prevention measures available without a prescription, such as naloxone.

Recovery facilities must also maintain nondiscrimination rules and staff cultural competence; keep a resident code of conduct; report patient deaths; and develop transparent policies and consumer protections including a written contract specifically describing services to be provided.

The patient advocacy group Recovery Reform Now is the sponsor of SB 1228.

Ryan Hampton, a recovery advocate at Recovery Reform Now, person in recovery from a substance use disorder, and Pasadena resident recently [testified at the White House](#) about the need in California.

“I know how incredibly lucky I am to have made it out of this crisis alive, but I also know that recovery and access to recovery supports should never be about luck,” Hampton said. “Since we know that the first five years of someone’s recovery are the most important, how can we support people through the full continuum of care specifically when it comes to stable, qualified and ethical recovery housing and residences?”

SB 1228 standards of care are consistent with those recommended by the [National Association of Recovery Residences](#) and other groups

SB 1228 will be heard in a Senate policy committee.

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