

## LICENSURE OF SUBSTANCE USE DISORDER SERVICES

Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**House Bill 4833 (proposed substitute H-2)**

**Sponsor: Rep. Ranjeev Puri**

**Committee: Health Policy**

**Complete to 12-4-24**

Analysis available at  
<http://www.legislature.mi.gov>

### SUMMARY:

House Bill 4833 would amend Part 62 (Substance Abuse Services) of the Public Health Code to remove a requirement that a person providing substance use disorder prevention services must be licensed under the part. A person offering substance use disorder treatment and rehabilitation services would still need to be licensed, with exceptions as described below.

**Currently**, a person cannot establish, conduct, or maintain a *substance use disorder services* program unless it is licensed under Part 62 or is either of the following:

- A person that is otherwise licensed to provide psychological, medical, or social services.
- A private, nonprofit organization that meets all of the following:
  - It is exempt under section 501(c)(3) of the Internal Revenue Code.
  - It has been in existence since before September 30, 1965.
  - Its major purpose is to provide residential services for the redirection and improvement of drug abusers and other character disordered individuals.

*Substance use disorder services* means either or both of the following:

- *Substance use disorder prevention services*, which means services that are intended to reduce the consequences of *substance use disorders* in communities by preventing or delaying the onset of substance abuse and that are intended to reduce the progression of substance use disorders in individuals. Substance use disorder prevention is an ordered set of steps that promotes individual, family, and community health, prevents mental and behavioral disorders, supports resilience and recovery, and reinforces treatment principles to prevent relapse.
- *Substance use disorder treatment and rehabilitation services*, which means providing identifiable recovery-oriented services, including the following:
  - Early intervention and crisis intervention counseling services for individuals who are current or former individuals with substance use disorder.
  - Referral services for individuals with substance use disorder, their families, and the general public.
  - Planned treatment services, including chemotherapy, counseling, or rehabilitation for individuals physiologically or psychologically dependent on or abusing alcohol or drugs.

*Substance use disorder* means chronic disorder in which repeated use of alcohol, drugs, or both, results in significant and adverse consequences. Substance use disorder includes substance abuse, which means the taking of alcohol or other drugs at dosages

that place an individual's social, economic, psychological, and physical welfare in potential hazard or to the extent that an individual loses the power of self-control as a result of the use of alcohol or drugs, or while habitually under the influence of alcohol or drugs, endangers public health, morals, safety, or welfare, or a combination of those things.

**Under the bill**, except as described below, a person could not establish, conduct, or maintain a substance use disorder services program that offers any service that is a *substance use disorder treatment and rehabilitation service* unless it is licensed under Part 62.

A license under Part 62 would not be required to provide *substance use disorder prevention services*.

A license under Part 62 would not be required by any of the following:

- A person that is otherwise licensed to provide psychological, medical, or social services.
- A hospital licensed under Article 17 of the Public Health Code.
- A psychiatric hospital or psychiatric unit licensed under section 134 of the Mental Health Code.

The bill would change references in Part 62 to licensure of a substance use disorder services program so that they would apply only to the licensure of *substance use disorder treatment and rehabilitation services*.

Finally, the bill would remove a provision that now requires the Department of Licensing and Regulatory Affairs (LARA), before issuing a license to an applicant under Part 62, to provide an opportunity for individuals in the applicant's service delivery area to comment.

MCL 333.6233

#### **FISCAL IMPACT:**

House Bill 4833 would likely result in reduced revenue for the Department of Licensing and Regulatory Affairs. LARA estimates that the elimination of duplicative licensure requirements and other changes made by the bill would result in a revenue reduction of approximately \$70,000 annually, which would impact the Health Systems Fees state restricted fund.

Legislative Analyst: Rick Yuille  
Fiscal Analyst: Una Jakupovic

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.