

ARIZONA STATE SENATE

Fifty-Sixth Legislature, Second Regular Session

AMENDED FACT SHEET FOR S.B. 1677

firefighters; peace offices; PTSD; therapy

Purpose

Conditionally upon the U.S. Food and Drug Administration (FDA) approval of midomafetamine, or MDMA, for treatment of post-traumatic stress disorder (PTSD) by December 31, 2025, authorizes workers' compensation coverage to include one complete course of MDMA treatment for firefighters and certified peace officers diagnosed with PTSD, if certain requirements are met. Prescribes treatment stipulations and reporting requirements.

Background

The Industrial Commission of Arizona administers workers' compensation laws and adjudicates workers' compensation claims. An injured employee, or a dependent of a deceased employee, is entitled to receive workers' compensation for an accident arising out of and in the course of employment (A.R.S. § 23-921).

Midomafetamine, or MDMA, is a synthetic drug that alters mood and perception and is chemically similar to both stimulants and hallucinogens. MDMA increases the activity of dopamine, norepinephrine and serotonin in the brain and its effects last about three to six hours. MDMA is currently in clinical trials as a possible treatment aid for PTSD, anxiety in terminally ill patients and for social anxiety in autistic adults (National Institute on Drug Abuse). In early 2024, the FDA accepted a new drug application for midomafetamine capsules to be used in conjunction with psychological intervention to treat PTSD.

The Joint Legislative Budget Committee (JLBC) fiscal note on S.B. 1677 estimates that requiring payment of MDMA-assisted therapy for firefighters and certified peace officers would increase workers' compensation coverage costs depending on the number of eligible firefighters and peace officers and the cost per patient (<u>JLBC Fiscal Note</u>).

Provisions

- 1. Requires the ICA, on notification from DHS, to assign reimbursement values in its schedule of fees and publish guidelines on billing and reimbursement practices for MDMA.
- 2. Requires an employer to provide workers' compensation coverage to firefighters and certified peace officers who have been diagnosed with PTSD by a licensed mental health professional and who have accepted a workers' compensation claim for PTSD.
- 3. Stipulates that, if an independent medical examination reveals a treatment protocol of MDMA is deemed reasonable and necessary treatment and follows the treatment guidelines established

by the ICA, workers' compensation coverage may include one complete course of a treatment protocol of MDMA as prescribed by a psychiatrist.

- 4. Requires MDMA to meet statutory controlled substance requirements.
- 5. Requires, by January 1, 2026, the ICA to submit an annual report to JLBC on the costs of MDMA treatment for firefighters and certified peace officers.
- 6. Defines *treatment protocol of MDMA* as a process of treatment that has received FDA approval for PTSD and uses MDMA in conjunction with therapy sessions.
- 7. Conditions the enactment of this legislation on FDA approval of the use of MDMA for PTSD treatment by December 31, 2025.
- 8. Requires, by February 2, 2026, the Department of Health Services to notify the Director of the Arizona Legislative Council and the Director of the ICA of the date on which the conditional enactment was met, or that the conditional enactment was not met.
- 9. Defines terms.
- 10. Becomes effective on the general effective date or later, subject to the provisions of the conditional enactment.

Amendments Adopted by Committee of the Whole

- 1. Requires the ICA to consider whether to incorporate MDMA into the ICA's treatment guidelines and, if included, requires the ICA to include MDMA in its schedule of fees.
- 2. Allows firefighters and peace officers to receive one treatment protocol of MDMA, as prescribed, during the course of their employment through either workers' compensation coverage or as part of the state's or state political subdivision's traumatic counseling program.
- 3. Specifies that a firefighter or certified peace officer must be diagnosed with PTSD by a licensed mental health professional and must have an accepted worker's compensation claim for PTSD to qualify for potential workers' compensation coverage for MDMA treatment.
- 4. Requires, beginning January 1, 2026, the ICA to submit an annual report to JLBC on the costs of MDMA treatment.
- 5. Requires the state to include in an established traumatic counseling program for peace officers and firefighters exposed to a traumatic event and who have been diagnosed with PTSD by a licensed mental health professional coverage for one treatment protocol of MDMA as prescribed by a psychiatrist if a psychiatrist deems the treatment reasonable and necessary.
- 6. Specifies that the psychiatric treatment supplants licensed counseling visits.
- 7. Requires treatment of MDMA to comply with treatment guidelines and the schedule of fees established by ICA and requires MDMA to meet statutory controlled substance requirements.

- 8. Requires costs associated with MDMA treatment to be reported to the ICA.
- 9. Requires a peace officer or firefighter participating in MDMA to notify their employer prior to beginning treatment and prescribes leave requirements.
- 10. Deems an employee eligible after the date the licensed mental health professional determines that the employee is not fit for duty if outlined circumstances are met.
- 11. Specifies that an employer's payment for MDMA does not establish a presumption that a claim is compensable under statute.
- 12. Defines terms.
- 13. Makes technical and conforming changes.

Amendments Adopted by the House of Representatives

- 1. Directs the ICA, on notification from DHS, to specifically assign reimbursement values in its schedule of fees and publish guidelines on billing and reimbursement practices for MDMA.
- 2. Removes the authorization for a firefighter or certified peace officer to receive one treatment protocol of MDMA as part of the state's or a political subdivision's traumatic counseling program, if certain criteria are met, and removes the related requirements.
- 3. Replaces use of the term *methylenedioxymethamphetamine-assisted therapy (MDMA-AT)* with the term *midomafetamine*.
- 4. Makes technical and conforming changes.

Senate Action				House Action			
FICO	2/12/24	DP	4-2-1	MAPS	3/18/24	DPA	15-0-0-0
APPROP	2/20/24	DP	7-2-1	3 rd Read	6/12/24		54-5-1

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