

## **Recovery Residences**

### *Section by Section Summary*

#### **Section 1**

Section 1 of the bill titles the legislation as the Stopping Addiction and Fostering Excellence (SAFE) Act.

#### **Section 2**

Section 2 of the bill amends the existing SAFE Act to keep only the municipal notice requirements relative to owning and operating an alcohol and drug abuse prevention and/or treatment facility.

#### **Section 3**

Section 3 of the bill amends the definition of “Alcohol and drug services” to be consistent in the use of the terminology “substance use disorder” throughout.

#### **Section 4**

Section 4 of the bill prohibits a treatment facility from referring drug tests to an out-of-network lab when an in-network lab is available, ordering or performing needless confirmatory testing, entering into a scheme with a third-party payor to limit services to a level below the needs of the patient, and requesting, receiving, or retaining payment for the aforementioned conduct. A violation of these prohibitions subjects the entity to suspension or revocation of the entity’s license and the imposition of civil penalties.

#### **Section 5**

Section 5 of the bill creates standards for recovery residences in Tennessee. Only approved recovery residences, those who have been certified by a nationally-recognized recovery residence standards organization or funded by a state or federal department or agency, will be eligible to receive referrals or state funding, subject to appropriations. Unapproved recovery residences will be required to post signage that they do not follow best practices. This section also prohibits recovery residences from engaging in kickback schemes and false advertising.

#### **Section 6**

Section 6 of the bill adds the new offenses created under Sections 4 and 5 of the bill to the list of unfair or deceptive acts prohibited by the Tennessee Consumer Protection Act.

#### **Section 7**

Section 7 of the bill adds recovery residences to the existing kickback provisions in Title 63.

#### **Section 8**

Section 8 of the bill adds recovery residences to the existing kickback provisions in Title 68.

#### **Section 9**

Section 9 of the bill is the effective date section (07/01/22).