

# Fiscal Note

**BILL #** SB 1677

**TITLE:** firefighters; peace officers; PTSD; therapy

**SPONSOR:** Gowan

**STATUS:** As Introduced

**PREPARED BY:** Ethan Scheider

## Description

The bill requires employers to provide workers' compensation coverage to firefighters and certified peace officers diagnosed with post-traumatic stress disorder (PTSD) for methylenedioxymethamphetamine (MDMA) assisted therapy as prescribed by a health care provider. The enactment of this legislation is conditional on FDA approval of MDMA-assisted therapy for the treatment of PTSD by December 31, 2025.

## Estimated Impact

We anticipate that the bill would increase the cost of the state's workers' compensation program by requiring payment of MDMA-assisted therapy for firefighters and certified peace officers. The cost will depend on the number of firefighters and peace offices found eligible for this therapy as well as the cost per patient.

## Analysis

The federal government has yet to approve the use of MDMA. There is currently one new drug application out to the U.S. Food and Drug Administration, which was submitted in December and is currently under review.

According to the National Center for Biotechnology Information at the National Institutes of Health, MDMA-assisted therapy would cost about \$11,537 per patient. This per-patient cost for MDMA-assisted therapy includes resources expended in administering the therapy as it was in phase three trials. The same study suggested that this therapy would result in substantial health care savings, but these savings were not delineated by government-financed health care and private health care.

Additionally, research from the journal of Occupational Health Psychology shows that about 20% of firefighters and other first responders experience PTSD at some point in their career, although it remains uncertain how many affected firefighters and peace officers would seek treatment and be prescribed MDMA-assisted therapy as a treatment.

A number of state agencies employ firefighters and certified peace officers, such as the Department of Forestry and Fire Management and the Department of Public Safety. All these agencies pay premiums into the Arizona Department of Administration Risk Management Fund for workers' compensation coverage.

The extent that the bill would increase workers' compensation coverage rates is dependent on the actual cost of MDMA-assisted therapy, whether the FDA approves the use of MDMA-assisted therapy, and the number of firefighters and certified peace officers that would be prescribed MDMA-assisted therapy by a health care provider.

## Local Government Impact

Workers' compensation coverage for MDMA-assisted therapy would be paid by the local governments that employ firefighters and certified peace officers who have been prescribed MDMA-assisted therapy.

3/4/24

