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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/30/09

SPONSOR Papen LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Dona Ana Crisis Triage Services SB 66/aSPAC

ANALYST Wilson

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$4,513.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$0.1	\$0.1		Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Corrections Department (CD)  
 Department of Finance & Administration (DFA)  
 Department of Health (DOH)  
 Human Services Department (HSD)  
 New Mexico Association of Counties (NMAC)

### SUMMARY

#### Synopsis of Senate Public Affairs Committee Amendment

The Senate Public Affairs Committee amendment is as follows:

- adds mental health in the title in order to clarify that the services are for those suffering from mental illness;
- the appropriation is moved from DFA to the Human Services Department; and
- clarifies that the services will be provided in Dona Ana County.

Synopsis of Original Bill

Senate Bill 66 appropriates \$4,513,000 from the general fund to the Local Government Division of DFA for expenditure in fiscal year 2010 to provide crisis triage, inpatient treatment and community-based services for individuals suffering from severe, chronic, uncontrolled mental illness.

**FISCAL IMPLICATIONS**

The appropriation of \$4,513,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

HSD provided the following:

The SJM34 Study Group Report submitted during the 2008 legislative session identified gaps in services for responding to psychiatric crises in Dona Ana County. That report recommended three priority community-based services. The funding recommended for all three services at that time was \$1,450,000.

This bill contains no cost basis and clarification is needed about whether the amount requested is wholly for operational expenses or is intended to combine both capital and operational needs.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

**SIGNIFICANT ISSUES**

The term “triage services” customarily means an urgent assessment of the psychiatric status of a patient to determine the best course of treatment. This bill does not define this term or specify what triage or community-based services are to be purchased. There is also no indication of the nature of the inpatient treatment services.

Dona Ana County and other local groups worked closely with staff from the Behavioral Health Services Division of the HSD over the past year to begin preparing longer term plans for an effective behavioral health crisis system in the area. SB 66 does not indicate which services of a crisis system for Dona Ana County would be funded by this appropriation.

Any such crisis residential service or facility would need to be carefully planned and implemented if it were include any medicaid billable services. It is critical that the proposed crisis triage not be in a facility that would preclude medicaid reimbursement or what portion of the request would be used for inpatient treatment.

The NMAC notes that the proposed solutions are community based and forwarded by an active community group representing the local collaborative, advocacy groups, providers and local government such as law enforcement and governmental departments.

## **ADMINISTRATIVE IMPLICATIONS**

DFA believes that the funding in this bill should be administered by the DOH. Both DFA and DOH should be able to handle the administration of this contract as part of ongoing responsibilities

## **OTHER SUBSTANTIVE ISSUES**

DOH provided the following:

Data from the 2004-2006 National Survey on Drug Use and Health (NSDUH) show that approximately 172,000 or 12.1% of New Mexico adults 18 years and older suffered from serious psychological distress (SPD) in the previous year. The prevalence of SPD in the Public Health Division's Region 5, the southeast part of the state, was 11.3%, which did not differ significantly compared to the rate of SPD in the other four public health regions of the state.

SPD is measured by a score of 13 or higher on the Kessler 6 (K6) questionnaire. Data from the K6 were previously used to measure serious mental illness (SMI). However, a methodology analysis done by the Office of Applied Studies, Substance Abuse and Mental Health Services Administration, raised concerns about the usefulness of the K6 in measuring SMI. Therefore, the K6 data are used as an indicator of psychological distress, which potentially reflects a larger affected population than might be defined using the definition of SMI in the Federal Register.

According to the 2004-2006 NSDUH, approximately 7.7% of the NM adult population received outpatient mental health treatment or counseling in the previous year, and 0.9% received inpatient mental health treatment/counseling. In Region 5, the rates for outpatient and inpatient mental health treatment/counseling were 8.1% and 0.5%, respectively. During the same time period, an annual average of 5.5% of the NM adult population perceived a need for mental health treatment or counseling for a problem with emotions, nerves, or mental health, but did not receive any treatment. At 1.7%, the rate of perceived unmet need was lowest in Region 5.

## **ALTERNATIVES**

DFA recommends that the bill language be changed to appropriate the funds to the DOH. This bill relates to mental health services which are typically administered by DOH.

## **POSSIBLE QUESTIONS**

Who will provide the behavioral health services in Dona Ana County ?

DW/mt/mc