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FISCAL IMPACT REPORT

ORIGINAL DATE 02/17/09

SPONSOR Ulibarri LAST UPDATED _____ HB _____

SHORT TITLE Cibola County Substance Abuse Treatment SB 495

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$1,137.5	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 495 appropriates \$1,137,500 from the general fund to Human Services Department for substance abuse services in Cibola County.

FISCAL IMPLICATIONS

The appropriation of \$1,137,500 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.

According to the February 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

Currently, most State-funded adult substance abuse treatment services are funded by HSD's Behavioral Health Services Division (BHSD), a member agency of the NM Interagency Behavioral Health Purchasing Collaborative (Collaborative), and administered through the Collaborative's contracted Statewide Entity (SE).

The Collaborative oversees and administers most behavioral state spending to ensure that contracts for treatment services are appropriate and effective. Some 18 local collaboratives around the state provide input and advice to the state collaborative, and each local collaborative sets legislative priorities yearly.

According to DFA, this appropriation is not a priority for LC13, of which Cibola County is a part. Comprehensive planning of local services linked to the state wide system is critical to the development of services that generate cost effective outcomes. It is important that funding for substance abuse treatment services be channeled through the current behavioral health system to ensure the best uses of our limited resources.

HSD supports the development of systems of community-based systems of care for people with substance abuse disorders. These systems of care — which include not only intensive outpatient treatment and counseling but also housing, and employment supports — have been shown to produce recovery-oriented, cost-effective outcomes, particularly when serving large numbers of people.

BE/svb