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FISCAL IMPACT REPORT

SPONSOR: Sandoval DATE TYPED: 01/31/01 HB 198
 SHORT TITLE: Statewide Services for Mentally Ill SB _____
 ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 2,200.0	See Narrative		Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates-HB198
 Relates to HB128

SOURCES OF INFORMATION

Health Policy Commission
 Administrative Office of the Courts (AOC)
 Health Department

SUMMARY

Synopsis of Bill

HB 198 appropriates \$2.2 million for FY2002 for DOH to provide psychiatric medications and other treatment for indigent and low-income people with mental illness. The funding also provides for medications, housing, case management, and psychiatric care for the mentally ill who are eligible for jail diversion programs.

Significant Issues

The bill seeks to address the costly problem of adults with mental illness who end up receiving protective custody holds in the criminal justice system and to expand existing diversion services beyond two counties.

The Alliance for the Mentally Ill New Mexico is supportive of jail diversion programs.

AOC reports that the money spent on jail diversion programs could reduce court caseload by keeping people with mental illness out of the court system and instead sending them to appropriate facilities.

FISCAL IMPLICATIONS

HB 198 appropriates \$2,200.0 from the general fund as a recurring expense. Any unexpended or unencumbered balance remaining at the end of fiscal year 02 shall revert to the general fund.

In FY 2000, the appropriation for community programs for the mentally ill from the general fund was \$18,800.0 and \$1,000.0 from federal block grant revenue. Of this amount, \$17,746.8 of general fund was contracted to statewide programs providing an array of services such as those specified in HB 198, with the remainder in set-asides for various services.

AOC indicates that there will be a positive fiscal impact once the plans are put in place because people who are diverted will not go to jail in the first place and will not have a criminal case.

The Health Department currently funds 2 Jail Diversion Programs for adults with mental illness: Albuquerque – Bernalillo county has a “mixed program at \$100,000 and Las Cruces – Dona Ana County has a post-booking program at \$105,000. A local forensic intervention consortium oversees each project

While jail diversion services are needed, expanded services are not part of the executive budget recommendation.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

- c SB 9 is identical and appropriates the same amount as this bill and for the same reasons.
- c HB128 appropriates \$970.0 for adults with mental illness who would otherwise be incarcerated.
- c Relates to the General Appropriation Acts, HB 2 and SB 9, which contain funding for mental health services.

OTHER SUBSTANTIVE ISSUES

The Health Policy Commission reports that:

- c The programs and treatment modalities for the mentally ill specified in HB 198 have been proven in New Mexico and across the US to reduce the need for more costly hospitalization and the rate of recidivism into inpatient settings.
- c Persons with mental illness are often inappropriately incarcerated because they are homeless and/or there are no community-based crisis intervention services or jail diversion services.

The Health Department provided the following information:

Two to three times as many inmates suffer from a severe mental disorder compared to the general population. There are approximately 685,000 inmates with severe mental disorders admitted annually to U.S. jails. People with serious mental disorders are more likely to be arrested and detained; once detained they spend more time in jail; and once incarcerated they are more likely to recidivate than the general population. Of those in jail approximately 82% have a co-occurring substance abuse disorder. The majority are arrested on petty misdemeanors. The cost of housing and processing these individuals repeatedly is enormous. Involving agencies with mental health professionals means

individuals with behavioral health problems are diverted from jail and treated and housed more appropriately.

There are three types of jail diversion programs: (1) pre-booking diversion occurs at the point of contact with law enforcement; (2) post-booking diversion programs screen individuals to produce a disposition outside the jail and may include pre and post arraignment intervention; and (3) mixed programs involve some combination of both pre-and post booking programs.

The New Mexico Senate Joint Memorial 8 Report (1996) stated that 11.5% of all detainees or approximately 23,000 are mentally ill individuals. Detainees with multiple diagnoses may increase that figure by as much as 30%. Most detainees stay in jail for two full days; the average for persons with mental illness is at least 4 days. The annual cost for booking and housing mentally ill detainees was \$7.9 million.

A jail diversion program includes: designation of a lead person, identification of key agencies, regular meetings to define target group, estimate target group size, identify type and amount of services needed, estimate cost of needed services, agree on desired outcomes, identify key positions for the diversion program, specify the pathways for the diversion program, designate specific responsibilities, develop basic management information system, plan for basic data collection, and communicate regularly. The groups that are formed among key players are known as “forensic intervention consortiums. Key elements of successful pre-booking programs include training of police officers and regular meetings of key players.

The Albuquerque diversion project has reduced SWAT calls dramatically; over 250 officers have received crisis intervention training. Recidivism has been reduced.

POSSIBLE QUESTIONS

Could the Medicaid program be expanded to cover more indigent and low income persons that do not qualify for SSI because of their mental disability and, thus, generate federal matching funds to cover services, such as medications, crisis services, psychiatric care and case management?

Can DOH include these services under existing contract provisions without additional funding?

RAE/njw