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FISCAL IMPACT REPORT

ORIGINAL DATE 3/9/19

SPONSOR Lopez LAST UPDATED _____ HB _____

SHORT TITLE Medicaid Home Visiting Program Council SM 117

ANALYST Klundt

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Impact	See Fiscal Impact		Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Memorial

Senate Memorial 117 (SM117) requests the Human Services Department (HSD), the Children, Youth and Families Department (CYFD), the Department of Health (DOH), and the Children's Cabinet establish a Medicaid home visiting program advisory council to consist of the following representatives:

- A. The secretary HSD or a designee;
- B. The secretary of CYFD or a designee;
- C. The secretary of DOH or a designee;
- D. The director of the Children's Cabinet;
- E. At least five home-visiting providers, including at least one each from northern, central and southern New Mexico;
- F. At least one tribal home visiting expert from a provider in New Mexico; and
- G. At least one community-based advocacy group working on home visiting and other early childhood issues.

Medicaid home-visiting program advisory council's duties shall include

- A. Monitoring the centennial home visiting pilot program and providing recommendations to strengthen collaboration among home visiting program providers
- B. Identifying home visiting workforce and infrastructure issues and making recommendations to ensure the growth of home visiting programs throughout the state
- C. Developing a community-oriented plan that includes outreach strategies to families prenatally or at birth

- D. Developing a plan that includes strategies to ensure that children and families at the highest risk are targeted and receive appropriate services and
- E. Providing recommendations to ensure that diverse cultural and linguistic practices in child rearing and family systems are acknowledged, respected and part of the training for home visiting providers.

SM117 also requests the Legislative Finance Committee (LFC) perform a program evaluation of the Centennial home-visiting pilot program and the feasibility of statewide expansion of the program and that the Medicaid home-visiting advisory council report its findings and recommendations to the Legislative Health and Human Services committee (LHHS), LFC and tribal leaders by December 1, 2019

FISCAL IMPLICATIONS

No appropriation is made.

Personnel from a number of state government agencies or other publically funded organizations are requested to participate in this taskforce resulting in a fiscal impact for staff time and resources, which will need to be absorbed by the existing operating budget.

SIGNIFICANT ISSUES

SM117 requests Legislative Finance Committee (LFC) staff conduct a study of the Centennial home visiting pilot program and the feasibility of statewide expansion of the program. The mission of the LFC is to provide the Legislature with objective fiscal and public policy analyses, recommendations, and oversight of state agencies to improve performance and to ensure accountability through the effective allocation of resources for the benefit of all New Mexicans. LFC consistently produces evaluations on a number of policy issues. LFC's Program Evaluation Unit maintains a work plan of evaluations approved by the LFC. The proposed study is not currently on the work plan and would require a reprioritization of pending evaluations and approval by the LFC. However, the LFC produces an annual *Early Childhood System Accountability Report*, that include home visiting.

The *2018 Early Childhood Accountability Report* stated the following in relation to home visiting:

Impact. Previous home visiting reports by CYFD show a higher percentage of children in home visiting receive well-child visits compared with children on Medicaid who do not participate in this program. This is particularly relevant because half the individuals participating in home-visiting services are on Medicaid and earn only about \$20 thousand a year. Evidence-based home- visiting programs in New Mexico continue to show a positive return on investment and positive child outcomes.

First Born, a homegrown program, shown by a RAND Corporation study to decrease child emergency room visits and increase positive parenting behaviors, is currently under review by the federal Maternal Infant and Early Childhood Home Visiting program to be recognized as an evidence-based program. Furthermore, CYFD implemented multiple levels of home visiting to serve children with varying levels of need. Importantly, in New Mexico most home-visiting programs are not tied to evidence-based programming, leading to uncertain outcomes and return

on investment.

Issues. Strategically, policymakers continue to incrementally increase funding of home-visiting services to allow communities time to develop quality infrastructure for programming. Continued attention is needed to ensure family engagement and improved performance of funded programs under the standards-based accountability system.

The national return on investment for early childhood programming is up to \$7 dollars for every \$1 dollar invested. However, the state is still working to build up infrastructure and providers to serve high numbers of at-risk children. A screening tool to target services to the most at-risk families is the adverse childhood experiences (ACE) score. The U.S. Center for Disease Control reports children with high ACE scores are linked to risky behaviors, chronic health conditions, and early death. The state's early childhood and health systems should consider using the ACE score to target services to families most at risk. Starting in early 2019, HSD will roll out a Medicaid home-visiting program using evidence-based models.

KK/sb/al