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FISCAL IMPACT REPORT

SPONSOR: Beam DATE TYPED: 1/24/03 HB 36

SHORT TITLE: Methadone Clinic Regulation SB _____

ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$0.1		\$60.0	Recurring	General Fund

SOURCES OF INFORMATION

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 36 requires the Department of Health (DOH) to regulate the establishment and continuance of methadone clinics.

Significant Issues

Federal law requires the State approve all applications for new methadone clinics. Under current New Mexico law, the State has no authority to regulate methadone clinics and, therefore, has no basis to establish criteria for the assessment and approval of new methadone clinics. Implementation of HB 36 will enable the DOH to establish such criteria.

On January 17, 2001, the Substance Abuse and Mental Health Services Administration (SAMHSA) of the U.S. DOH and Human Services published revised final methadone regulations. These regulations move federal oversight of methadone clinics from the federal Food and Drug Administration to SAMHSA. It requires methadone clinics to be accredited by national accreditation bodies, using their clinical and administrative standards. Granting the DOH regulatory authority will ensure effective monitoring of compliance with federal law and the ability to impose sanctions if necessary.

One of the primary concerns regarding methadone clinics in New Mexico has been that State regulations have never been promulgated even though the federal government required state approval of all methadone clinics, both public and private. Other issues of concern have been:

- Frequent requests for expanded services
- Lack of public awareness of this issue
- Public antagonism towards methadone treatment and recipients of treatment
- DOH reliance on the cooperation of private methadone clinics.

FISCAL IMPLICATIONS

There is no appropriation with HB 36, but the DOH wants an additional FTE to implement the provisions of this bill. DOH estimates that they need \$60,000 which includes salary and associated costs.

ADMINISTRATIVE IMPLICATIONS

DOH requires one additional staff to perform the additional work that would be required, including developing regulations, conducting assessments for new applications, site evaluations, monitoring, and imposition of sanctions as necessary, technical assistance, and evaluation.

OTHER SUBSTANTIVE ISSUES

The DOH Office of Epidemiology has published statistics that identify New Mexico as leading the nation in per capita illicit drug overdose deaths. (Illicit drug overdose mortality rates in Rio Arriba County from 1979 to 1997 rose from under 5 per 100,000 persons to 30 per 100,000 persons. In that period the rate of death nationally remained under 5 per 100,000 persons.) More recently, the overdose death rate has decreased slightly, but is still significant.

The transfer of regulatory authority at the federal level moves the type of oversight from regulation to accreditation. Within three years of the date of implementation of the new rule (March 7, 2001), all methadone clinics will be required to be accredited by national accreditation bodies using stringent clinical standards.

Passage of HB 36 will ensure that DOH/BHSD as the Single State Authority for behavioral health can assist methadone clinics in maintaining standards through State level monitoring and evaluation.

Accreditation would eliminate many of the problems currently observed including overcrowding, inadequate counseling services, patients frequently changing clinics, and inadequate implementation of program policies.

If HB 36 is not enacted, methadone clinics in New Mexico will be required to comply solely with federal accreditation requirements that may not meet the needs of the community. In the absence of State authority, communities may attempt to impose local regulations on methadone clinics that may impede the progress of methadone treatment into the mainstream of behavioral health services.

DW/ls