

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Ogle **DATE TYPED** 02/08/04 **HB** HJM 60a/HGUAC

SHORT TITLE Covert State Property For Drug Treatment **SB** _____

ANALYST Geisler

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			Unknown		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Human Services Department (HSD)
Department of Health (DOH)
General Services Department (GSD)

SUMMARY

Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee amendment to HJM 60 adds the General Services Department and the Corrections Department to the group examining the feasibility of expanding the capacity for state operated drug treatment beds by converting underutilized or vacant state properties for use as drug treatment facilities.

Synopsis of Original Bill

HJM 60 requests DOH and HSD to examine the feasibility of expanding the capacity for state operated drug treatment beds by converting underutilized or vacant state properties for use as drug treatment facilities.

Significant Issues

The Joint Memorial points out that only 64 of 74 state operated beds are currently staffed. DOH provides that there are another 239 beds available bed at state supported non-profit residential treatment facilities. HSD provides that drug treatment staffing issues may be the key hindrance to obtaining adequate treatment resources for the state's drug addicts incarcerated for crimes related to their addiction.

DOH states that GSD is currently in the process of determining the structural status of all state-owned buildings. This study could identify those structures that could be transformed into residential care facilities. However, the Property Control Division of GSD, statutorily, has the responsibility for determining the use of state owned property and which governmental agency will reside in a particular building. The Department of Health is considered a “tenant” at each of the campuses providing health care services throughout the state. On certain campuses, DOH, in addition to being the primary tenant is authorized by GSD as the “Lead Agency” with the responsibility of providing maintenance support and collection of the allocations of all expenses for present and future tenants.

GSD provides that it would welcome the opportunity to review available state property for this use.

FISCAL IMPLICATIONS

A increase in funding for staffing would be needed, and converting vacant properties may be very costly and may require a significant investment in capital improvements.

OTHER SUBSTANTIVE ISSUES

Funding Sources for Persons in State Institutions

HSD provides that there is a federal exclusion of adults from accessing Medicaid services that are in “State-run Institutions”. This includes placement within prisons and state-run Institutions for Mental Disease, such as Las Vegas Medical Center. The Code of Federal Regulations (CFR), which cites this exclusion, is 435.1008/*Individuals in Institutions*. Targeting funding sources for the Corrections Department is warranted based on the target population that it is described within this HJM.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

Current efforts to provide drug treatment to the population identified will remain at the same level until further research is performed addressing treatment staff resources as well as treatment facility resources.

AMENDMENTS

HSD recommends that the Corrections Department be added to the workgroup to research the issues of access to statewide drug treatment counselors and state property availability. Projections of the costs for such treatment services should also be explored.

GGG/yr:lg