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FISCAL IMPACT REPORT

ORIGINAL DATE 02/14/07

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Expand Drug & Alcohol Screening SB 904

ANALYST Hanika Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$800.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$.01			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Defender Department (PDD)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate bill 904 appropriates \$800 thousand from the general fund to DOH to expand screening, brief intervention, brief treatment and referral to more intensive treatment, for persons at risk for dependence on alcohol or drugs. The bill also directs the DOH to add and integrate services in general medical and nontraditional substance use treatment settings such as community health centers and hospital emergency departments, where substance abuse historically is not dealt with in a preventive manner.

FISCAL IMPLICATIONS

The appropriation of \$800 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

The appropriation requested in the bill is not included in the Governor's Executive Budget for the DOH.

DOH reports that the federal Center for Medicare and Medicaid Services (CMS) has approved billing codes for substance abuse screening and brief intervention services. This opens the door for the medical assistance division (MAD) of Human Services Department to amend the State Medicaid Plan and offer these services as part of the adult Medicaid benefit package and obtain federal match for services provided to adult Medicaid-eligible recipients. DOH claims these services may be offered as a Medicaid benefit as early as FY09.

SIGNIFICANT ISSUES

DOH reports New Mexico primary care and school-based clinics have provided substance abuse screening, brief intervention, and treatment referral services through a \$3.5 million per year federal Screening, Brief Intervention, Referral, and Treatment (SBIRT) grant. The grant is currently in year four, and ends October 1, 2008.

Brief interventions use time-limited, self-help and preventive strategies to promote reductions in the case of individuals who, while not addicted to alcohol or other drugs, are at risk of becoming addicted. Individuals who are found to be dependent are assisted in referral to specialized treatment programs.

New Mexico outcome data taken on a random sample of 20% of clients six months after receiving SBIRT services show a significant decrease (65%) in days of alcohol consumption in the total population's sample as well as a 5.6% decrease in the number of individuals who had any involvement with the criminal justice system. The findings also revealed a 13.4% increase in employment and/or education of individuals participating. The number of individuals who were able to secure permanent housing in the community rose 10.4%, and the number of individuals who experienced no alcohol- or illegal drug-related health and behavioral social consequences rose 30%. The survey reflects a need for the full range of SBIRT services to be available for positive outcomes to occur.

As of November 2006, a total of 32,509 New Mexicans were screened for substance use through the SBIRT program, of which 7,151 screened positive to receive services. Brief intervention was given to 4,470 clients, of which 1,208 required brief treatment, and 204 were referred for specialty substance abuse treatment.

PERFORMANCE IMPLICATIONS

DOH states ValueOptions of New Mexico is administering the SBIRT grant program under the Interagency Behavioral Health Purchasing Collaborative and will continue if the bill passes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 904 is a companion to HB 379, which appropriates \$1.3 million to DOH to expand brief intervention treatment for substance abuse.

SB 904 relates to SB 271, which requires New Mexico to offer adult Medicaid-eligible recipients certain substance abuse services, including screening and assessment, as part of its Medicaid benefit package.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The services currently offered under the SBIRT grant would end with the conclusion of the federal grant on September 30, 2008.

AHO/nt