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FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/08
 SPONSOR Maestas LAST UPDATED 2/11/08 HB 224/aHJC/aHAFC
 SHORT TITLE Inmate Opiate Addiction Pilot Project SB _____
 ANALYST Peery-Galon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission on the Status of Women
 Human Services Department (HSD)
 Department of Health (DOH)

No Responses Received From

Adult Parole Board
 New Mexico Corrections Department

SUMMARY

Synopsis of House Appropriations and Finance Committee Amendment

HAFC amendment of House Bill 224 strikes all language pertaining to the making of an appropriation. The amendment clarifies that a maximum of 50 females will participate in the opiate addiction treatment for inmates pilot project and that the pilot project is subject to the availability of funds. Also, the amendment strikes language pertaining to the pilot project running from July 1, 2008 to June 30, 2010.

Synopsis of House Judiciary Committee Amendment

HJC amendment of House Bill 224 on page 2, line 22, after “the” inserts “human services” and strikes “of health”; on page 3, line 2, after “the” inserts “human services and strikes “of health”; on page 3, line 12, before “department” inserts “human services” and strikes “of health”; and on page 3, line 21, before “department” inserts “human services” and strikes “of health”.

The amendment changes the language of the original bill and assigns administrative, contracting and evaluation oversight for the Opiate Addiction Treatment for Inmates Pilot Project to the Human Services Department, in collaboration with the New Mexico Corrections Department, rather than the Department of Health.

Synopsis of Original Bill

House Bill 224 appropriates \$250.0 from the general fund to the Department of Health to create opiate addiction treatment for inmates pilot project. A two-year pilot project that provides opiate addiction treatment, utilizing buprenorphine/naloxone, to 50 women with a history of heroin or other opiate addiction who are incarcerated and soon to be released on parole from the New Mexico Women's Correctional Facility and Camino Nuevo Correctional Center. Priority is to be given to those women who are closest to being released from incarceration and to those planning to parole to a community within 60 miles of a physician certified to prescribe buprenorphine/naloxone therapy. The Department of Health is to collaborate with the New Mexico Corrections Department to administer and evaluate the pilot project and to contract for the services of buprenorphine/naloxone-certified physicians and case managers to evaluate and treat the women participants. Women in the pilot project will be compared to women with a history of opiate addiction who are not treated with buprenorphine/naloxone. The evaluation is to include findings about recidivism, relapse, cost savings, change in physical and mental health status, employment status, parenting and other quality of life indicators during the project period. The Department of Health and New Mexico Corrections Department is to report independently to the appropriate interim legislative committee on the evaluations, treatments and outcomes of the pilot project participants by December 1, 2009 and again by December 1, 2010.

FISCAL IMPLICATIONS

The appropriation of \$250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

HSD reports Medicaid currently does not pay for outpatient substance abuse treatment. However, some services under this project, such as counseling and comprehensive community support, are covered by Medicaid. Any behavioral health services provided to Medicaid-eligible individuals would be eligible for federal match if all the following criteria are met: the service must be a benefit under the New Mexico Medicaid State Plan, the provider must be credentialed as a Medicaid provider as part of the ValueOptions New Mexico provider network, and the provider is providing services in accordance with his or her license.

HSD and DOH both report incarceration in New Mexico costs around \$100 a day per person. HSD and DOH both state that female recidivists alone, repeating crimes and returning to prison for narcotic-related activities, cost New Mexican taxpayers nearly \$3 million per year.

DOH states a program of this magnitude may require further funding to ensure sustainability and continued supportive services and engagement with pilot project participants beyond the two-year mandate.

SIGNIFICANT ISSUES

DOH reports the House Judiciary Committee amendment of House Bill 224 would require collaboration between the Human Services Department, instead of the Department of Health, and the New Mexico Corrections Department to implement a two-year buprenorphine treatment pilot for 50 women prisoners with a history of opiate addiction, who are within two months of their release date.

NMCD states the House Judiciary Committee amendment of House Bill 224 appropriates \$250 thousand to the Human Services Department for use in fiscal years 2009 and 2010 so that the department can collaborate with the Corrections Department to administer a two-year pilot study project that provides opiate replacement treatment to 50 women incarcerated in or paroled from the Camino Nuevo correctional facility and the New Mexico Women's Correctional Facility.

HSD reports 75 percent of women who go to prison for the first time for narcotic-related crimes will re-offend and return to prison within 2.5 years. The Buprenorphine Pilot Project is an inmate treatment program that would provide the first medical intervention to break the cycle of criminal activities that occur to support drug addiction.

HSD reports Buprenorphine is a Drug Enforcement Agency approved daily oral medication that, when combined with Naloxone, effectively blocks the action of heroin and other narcotics. It is an extremely safe medication that is used in community-based narcotic treatment programs. HSD states the availability of the medication means that women returning to their communities can continue treatment, which significantly reduces the opportunities for relapse and/or overdose.

DOH reports that opiate addiction in New Mexico is associated with high rates of morbidity and mortality. In 2007, New Mexico ranked third in the United States in per-capita overdose deaths. DOH notes that 85 percent of incarcerated women in New Mexico have a history of addiction and 40 percent have a history of injection drug use.

PERFORMANCE IMPLICATIONS

HSD reports the goal of the Behavioral Health Collaborative Strategic Plan is to reduce the adverse effects of substance abuse through services that are recovery-oriented, culturally competent, and responsive to the needs of those who receive them, including high-risk individuals and populations.

DOH notes that the proposed legislation aligns with its objective to decrease the transmission of infectious disease cases and expand services for persons with infectious diseases.

ADMINISTRATIVE IMPLICATIONS

DOH states the proposed legislation would create additional workload and would require additional staffing. DOH notes the case management component in the proposed legislation could be implemented by the department or a proxy to ensure best practices in the provision of services.

OTHER SUBSTANTIVE ISSUES

DOH notes that Hispanics in New Mexico represent the majority of heroin users enrolled in the department's syringe exchange program and Hispanic women represent the majority of women incarcerated for drug-related crimes.

HSD and DOH notes of the around 600 women incarcerated in the New Mexico Women's Correctional Facility alone collectively leave behind 1,800 dependent children under the age of 18.

ALTERNATIVES

HSD states the appropriation, as written would be made to Department of Health, may be more appropriate going to the Human Services Department for administration by its Behavioral Health Services Division.

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