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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/29/12

SPONSOR Ortiz y Pino LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE CYFD Childhood Home Visiting Program SB 68

ANALYST Aledo-Sandoval

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$81,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Children, Youth and Families Department (CYFD)  
Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

Senate Bill 68 appropriates \$81 million from the general fund to the Children, Youth and Families Department for the purpose of establishing a statewide early childhood home visiting program for families with children less than five years of age. Unexpended or unencumbered remaining funds at the end of FY14 would revert to the General Fund.

The bill requires the CYFD to establish a statewide home visiting program that funds only evidence-based models or promising models. SB68 sets out the criteria for both evidenced-based and promising models. The bill requires the home visiting program model provide two out of a list of services. The list of services includes working to improve maternal, infant or child health outcomes, promoting healthy parent-child relationships, enhancing a child's social-emotional development, and promoting the family's economic self-sufficiency, among others.

This bill specifies that the home visiting program shall not be an Family, Infant and Toddler (FIT) early intervention program established pursuant to Section 28-18-1 (IDEA Part C).

SB68 allows the CYFD to promulgate and adopt rules to establish and operate home visiting programs, and requires the CYFD to collaborate with the Public Education Department, the Human Services Department, and the Department of Health to prevent duplication of services.

The bill requires the CYFD to submit to the Legislative Health and Human Services Committee and the Legislative Finance Committee a report every two years or upon request which includes the goals and achieved outcomes of the home visiting program, data on the cost per family serves, the number of families served, demographics of the families served, geographic distribution of the families served.

Lastly, SB68 requires the CYFD to seek federal, other public funding sources, and private funding sources.

### **FISCAL IMPLICATIONS**

The appropriation of \$81 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund.

The Legislative Finance Committee FY14 budget recommendation for the CYFD includes an increase of \$1.8 million for home visiting programs. The executive FY14 budget recommendation for the CYFD does not provide an increase for home visiting programs.

According to the CYFD, the cost per family for the current standards-based home visiting program administered by the department is \$3 thousand. Using the \$3 thousand cost per family average, the \$81 million appropriation is estimated to serve 27 thousand families.

The department asserts most state-funded programs have not adopted evidence-based models due to costs associated with adopting evidence-based model such as licensing, training, travel, technical assistance, and data fees. The CYFD estimates these fees increase the cost per family from \$4 thousand to \$8 thousand, causing a significant reduction in the number of families the state would be able to serve. Using the high estimate of \$8 thousand cost per family average, the \$81 million appropriation will serve roughly 10 thousand families.

### **SIGNIFICANT ISSUES**

The federal government through the Affordable Care Act's Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program has prioritized federal funding for evidenced-based home visiting programs. States such as Maryland and Iowa have passed legislation also prioritizing state funding for evidence-based programs. The Maryland's Home Visiting Accountability Act requires that at least 75 percent of funds go to evidence-based programs with a record of achieving meaningful family outcomes. Iowa's law requires that, by 2016, at least 90 percent of home visiting dollars must support evidence-based programs.

Currently no single home visiting model has been proven effective with all at-risk families and across all outcomes. For this reason, states should as Maryland and Iowa have opted to prioritize funding for programs with proven outcomes.

In New Mexico, federal funding is being used to implement two evidence-based models in two of the most at-risk communities in New Mexico. The Parents As Teachers model is being implemented in McKinley County by the Gallup-McKinley County Schools and the Nurse Family Partnership model is being implemented in the South Valley of Albuquerque by the University of New Mexico Center for Development and Disability.

The DOH notes the bill restricts the CYFD's ability to continue the current standards-based home visiting approach. Currently, under the CYFD standards-based home visiting program, contract providers implement services using a recognized curriculum without having to implement an evidence-based standardized model. The DOH adds that evidence-based home visiting models are sometimes difficult to adapt to meet the needs of the local community or the needs of a specific family.

According to the CYFD, its standards-based home visiting program is based on research and accepted best practice. The program standards are divided into nine overarching standards (or contractual requirements) addressing: program participation, relationship-based practice, culturally-competent practice, family and child goal setting, program management, staff qualifications, curriculum and service delivery, community engagement, and data management. Although, the standards are articulated in contracts, the standards have not been promulgated by rule.

The agency further states that there are documented performance measures and that all contract providers are required to regularly report outcome data to a centralized data system; however, outcome data and child specific outcomes for the CYFD standards-based home visiting program has not been provided to the Legislative Finance Committee nor is such outcome data available via the CYFD website.

By developing a standards-based home visiting system, the CYFD notes that it was able to focus standards and performance measures on state-specific issues (such as low birth weight, child safety and school readiness). The CYFD asserts this system establishes common curricular expectations across all programs and collects common data elements which allow the department to increase program accountability.

The CYFD states that home visiting programs are most effective when community-specific home visiting programs are developed in responsive to their community's a cultural and linguistic heritage.

There is also significant concern with the department's ability to grow the current home visiting program by \$81 million. The FY13 budget for home visiting is \$5.9 million and providers are contracted to serve a total of 1,125 families. Increasing the program funding by \$81 million is likely to cause implementation issues and a significant portion of the appropriation would be used for capacity building instead of direct services.

### **OTHER SUBSTANTIVE ISSUES**

According to DOH, SB68 may result in an increased number of referrals to the Family Infant Toddler (FIT) Program for children birth to age 3 who have developmental delays and disabilities that would be identified by home visitors who administer developmental screening tools.

The CYFD noted the following concerns regarding the definition of “eligible family”:

- 1) the natural, adoptive or foster parents of a child under five years of age – “foster parent” implies that child has already been removed from the home and custody issues are taking place, this arrangement requires intervention and treatment practices and are not consistent with the preventive aspects of the home visiting design and scope.
- 2) a person acting as a parent of a child under five years of age – “acting” implies that there is no legal relationship with the child and could create a liability issue for the department and the service delivery agency.
- 3) an expecting second parent – This term is unclear.

MAS/svb