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## FISCAL IMPACT REPORT

<b>SPONSOR</b>	<u>Soules</u>	<b>ORIGINAL DATE</b>	2/1/19	
		<b>LAST UPDATED</b>	3/10/19	<b>HB</b>
<b>SHORT TITLE</b>	<u>Require Certain Overdose Counselings</u>			<b>SB</b>
				<u>221/aSJC/aSFI#1/aSFI #2/aHHHC</u>
		<b>ANALYST</b>	<u>Chilton</u>	

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	Undetermined*	Undetermined*	Undetermined*	Undetermined*	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases) \* See Fiscal Implications

**Related** to HB 290, HB 298, and SB 205.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Medical Board (MB)

Board of Nursing (BN)

Regulation and Licensing Department (RLD)

### SUMMARY

#### Synopsis of HHHC Amendment

The House Health and Human Services Committee amendment removes the two Senate floor amendments noted below, reinstating the requirement that prescribing providers offer a prescription for naloxone when prescribing an opioid medication, as well as counselling them on the dangers of the medication.

The amendment also deletes Senate Judiciary Committee amendments 5 through 10 ---

The bill’s long title would be changed to include the statement that providers must “co-prescribe”, rather than merely offer, a naloxone prescription when prescribing opioid medications.

A new section is added, affirming that all of Section 24-2D NMSA 1978 is cited as the “Pain Relief Act.”

The last sub-section of the bill is amended to use the term “opioid antagonist” instead of “naloxone”; naloxone is the currently available opioid antagonist, but more may become

available. The prescription is to be accompanied by written information indicating that the opioid antagonist may work for a shorter time than the effects of the opioid, necessitating that all those who use an opioid antagonist call 911 (and probably be taken to an emergency room).

Synopsis of SFI #2 Amendment

The second senate floor amendment removes a superfluous subsection head and inserts a closed quotation mark at the end of the amended bill.

Synopsis of SFI #1 Amendment

The amendment removes the requirement that a provider of an opioid prescription offer a prescription for naloxone and give information about that prescription's use.

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to Senate Bill 221 substitutes “opioid antagonist” for “naloxone” in seven places in order to account for the probability that there will be other useable opioid antagonists available in the future that could be used alongside or instead of naloxone, the current antagonist of choice. In three locations, “advise” is substituted for “counsel,” in each case requiring health care professionals to advise (rather than counsel) patients on the risks of opioids and use of opioid antagonists.

Synopsis of Original Bill

Senate Bill 221 would amend the Pain Relief Act, Section 24-2D-2 NMSA 1978, to require of health care providers that they counsel new recipients of opioid pain medication prescribed for acute pain. The required counseling would cover the dangers of overdose with these drugs and the availability of naloxone, a medication that would rapidly and temporarily reverse the effects of an opioid medications. Such providers would also offer a prescription for naloxone unless they felt it to be contraindicated in a specific case, and would accompany such a prescription with instructions on its use, including the warning that someone using naloxone should immediately call 911, as the effects of the drug might wear off after a period of time, leaving the patient again subject to the effects of opioid overdose, which can include death.

The same requirements would be made of providers entering their first prescription of each calendar year for a given patient.

New definitions are added to the “Definition” section of the Pain Relief Act for “opioid analgesic” (specifying 14 agents) and “opioid antagonist,” which are agents that can temporarily reverse the effects of opioids including when they are taken in overdose.

**FISCAL IMPLICATIONS**

The Medical Board and the Regulation and Licensing Department do not identify fiscal impacts to their agencies; it is possible that the Department of Health may see the need to assign personnel to develop regulations under this bill.

HSD indicates that Medicaid now pays for naloxone when a medical provider determines that it

is necessary for a patient, and that “SB221 would likely result in an increase in prescriptions for opioid reversal medications for Medicaid beneficiaries. Further, requiring health care providers to counsel patients on the risks could increase the complexity of office visits and thus increase costs in the short term due to higher reimbursement rates, but the bill presents potential longer-range savings.”

## SIGNIFICANT ISSUES

The severity of the current opioid abuse epidemic is well known. More Americans die now from opioid overdose, usually in the setting of substance abuse, than from automobile accidents, and it is believed that opioid overdose deaths have driven the first documented decrease in Americans’ life expectancy since that has been calculated. The Legislature has considered many bills related to the opioid epidemic in recent years.

HSD comments further on the extent of the epidemic’s effects on New Mexico and New Mexicans:

New Mexico has been monitoring drug overdose death since the 1990s (NM Indicator-Based Information System, *Complete Health Indicator Report of Drug Overdose Deaths*). For years, NM had the highest drug overdose death rate in the US. In 2015, NM’s overdose death rate fell to 8<sup>th</sup>; in 2016 it fell to 12<sup>th</sup>; and then, 17<sup>th</sup> highest in 2017. NM’s significant and active efforts to address the opioid epidemic through prevention, treatment and recovery interventions include unprecedented increases in naloxone distribution (NM Department of Health, *NM Drug Prevention Quarterly Measures Report, 2018Q3*). However, NM’s ranking improvement in 2017 is also the result of steep increases in drug overdose rates in other states while the rate in NM has begun to plateau (NM-IBIS, *Complete Health Indicator Report of Drug Overdose Deaths*).

Despite significant progress, NM’s drug overdose death rates remain higher than the national rates (NM-IBIS, *Complete Health Indicator Report of Drug Overdose Deaths*) and efforts to address opioid overdose deaths continue to be a high priority. Data from the Centers for Disease Control and Prevention (CDC) indicate that drug overdose deaths involving prescription opioids are higher in New Mexico than overdose deaths involving heroin (Centers for Disease Control and Prevention, *Drug Overdose Death Data*. Available at <https://www.cdc.gov/drugoverdose/data/statedeaths.html> and NM Department of Health Emergency and Response Division).

In March 2016, CDC published *Guidelines for Prescribing Opioids for Chronic Pain*. Counseling patients about the risks and realistic benefits of opioid therapy was recommended in these guidelines as a step toward educating patients. The guidelines also offer recommendations regarding naloxone prescribing. CDC guidelines recommend offering prescriptions of naloxone to patients with a history of overdose, patients with a history of substance use disorder, patients taking benzodiazepines with opioids, patients at risk for returning to a high dose to which they are no longer tolerant (e.g., patients recently released from prison), and patients taking higher dosages of opioids [ $\geq 50$  MME/day] (U.S. Department of Health and Human Services Centers for Disease Control

and Prevention, *Guidelines for Prescribing Opioids for Chronic Pain*. 2016. Available at <https://www.cdc.gov/mmwr/volumes/65/rr/rr6501e1.htm>.

The New Mexico Prescription Drug Misuse and Overdose Prevention and Pain Advisory Council, of which HSD is a member, has included naloxone use and the CDC guidelines in its priority work.

RLD notes the importance of defining the group of drugs identified appropriately to avoid future problems:

As defined, “opioid analgesic” means specifically listed drugs as well as their brand names, isomers and combinations. Defining a class of drugs by the naming of specific drugs is problematic, as new drugs may be developed and added to a class of drugs over time; and drugs may be removed from the market. As a consequence, the definition, as such, is inherently inaccurate. For example, the following drugs are opioid analgesics but are not included in the definition: hydromorphone, fentanyl, and tramadol (this is not an inclusive list of omitted opioid analgesics).

Consider replacing the term “opioid analgesic” with “opioid,” defined as:  
"Opioid" means the class of drugs that includes the natural derivatives of opium, which are morphine and codeine, and related synthetic and semi-synthetic compounds that act upon opioid receptors;

## ADMINISTRATIVE IMPLICATIONS

Provisions of the Pain Relief Act include disciplinary actions for physicians violating guidelines established by national organizations on the use of opioids. Although the provisions of this bill conform to good medical practice regarding opioids, it is not clear that the disciplinary provisions existing in Sections 24-2D-3 and 4 would apply to the new requirements in this bill.

## RELATIONSHIP

In the current Legislature, the following bills are related:

<u>Bill ID</u>	<u>Title</u>
<u>HB 290</u>	METHADONE THERAPY FOR INMATES
<u>HB 298</u>	NO OVERDOSE TREATMENT FUNDING CONTINGENCIES
<u>SB 205</u>	OPIOID REPLACEMENT THERAPY REIMBURSEMENT RATE

LAC/gb/sb/gb/al/gb/al/gb