#### LFC Requester:

# AGENCY BILL ANALYSIS 2024 REGULAR SESSION

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#### **SECTION I: GENERAL INFORMATION**

*[Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill]* 

Check all that apply:		Date Jan 23
Original	Amendment	Bill No: HB149
Correction	X Substitute	

Sponsor:	Rep Parajon	Agency Name and Code Number:	CYF	FD / 690
Short	MEDICATION FOR JUVENILES	Person Writing		Julie Sakura
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#### **SECTION II: FISCAL IMPACT**

#### **<u>APPROPRIATION</u>** (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY24	FY25	or Nonrecurring		
	-0-			

(Parenthesis () Indicate Expenditure Decreases)

#### **REVENUE (dollars in thousands)**

	Recurring	Fund		
FY24	FY25	FY26	or Nonrecurring	Affected

(Parenthesis () Indicate Expenditure Decreases)

# ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$339.8K	\$339.8K	\$679.6K	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

#### **SECTION III: NARRATIVE**

# **BILL SUMMARY**

<u>Synopsis</u>: This bill establishes a fund for evidence-based addiction treatment for minors in the state treasury which shall be administered by the Health Care Authority Department to assist CYFD, DOH, and licensed substance abuse treatment providers to establish and operate medication-assisted treatment programs for minors.

The bill defines the target population, and requires that, after the end of state fiscal year 2025, neither DOH nor CYFD shall operate or contract with a facility or program which, by policy or procedure, restricts the use of medication-assisted treatment for the treatment of substance use disorders in minor patients.

The bill further requires that, beginning July 1, 2026, any facility or program which, by policy or procedure, restricts the use of medication-assisted treatment for the treatment of substance use disorders in minor patients, shall not be eligible for reimbursement from the state's Medicaid program for services rendered to minors.

The bill charges the HCAD with promulgation of rules in consultation with DOB, CYFD, inpatient facility and outpatient program administrators, and health care providers with experience with the target disorders among the target population. HCAD is further directed to submit an annual report, beginning October 1, 2024, to the interim legislative health and human services committee on the availability medication-assisted treatment programs for minors.

# FISCAL IMPLICATIONS

There is no appropriation for CYFD in the bill. The agency would need 3 additional FTE to include 2 additional Registered Nurse Level III positions and 1 additional Social & Community Services Coordinator Advanced position. The cost would be \$332.3 thousand in salaries and benefits and \$7.5 thousand in overhead costs for items such as equipment, email fees, etc. The total budget needed for salaries and benefits and overhead costs is \$339.8 thousand. The amount of FTE's and training to create monitors and oversight of such programing will be significant.

# SIGNIFICANT ISSUES

Of significant concern to CYFD is the possibility that this bill may cause providers who serve children to shut down rather than change their programming to comply with the legislation. New Mexico's providers of behavioral health services for minors tend to treat co-occurring disorders

that include mental health and substance use. The requirement to provide Medication Assisted Treatment ("MAT") may hinder a provider's ability to bill and be reimbursed by Medicaid. Currently, there are no specific providers who provide in-patient MAT services for Minors. This requirement may also prevent new providers who only provide Substance Use Detoxification from choosing to expand their services into New Mexico. Moreover, there are no detailed studies demonstrating that MAT as an intervention is best practice. Monitoring the efficacy of MAT also presents challenges, including how this requirement will impact access to treatment in rural areas of the state.

Further, CYFD's Licensing and Certification Authority licenses and certifies residential treatment centers for children and children's behavioral health service providers. This bill will require LCA to include additional requirements concerning medication assisted treatment for minors in its review processes.

Finally, it is unclear whether MAT will be considered as a phase of intervention in a spectrum of treatment including long-term treatment and supports such as medications for opioid use disorder (MOUD). Recognizing that MAT is considered a short-term treatment, CYFD recommends including MOUD in this legislation, as MOUD provides long-term treatment and support.

# PERFORMANCE IMPLICATIONS

Because this is novel legislation for the state, it is unknown how this legislation itself may impact CYFD's performance measures regarding the safety and well-being of children. However, if providers decide to cease operations rather than change their program, that will negatively impact CYFD's ability to provide necessary services for the safety and well-being of children.

# **ADMINISTRATIVE IMPLICATIONS**

CYFD and HCAD will need to collaborate on a strategic plan to ensure efficient compliance monitoring of service providers. This collaboration, along with the development of regulations to guide service providers and the training of compliance monitoring staff will require additional FTE.

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates SB035.

**TECHNICAL ISSUES** None identified.

**OTHER SUBSTANTIVE ISSUES** None identified.

# ALTERNATIVES

None proposed.

# **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL** Status quo.

AMENDMENTS None proposed.