

**LFC Requester:**

**Eric Chenier**

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**AgencyAnalysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**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:*

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date** 1/23/24

**Bill No:** SB149

**Sponsor:** Sen. Tallman  
**Short** BH FACILITIES FUND  
**Title:** \_\_\_\_\_

**Agency Name  
and Code** HSD-630

**Number:** \_\_\_\_\_

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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$160,800.0	Recurring	SGF

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	\$0	\$161,606.1	\$161,606.1	\$484,818.2	Recurring	SGF

(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**

Synopsis:

Senate Bill 149( SB 149) is an act creating the Behavioral Health Facilities Fund to provide grants to plan and purchase, renovate or construct Behavioral Health Treatment facilities. This makes an appropriation of \$160,800,000 to the Health Care Authority.

**FISCAL IMPLICATIONS**

In order to administer the funding appropriated in SB26909 the HCA would require 7.5 staff to manage this allocation. This would require; 1 FTE at a pay band 80 to oversee the allocation and issuing grants to counties and municipalities at \$115,700 which includes salary and fringe benefits, 1.5 supervisors at a pay band 75 to assist in planning to issue a Request for Proposal (RFP) or Request for Application (RFA), convene a committee to score the applications as well as license these facilities that need to be purchased or renovated, at \$132,938 including salary and fringe benefits, 5 staff at a pay band 70 would be required for contract execution and oversight at \$441,943 for salary and fringe benefits. Staff time would also ensure that HCA carries out the RFA as per the parameters in the legislation. This would require an estimated \$806,081 in total for all the staff listed above for HCA to manage these funds, as well as operating costs.

**SIGNIFICANT ISSUES**

There is a shortage of behavioral health treatment facilities statewide. According to the NM DOH website that list the number of treatment facilities, there are only five such facilities operating in New Mexico that are state run. <https://www.nmhealth.org/about/ofm/lcf/>

Furthermore, there is a shortage of behavioral health professionals statewide. According to the New Mexico Health Care Workforce Committee Report, published by the Department of Health in 2021, In New Mexico there is an average of 28.13 Core Mental Health Professionals per 10,000 population, meaning for every-one Core Mental Health Professional (CMHP), they have about 355 customers. BHCA would need to ensure that the workforce is developed to ensure these facilities having the staffing to provide the service.

According to Kaiser Family Foundation the percent of need for mental health professionals met in New Mexico is 18.2%, compared to the national percent of need met (27.7%). Bureau of Health Workforce, Health Resources and Services Administration, Designated Health Professional Shortage Areas Statistics: Designated HPSA Quarterly Summary, as of September 30, 2022.

According to the Kaiser family foundation spreadsheet which reports that since the Covid 19

pandemic, mental health conditions have been exacerbated. As of February 1, 2023, adult in New Mexico reported symptoms of anxiety and depressive disorder at a rate of 36.4% compared to 32.3% of adults in the U.S. <https://www.kff.org/statedata/mental-health-and-substance-use-state-fact-sheets/new-mexico/>.

Based on SAMHSA's Uniform Reporting System 2018, public mental health system consumers in NM reported higher rates of improved functioning from treatment than the national average, among both children (75.5% vs. 73%), and adults (74.1% vs. 76.1%).

According to recent NSDUH results, only 44.3% of NM adults 18 years or older with a mental illness received mental health treatment each year from 2013 to 2017. These funds would help counties and municipalities increase the number of behavioral health treatment facilities by increasing access to services.

The Substance Abuse and Mental Health Services Administration (SAMHSA) conducts the National Survey on Drug Use and Health (NSDUH). Based on the results of the 2018 NSDUH survey, 5.6% of NM adults experience an alcohol use disorder each year (approximately 117,500 adults), 4.5% experience a serious mental illness (approximately 94,500 adults), and 19.1% experience any mental illness (approximately 404,400 adults).

### **PERFORMANCE IMPLICATIONS**

The success of the proposed fund is highly dependent on fostering a comprehensive public-private partnership for behavioral healthcare workforce development, ensuring collaboration between government agencies, private entities, and community stakeholders. This collaboration is crucial for recruiting and retaining a qualified behavioral health workforce essential to operate and staff the newly established treatment facilities supported by the proposed fund.

### **ADMINISTRATIVE IMPLICATIONS**

HCA would need 7.5 FTE to collaborate with HCA/DHI who licenses facilities, to administer the funds, develop a Request for Proposal/Application RFP/RFA, and develop the criteria for evaluating applications. The HCA would also need to carry out the parameters of the RFP to include development, receiving and tracking submissions, scoring, awarding and disbursement of funds and contract monitoring. HCA staff would also need to process the applications for the facilities if they are (Adult accredited adult residential treatment activities (AARTCs), collaborate with CYFD Licensing and Certification if any of these "facilities" serve youth. Staff would also issue the RFP and distribute the funds to these facilities to meet the behavioral health needs of the communities and municipalities that are awarded the funds.

SB 149 states that "the department shall develop application forms and procedures for grants pursuant to Section 6 of the Behavioral Health Facilities Fund Act." If applications will be submitted through an online portal hosted by the department, then requirements would need to be gathered before an associated cost could be estimated.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None

### **TECHNICAL ISSUES**

The term "facilities" would need to be defined and expanded to include community based "facilities" which aligns with HCA's goals to expand community-based services and supports.

The requirement of the funds to be awarded to counties where there is a public post- secondary educational institution that offers degrees may exclude rural communities. HCA suggests the bill allow the HCA to define the distance requirements of post- secondary institutions to allow “facilities” in more rural parts of New Mexico to be awarded these funds.

The State Sequential intercept model is used for entities providing services for those within the criminal justice system.

The phrase “actual expenses incurred in administering the fund” would need to be defined to ensure that HCA staff positions would not be included in this definition.

“Vouchers” conflicts with the funding mechanism HCA utilizes to disburse funds.

#### **OTHER SUBSTANTIVE ISSUES**

None

#### **ALTERNATIVES**

None

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

Status Quo

#### **AMENDMENTS**

None