

LFC Requester:

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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 2/7/24

Bill No: SM12

Sponsor: Sen. Steinborn  
Short Study Psilocybin Therapy  
Title:

Agency Name  
and Code HSD-630

Number:

Person Writing Annabelle Martinez

Phone: 505-690-2439 Email Annabellem.martinez

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0	\$0	\$0

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

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

(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	\$0	\$0	\$0	\$0	\$0

(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: A Senate Memorial 12 (SM12) requesting The Department of Health to study the efficacy of using Psilocybin Mushrooms for therapeutic treatments and the establishment of a program for Psilocybin Mushrooms to be used for therapeutic medical treatments.

**FISCAL IMPLICATIONS**

No Fiscal Implication for the New Mexico Medicaid program. No allocated funding to the New Mexico Medicaid program was identified in SM12.

**SIGNIFICANT ISSUES**

SM12 does not identify any agencies other than the Department of Health, that would participate in the study or how the establishment of a program be implemented. Currently Psilocybin is considered a Schedule I drug. Schedule I drugs, substances, or chemicals are defined as drugs with no currently accepted medical use and a high potential for abuse. This classification cannot be covered as a Medicaid benefit.

[https://www.deadiversion.usdoj.gov/schedules/orangebook/c\\_cs\\_alpha.pdf](https://www.deadiversion.usdoj.gov/schedules/orangebook/c_cs_alpha.pdf)

**PERFORMANCE IMPLICATIONS**

None

**ADMINISTRATIVE IMPLICATIONS**

No IT impact.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None

**TECHNICAL ISSUES**

None

**OTHER SUBSTANTIVE ISSUES**

New Mexico has higher than the national average of mental illness with 36.4% of New Mexicans reporting having anxiety or depression. New Mexico also has well over the national average of citizens who commit suicide with 25 in 100,000 compared to the national average of 14.1 in 100,000. Although we have treatments for anxiety and depression, there are significant limitations to the efficacy of many of our treatments, particularly with post traumatic stress disorder and alcohol use disorder. Psilocybin has the potential, in the future, to impact Medicaid members

significantly if it is more effective treatment of behavioral health disorders. It is currently being given as treatment in Oregon.

<https://www.kff.org/statedata/mental-health-and-substance-use-state-fact-sheets/new-mexico/>  
<https://www.oregon.gov/oha/PH/PREVENTIONWELLNESS/Documents/OPS-Fact-Sheet.pdf>

**ALTERNATIVES**

None

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

Status quo

**AMENDMENTS**

None