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## FISCAL IMPACT REPORT

<b>SPONSOR</b>	Duncan/Harper/Martinez, A./ Hernandez/Allison	<b>LAST UPDATED</b>	
		<b>ORIGINAL DATE</b>	2/8/2024
<b>SHORT TITLE</b>	Secondary School Mental Health Providers	<b>BILL NUMBER</b>	House Memorial 22
		<b>ANALYST</b>	Aragon/Anderson/ Chilton

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal			

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

Is a companion to House Bill 70

Relates to House Bill 149

### Sources of Information

LFC Files

Agency Analysis Received From  
Health Care Authority (HCA)

## SUMMARY

House Memorial 22 (HM22) requests the Public Education Department to create a working group to study and conduct research related to student mental healthcare needs, barriers to access, funding, costs, and licensure. The working group will make recommendations to the Legislative Education Study Committee (LESC) with the goal of providing mental healthcare services at all public secondary school facilities for students.

## FISCAL IMPLICATIONS

There are no appropriations attached to HM22.

Companion House Bill 70 (HB70) appropriates \$38 million for expenditure in FY25 from the general fund to the public-school funding formula—the state equalization guarantee (SEG)—to provide school-based mental health counselors in middle and high schools.

HB70 specifies that funds will be distributed to the SEG. However, there is no language to ensure funds are being directed toward school mental health counselors.

## SIGNIFICANT ISSUES

Providing mental health care at all public secondary school-based facilities could help reduce barriers that prevent students from accessing care and services. Such issues include transportation and scheduling conflicts. Early intervention and treatment of mental health issues may help reduce absenteeism and behavioral problems that affect a school's learning environment and safety. Mental health providers play an important role in the system that ensures students success and reduce achievement gaps.

Making these services available to students at public schools can also improve access to care for children of color and those that come from marginalized and low-income families. According to the American School Counselor Association (ASCA) research links the student to school counselor ratios that meet the ASCA's recommendations in high poverty schools to improved academic outcomes, which includes improved attendance, fewer disciplinary incidents, and higher graduation rates.

According to the Health Care Authority (HCA), most public schools provide mental healthcare services to students but it is not clear how well these services are being utilized. In 2022, the Department of Health (DOH) reported in the *State of Mental Health in NM* that more than 40 percent of high school students reported persistent feelings of sadness or hopelessness in 2019, higher than the national average. Federal Centers for Disease Control and Prevention (CDC) data found 1 in 5 children had a mental disorder, but only about 20 percent of those children received care from a mental health provider.

In analysis for HB70, it was reported there was increased need for student mental and behavioral health services following the Covid-19 pandemic.

The 2022 School Pulse Panel by the National Center for Education Statistics found 69 percent of public schools reported an increase in the percentage of their students seeking mental health services at school post pandemic; three quarters of schools reported an increase in staff concerns about student mental health; and only half of public schools felt they could provide mental health services to all students in need.

As the United States approaches two full years of the Covid-19 pandemic, mental illness and the demand for psychological services are at all-time highs—especially among children.

## OTHER SUBSTANTIVE ISSUES

Hiring licensed or trained mental health professionals, including school psychologists, school counselors, school social workers, and school nurses, could pose a challenge given the shortage of mental health care professionals available in the state. The Primary Care Council (PCC) and HCA are working together to develop a strategic plan that assists in recruiting and retaining healthcare professionals to fill these positions. From HCA:

The Medicaid School Based Services (MSBS) program will allow NM school districts and charter schools to be reimbursed for Medicaid covered services that includes Psychology Services, Counseling Services, and Social Work Services provided to Medicaid enrolled students. Reimbursement amounts will be determined by actual expenditures for providers and time providers spend of direct services. It will not be

possible to know what Medicaid reimbursement rates will look like for these services.

According to New Mexico State University's Southwest Outreach Academic Research Evaluation and Policy Centers 2023 New Mexico Educator Vacancy Report:

Public schools in New Mexico saw estimated vacancies of 54 counselors, 19 school psychologists, and 30 emotional and behavioral support providers. School districts report difficulty recruiting and retaining school mental and behavioral health personnel.

## ALTERNATIVES

Including peer support service workers and services in the description of professionals who can provide care to students could help reduce the chronic shortage of behavioral healthcare professionals providing care at all secondary school facilities.

Peer support workers are individuals with lived experience who have sustained recovery from a mental or substance use disorder, or both. According to the Substance Abuse and Mental Health Services Administration (SAMHSA):

The peer model of recovery promotes shared understanding, focuses on strengths, offers positive coping strategies, and provides information and resources.

Peer program workers and models can be effective in providing positive human interaction with children in need of mental health care services in school districts where there is a shortage of available licensed mental healthcare professionals. Peer support workers services can include active listening, asking questions, advocacy, coping skills coaching, and, if necessary, referrals to a professional. SAMHSA reports the crisis model was a concept developed from mental health perspective that has evolved into a model that is available communitywide, providing services that can meet the needs of anyone, anywhere in the community, including educational settings, and at a time a crisis is occurring.

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