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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/06

SPONSOR Garcia LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Southern NM Behavioral Health Services SB 137

ANALYST Lewis

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	2,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 14 (Assertive Community Treatment Programs) and SB 15/HB 53 (Southern NM Behavioral Health Services)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Health (DOH)  
 Human Services Department (HSD)  
 New Mexico Department of Corrections (NMDC)  
 Public Education Department (PED)  
 Developmental Disabilities Planning Council (DDPC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 137 appropriates \$2,000,000 from the general fund to the Department of Health to leverage resources and provide mobile crisis, assertive community and residential treatment services under a plan developed by the local behavioral health collaborative and approved by the Interagency Behavioral Health Purchasing Collaborative for persons with serious mental illness in Dona Ana county and southern New Mexico.

### FISCAL IMPLICATIONS

The Human Services Department (HSD) notes that some of the individuals who would benefit from the services outlined under SB137 could potentially be Medicaid eligible and those services would therefore be eligible for a federal Medicaid match.

The appropriation of \$2,000,000 contained in this bill is a recurring expense to general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

### **SIGNIFICANT ISSUES**

According to the Developmental Disabilities Planning Council (DDPC), when persons with developmental disabilities (DD) have co-occurring behavioral health disorders, they are more likely than persons without DD to be incarcerated, placed under protective custody or involuntarily committed. The DD Planning Council hears reports on a regular basis about persons with mental retardation/DD who have been housed in county jails or under inpatient psych settings for extended periods of time without appropriate assessment, treatment and diversion to more appropriate, less restrictive settings. DDPC believes that this bill, if passed, will help address this problem in the southern part of the state.

HSD notes that, beginning in July 2005, all public behavioral health services in the state are coordinated through a contracted statewide entity. Presumably, that entity would also coordinate this appropriation. HSD suggests that local Behavioral Health Collaboratives should be part of the decision-making process regarding the need for specific behavioral health services in their geographic area. SB 137 states that these services would be provided under a plan to be developed by the local collaborative and approved by the Interagency Behavioral Health Purchasing Collaborative.

Both HSD and DOH note that this appropriation is not part of the Executive Budget Request. The DOH Executive Budget requests \$285,000 for behavioral health services in Dona Ana County.

The New Mexico Department of Corrections (NMDC) observes that having greater resources for dealing with issues of mental illness may reduce the number of probation and parole revocations, but expresses concern that the bill's language is ambiguous as to what sorts of programs would be eligible for this funding.

### **PERFORMANCE IMPLICATIONS**

According to HSD, increasing services in the southern part of the State should increase access to those services. This would be in line with Goal 4 of "A Healthy New Mexico" – the Governor's performance and accountability document.

The Public Education Department (PED) suggests that the availability of such services to the schools will assist in meeting the PED Special Education Bureau's State Performance Plan, which has within it the requirement of increasing the amount of time that students with disabilities spend in the regular education setting. Additionally, these services would support the PED's Project Excel component to improve support to districts and schools and the Governor's Prepare for Success Initiative-Healthy Students in every classroom.

### **ADMINISTRATIVE IMPLICATIONS**

HSD notes that it will need to coordinate, via inter-agency billing from DOH to HSD and further HSD billing to CMS, to obtain the federal match for any Medicaid clients involved.

**OTHER SUBSTANTIVE ISSUES**

HSD expresses concern that, because an ACT program requires a significant amount of time for startup and training and certification, and to the extent that Medicaid may pay for some services, with the state's share of dollars being paid by DOH, it is likely that the ACT program would just begin to be operational at the time unused fund would revert to the general fund.

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

The Developmental Disabilities Planning Council notes that persons with mental retardation/developmental disabilities and co-occurring behavioral health disorders will continue to encounter the law and be placed in unduly restrictive settings such as jails without timely and appropriate assessment and treatment.

ML/mt