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FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/11
 LAST UPDATED 02/18/11 **HB** _____

SPONSOR Sanchez, B.

SHORT TITLE Mental Health in Hospital Freedom of Choice **SB** 175/aSPAC

ANALYST Lucero

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Health Policy Commission
 Public Regulation Commission (PRC)
 Department of Health (DOH)
 Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee (SPAC) amendment clarifies that the original bill includes licensed professional mental health counselors and therapists, instead of clinical counselors and therapists.

Synopsis of Original Bill

Senate Bill 175 proposes to amend Section 59A-22-32 NMSA 1978 of the New Mexico Insurance Code to provide freedom of choice by an insured individual in the selection of a hospital for hospital care or of a practitioner for the treatment of an illness or injury would include the freedom to select professional clinical mental health counselors.

FISCAL IMPLICATIONS

There is no fiscal impact to the state.

SIGNIFICANT ISSUES

The New Mexico Regulation and Licensing Department (RLD) oversee five different industries in New Mexico, as well as numerous specialized professions and trades. The New Mexico Counseling and Therapy Practice Board (NMCTPB) is a “Board”, under the Boards and Commissions Division of RLD. NMCTPB Board provides regulation and oversight to Licensed Professional Clinical Counselors (LPCC), Licensed Alcohol and Drug Abuse Counselors (LADAC), Licensed Marriage and Family Therapists (LMFT) and Licensed Professional Art Therapists (LPAT) that are independent practitioners. It also provides regulation and oversight to Licensed Mental Health Counselors (LMHC) and (LSAA) entry level license’s that must practice under supervision. Specifically, the Board promulgates and implements rules and regulations governing the practice of counseling and therapy practice. The NMCTPB administers the Counseling and Therapy Practice Act, Chapter 61, Article 9A, NMSA 1978.

The bill defines “professional clinical mental health counselor” as an individual whom the Counseling and Therapy Practice Board of the Regulation and Licensing Department has licensed as a professional clinical mental health counselor.

The bill assures health insurance carriers would provide payment for services provided, to individuals holding a clinical mental health counselor license.

PERFORMANCE IMPLICATIONS

SB175 relates to the FY12 DOH Strategic Plan, Goal 1: Improving Individual Health, Objective 6: Reduce the abuse of alcohol, drugs and tobacco; SB175 also relates to the 2008 Comprehensive Health Plan; Chapter 7; Goal 2: Reduce the Adverse Effects of Substance Abuse and Mental Illness.

OTHER SUBSTANTIVE ISSUES

RLD reports:

The bill would have a positive and significant impact on qualified behavioral health practitioners in New Mexico. They require compensation for professional behavioral health treatment and care of New Mexico’s citizens who have health care coverage.

As noted in the bill, “within the area and limits of coverage offered by the insured in the application for insurance” requires individuals to have a right to choose their provider. Insurance companies not compensating licensed professional mental clinical counselors continues to be is a significant setback in the provision of behavioral health care. Because they are not considered practitioners of healing arts under the current New Mexico insurance code they are essentially excluded from insurance coverage. This code must be amended to include these qualified, licensed practitioners.

According to the Health Policy Commission:

The 2009 Geographic Access Data System: Selected Healthcare Professionals in New Mexico report, identifies 3,728 licensed counselors in New Mexico in 2009. This was a 12.8% increase from the 3,305 New Mexico licensed counselors in 2007.

In addition, 1,359 (36.5%) New Mexico licensed counselors were licensed with a Bernalillo County address followed by 646 (17.3%) with a Santa Fe County address and 259 (6.9%) with a Dona Ana County address. Santa Fe County had the highest rate of licensed counselors per 1,000 population at 4.37, followed by Taos County at 3.57 and Grant County at 3.39. There were no licensed counselors with a Harding or Hidalgo County address.

(Source: New Mexico Health Policy Commission. 2009 Geographic Access Data System: Selected Healthcare Professionals in New Mexico. http://www.nmhpc.org/pages/currentreports/documents/GADS_2009_Revised.pdf)

Of the 3,728 counselors licensed in New Mexico in 2009, 2,508 (67%) were licensed as clinical mental health counselors. It is important to note that these counselors may hold more than one license type and therefore may not necessarily be practicing as clinical mental health counselors.

(Source: New Mexico Health Policy Commission. (2009). Geographic Access Data System.)

According to the Health Policy Commissions *2009 Hospital Inpatient Discharge Data* report, mental disorders are health conditions characterized by alterations in thinking, mood, and/or behavior that are associated with personal distress or role impairment. Common mental disorders include anxiety and mood disorders and substance use disorders. In any given year in the U.S., approximately one out of every four adults has a mental health condition.

According to the report, in New Mexico in 2009:

- The highest hospitalization discharge rates per 10,000 population by category of all-listed mental disorder diagnoses for males were: alcohol dependence syndrome (49.0), depressive disorders, not otherwise specified (44.5), non-dependent abuse of drugs (33.9), non-dependent abuse of alcohol (29.7), and generalized anxiety disorder and anxiety, not otherwise specified (22.0).
- The highest hospitalization discharge rates per 10,000 population by category of all-listed mental disorder diagnoses for females were: depressive disorders, not otherwise specified (72.8), generalized anxiety disorder and anxiety, not otherwise specified (38.8), non-dependent abuse of drugs (26.7), major depressive disorder (25.4), and dysthymia (24.2).

(Source: New Mexico Health Policy Commission. 2009 Hospital Inpatient Discharge Data. http://www.nmhpc.org/pages/HIDD/documents/HIDD_2009.pdf)

The Department of Health reports:

Among all illnesses that are known to cause disabilities in the U.S., Canada and Western Europe, mental illnesses ranks first. It is estimated that 5% to 7% of adults suffer from a mental illness of some nature, while 5% to 9% of children have serious emotional disturbances. (<http://www.licensedcounselor.net/licensed-counselor/>, 2011)

The job of a mental health counselor is to assist and work with individuals, families and groups with issues that impact their psychological state and overall well-being. This can include a mental illness or other disorders, along with problems that result from life in general. Mental health counselors are trained to deal with a wide scope of issues and can be

employed in a variety of settings, including schools, public health facilities, healthcare facilities and community-based groups. An approach to the provision of comprehensive health care is often referred to as wraparound services and is provided in a “health commons” environment in several New Mexico communities. Mental health counselors arrange, manage and modify different courses of treatment, counseling, work and other personal aspects of their clients' lives. This may include referring them to other specialists or team members, locating resources, and advocating and evaluating programs that can assist patients in reaching their objectives.

The Mental Health Parity Act (MHPA) legislation signed into United States law on September 26, 1996 recognized the need for parity of mental health benefits with both physical and surgical benefits by any insurance plan highlighting the importance of mental health care (http://www.nami.org/Content/ContentGroups/E-News/1996/The_Mental_Health_Parity_Act_of_1996.htm). More recently, the US Department of Health and Human Services issued Rules requiring parity in treatment of mental and substance use disorders (<http://www.hhs.gov/news/press/2010pres/01/20100129a.html>).

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