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FISCAL IMPACT REPORT

ORIGINAL DATE 03/09/11

SPONSOR SPAC LAST UPDATED _____ HB _____

SHORT TITLE Behavioral Health Purchasing Collaborative SB 557/SPACS

ANALYST Earnest

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Up to \$4.0				General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health
 Corrections Department
 Children, Youth and Families Department
 Aging and Long Term Services Department

SUMMARY

Synopsis of Bill

Senate Public Affairs Committee (SPAC) substitute for Senate Bill 557 creates a temporary Behavioral Health Services subcommittee of the interim Legislative Health and Human Services (LHHS) committee. The subcommittee shall meet with representatives of the Human Services Department and the Interagency Behavioral Health Collaborative to discuss progress in evaluating the operation of the collaborative and the delivery of publicly funded behavioral health services in the state to develop recommendations for:

1. the integration of behavioral health services with primary care services in the state;
2. efficient resource management;
3. the definition of the scope and extent of publicly funded behavioral health services;
4. the creation of standards for quality of behavioral health care, including outcome measures for reporting to agencies participating in the collaborative;
5. payment of behavioral health services provider claims in a timely, consistent and reliable manner;
6. analysis of and recommendations for ensuring the implementation of federal health care reform as it relates to behavioral health services in the state; and
7. establishment of procedures and indicators for the implementation of an early warning system established to detect any conditions in the delivery of or payment for behavioral health providers, state government of the general public.

The subcommittee shall consist of four voting members, appointed by the chair of LHHS, as follows: two shall be senators and two shall be representatives. The chair shall appoint advisory members who wish to attend as non-voting members. The subcommittee shall meet at least twice during the 2011 interim and report findings and recommendations by October 1, 2011.

FISCAL IMPLICATIONS

The Legislative Council approves budgets for interim committee meetings and would either have to allocate additional resources for this subcommittee or work within the allocation for LHHS. The total cost for two meetings of the four member subcommittee is estimated to be \$1.3 thousand.

SIGNIFICANT ISSUES

In response to the original bill, HSD reported that the Collaborative has already conducted discussions with consumers, family members, advocates, providers and other members of the public about the strategic direction the Collaborative should take in anticipation of health care reform opportunities and the lessons learned from the first five and a half years of contracting with a statewide entity. Furthermore, HSD stated:

The Collaborative is also planning to convene an expert panel of consumers and family members, agencies and providers during the summer and autumn of this year to begin preparation for drafting and issuance of one or more Requests for Proposals in early 2012. That panel will make recommendations to the Collaborative concerning the lessons learned from experience with two statewide entities. The recommendations will include provisions that recognize: 1) the uniquely New Mexican aspects of delivering behavioral health care; 2) alternatives for testing the readiness of prospective bidders; and, 3) the critical determinants of good outcomes for children and adults with behavioral health care needs.

TECHNICAL ISSUES

Aging and Long Term Services noted the following issue: “In section 1(B)(7), it appears that the word “hazardous” might be intended to modify the word “conditions” in the first clause but inadvertently omitted. Otherwise, it is unclear what “conditions” the early warning system would be intended to detect.”

BE/svb