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FISCAL IMPACT REPORT

SPONSOR Papen/Wirth **ORIGINAL DATE** 1/23/18
LAST UPDATED 2/7/18 **HB** _____

SHORT TITLE Assisted Outpatient Treatment Act Funding **SB** 4/aSPAC

ANALYST Chenier

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	\$1,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$76.5	\$76.5	\$153.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Administrative Offices of the Courts (AOC)

Human Services Department (HSD)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to Senate Bill 4 would appropriate \$1 million to HSD instead of DOH.

Synopsis of Original Bill

Senate Bill 4 appropriates \$1 million from the general fund to the Department of Health to distribute to participating municipalities and counties that have entered into memoranda of understanding with their respective district courts pursuant to the Assisted Outpatient Treatment Act.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY19 shall not revert to the general fund.

HSD stated that the Behavioral Health Services Division (BHSD) of HSD is the state mental health authority and would therefore be charged with distributing the funds to municipalities and counties. BHSD would need to hire one FTE at pay band 75 to administer the funds and manage the AOT programs in coordination with municipalities, counties, and district courts. Total salary and benefits for that individual is estimated at \$76.5 annually. The bill's language is unclear if any of the \$1 million annual appropriation can be used to cover administrative costs associated with managing distributions to participating municipalities and counties.

SIGNIFICANT ISSUES

Section 43-1B-1 NMSA 1978 created the authority for a district court judge in New Mexico to order people diagnosed with mental illnesses who meet certain criterion into mandatory "Assisted Outpatient Treatment" (AOT) programs for up to one year. The court order is required to: not exceed one year, specify the services respondents are to receive, and direct service providers to provide or arrange for all assisted outpatient treatment throughout the period of the order. Nothing in the court order shall require payment, not otherwise a covered benefit, by health maintenance organizations, managed healthcare plans, health insurance companies, group health plans, or the state Medicaid program. The original AOT Act did not appropriate funds or establish a payment mechanism. SB 4 establishes a payment mechanism for the AOT programs.

There is currently one AOT program, operating in Dona Ana County with services provided by the La Clinica de Familia (LCDF). BHSD works with Dona Ana County and LCDF to ensure provision of outpatient services. The City of Albuquerque and Bernalillo County have designed a preliminary model AOT program and expect to begin a pilot phase in the near future.

EC/sb/al