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## FISCAL IMPACT REPORT

SPONSOR Lente ORIGINAL DATE 2/05/19  
 LAST UPDATED 3/11/19 HB 298

SHORT TITLE No Overdose Treatment Funding Contingencies SB \_\_\_\_\_

ANALYST Chenier

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: SB221, SB282

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

- Department of Public Safety (DPS)
- New Mexico Corrections Department (NMCD)
- Department of Health (DOH)
- Human Services Department (HSD)

### SUMMARY

#### Synopsis of Bill

House Bill 298 would remove funding availability contingencies based on department funding and supplies for requirements to provide opioid antagonist education and naloxone kits for opioid treatment facilities, law enforcement agencies, and corrections facilities. The bill makes it so that opioid treatment centers and others shall “facilitate the provision for” each patient it treats with opioid overdose education, two doses of Naloxone, and a prescription for Naloxone.

### FISCAL IMPLICATIONS

HSD provided the following:

2017 House Bill 340 created requirements for opioid treatment centers, police officers, and corrections facilities regarding opioid overdose education and naloxone provision. However, in response to funding concerns at the time, the language “As agency funding

and agency supplies of naloxone permit” was added to the legislation. HB 298 would remove that funding contingency. Agencies would now be directed to facilitate provisions. HSD anticipates no impact to its operating budget.

Since the passage of 2017 HB 340, the Behavioral Health Services Division has been working with 30 jails, 11 prisons, parole & probations, police officers, and all sixteen methadone treatment centers to provide opioid overdose training, educational materials, and naloxone kits through federal grant funding. BHSD’s approach to opioid overdose education is to “train-the trainer,” to create a statewide infrastructure so that there are capable trainers to provide opioid overdose education in each county.

DPS stated that there are no current fiscal implications because the New Mexico Department of Health supplies naloxone to at no cost. If DOH were to stop supplying naloxone at no cost, there would be a significant fiscal impact. For reference, in May 2017, purchased the first supply of naloxone for officers at a cost of \$45,000. Additionally, DPS purchased element proof cases to properly store the naloxone in the police units. The amount for the naloxone cases was \$9,800.

## **SIGNIFICANT ISSUES**

HSD provided the following:

Section 1 amends the requirement for opioid treatment centers from “shall provide” each patient it treats with opioid overdose education, two doses of naloxone and a prescription for naloxone, to “shall facilitate provision” for these items. It is unclear what a treatment center would need to do to be in compliance with “facilitating provision.” Although BHSD currently provides naloxone kits to methadone clinics through its federal grant, there is certain reluctance to provide naloxone kits by some clinic staff. Loosening the requirements of methadone clinics to “shall facilitate provision” of naloxone may discourage naloxone education and distribution to methadone patients.

Although prescribed naloxone is a covered Medicaid benefit, stigma discourages individuals from filling prescriptions, therefore making on-site distribution of naloxone a critical component to harm reduction. BHSD’s Naloxone Pharmacy Technical Assistance initiative is working to address barriers by increasing the number of pharmacies carrying and dispensing naloxone and reducing pharmacy barriers to dispensing and billing for the medication.

DOH provided the following:

In New Mexico in 2017, 325 people died from a drug overdose involving an opioid (prescription or illicit). Naloxone can reverse opioid overdoses. Naloxone is currently available free of charge to NM law enforcement and detention agencies. The price is substantially less if the patient has commercial health insurance and is free of charge to the patient if the patient has only Medicaid, or obtains it from a local Public Health Office.

By not making naloxone provision subject to funding, the bill would potentially increase the number of people who have the education and naloxone necessary to reverse an opioid overdose, thus reducing overdose death. Risk of overdose death is more than 10 times greater in the first two weeks after release from incarceration than for the general

population (Binswanger *et al.* (2013) Mortality after prison release: opioid overdose and other causes of death, risk factors, and time trends from 1999 to 2009, *Annals of Internal Medicine* 159(9):592-600).

The changes proposed by HB298 are supported by the New Mexico Overdose Prevention and Pain Management Advisory Council, which is charged with recommending pain management and clinical guidelines.

NMCD stated that the department is complying with the law since it passed in 2017, and has had sufficient funding with sufficient supplies of naloxone. NMCD has no plans to stop requesting or obtaining necessary funding and naloxone supplies. However, the day may come where there is another economic recession, or where the then Governor may want NMCD to spend its funds on other programs or services. This bill if passed would require the continued purchase and use of naloxone by the NMCD and law enforcement agencies even if at some point in the future there is a more suitable or less expensive drug, or a more effective treatment requiring no drugs at all.

EC/gb