

LFC Requester:	Joseph Simon
-----------------------	---------------------

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date 1/15/24
Bill No: HB 36-630

Sponsor: Rep. Pamelya Herndon
Short Title: LONG-TERM RESIDENTIAL REHAB CENTER ACT AND APPROPRIATION

Agency Name and Code HSD/HCA-630
Number: _____
Person Writing Alicia Salazar BHSD& Danny Maxwell DOH
Phone: 505-795-3920 **Email** Alicia.salazar2@hsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	16,000 (to GSD)	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
	\$114,975	\$443,000	Recurring	SGF

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$114,975	\$443,000	\$557,975	\$443,000	SGF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB 36 is an act relating to behavioral health to create a long-term residential rehabilitation center to provide substance use treatment to people who are addicted to drugs and alcohol. This appropriation would be allocated to GSD to purchase a facility that will become a long-term residential rehabilitation center.

FISCAL IMPLICATIONS

This will require .5 FTE to process the application submitted to HSD/BHSD by the GSD purchased long-term residential rehabilitation center if it is an Adult Accredited Residential Treatment Center (AARTC).

The licensing and oversight of new Adult Accredited Residential Treatment Center’s by the Division of Health Improvement (DHI) will require additional start up and reoccurring costs. The initial costs of rulemaking would be \$114,975 for the development and promulgation of new rules. (Costs include: hearing officer, promulgation publication fees, attorney and writing team costs.)

The ongoing operational costs for licensing and oversight of the facilities would include: .5 FTE Licensing Specialist, 2.0 FTE Registered Nurse healthcare surveyors, and a .5 FTE complaints intake specialist. The reoccurring cost would be \$ 443,000.

Initial rule Promulgation cost

# of FTE	Division	Title	Range	Hourly rate	Annual Salaries	Insurance Rate \$x weekly	Group Insurance	PERA	RCA	RHC	Total Benefits	TOTAL Cost	FFP*	GF Need	FF Need	3 month cost @25%	Notes
1	DHI	GEN I	90	49.66	103,700.00	163.67	4,300	20,000	7,900	2,100	34,300.00	138,000	50%	69,000	69,000	34,500	
1	DHI	ATTORNEY 3	LH	47.08	98,300.00	163.67	4,300	18,900	7,500	2,000	32,700.00	131,000	50%	65,500	65,500	32,750	
1	DHI	A/O II	85	45.55	95,100.00	163.67	4,300	18,300	7,300	1,900	31,800.00	126,900	50%	63,450	63,450	31,725	
0	Rule posting, registration & hearing officer											16,000	50%	8,000	8,000	16,000	
3	TOTAL Personnel / Benefits				297,100	491.01	12,900	57,200	22,700	6,000	98,800	411,900		205,950	205,950	114,975	TOTAL Rule Promulgation costs

On-going Licensing & oversight costs annually

# of FTE	Division	Title	Range	Hourly rate	520300		Insurance Rate Bi-weekly	Group Insurance	521100 PERA	521200 FICA	521300 RHC	521700	Total Benefits	TOTAL Cost	FFP*	GF Need	FF Need	Notes
					Annual Salaries	190.95												
1	DHI	BUS OPS SPEC-A	60	25.01	52,200.00	190.95	5,100	10,000	4,000	1,000	20,100.00	72,300	50%	36,150	36,150			
1	DHI	HEALTHCARE SURVYR-O	65	29.12	60,800.00	163.67	4,300	11,700	4,700	1,200	21,900.00	82,700	50%	41,350	41,350	Complaint Intake Spec		
2	DHI	REGISTERED NURSE LEVE	HH	40.45	168,900.00	163.67	8,700	32,500	12,900	3,400	57,500.00	226,400	50%	113,200	113,200			
4	TOTAL Personnel / Benefits				281,900	518.29	18,100	54,200	21,600	5,600	99,500	381,400		190,700	190,700	-		
		Other Operating Costs:		Per person	1. flr	GE	EE											
		542100 - Instate M & F		200	800	400	400											
		542200 - Instate M & L		400	1,600	800	800											
		544100 - Office Supplies		8,000	32,000	16,000	16,000											
		544900 - Invent Exempt		4,000	16,000	8,000	8,000											
		546600 - Telecomm		2,800	11,200	5,600	5,600											
				15,400	61,600	30,800	30,800											
				TOTAL	443,000	221,500	221,500											
		INSURANCE - PRES SINGLE																
		< \$50K		218.22														
		\$50K to \$59999		190.95														
		\$60K >		163.67														

SIGNIFICANT ISSUES

The burden of substance use disorder among the NM population is well documented regarding drug and alcohol injury and death. The drug overdose death rate in New Mexico has doubled in the last five years increasing from 24.6 deaths per 100,000 population in 2017 to 50.6 deaths per 100,000 population in 2021 (NMDOH Bureau of Vital Records and Health Statistics). Additional funding to support services for substance use disorders would help decrease substance related deaths and injuries.

PERFORMANCE IMPLICATIONS

The addition of a long- term residential rehabilitation center providing up to eighteen months of residential substance use treatment aligns with HCA’s strategic plan to increase access to care of New Mexicans.

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

As part of the HCA reorganization, the Division of Health Improvement will move to the HCA, allowing it to oversee the licensing of facilities in New Mexico and would need to be consulted pertaining to their licensing regulations of the “center” is considered to be a “facility”.

The definitions of health facilities in house bill 2 will need to be amended to include Adult Accredited Residential Treatment Center as a new licensed health facility type, and new rules will need to be developed and promulgated for the licensing of AARTCs by the Division of Health Improvement.

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None