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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/14/2025

SPONSOR Lujan/Thomson/Dixon

BILL

SHORT TITLE Behavioral Health Purchasing Collaborative BILL NUMBER House Bill 329

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HCA	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	No Fiscal Impact	Recurring	

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Aging and Long-Term Services Department (ALTSD)
Department of Health (DOH)
Health Care Authority (HCA)

Agency Analysis was Solicited but Not Received From
Office of the Governor

SUMMARY

Synopsis of House Bill 329

House Bill 329 (HB329) would amend the composition of the interagency Behavioral Health Purchasing Collaborative by removing the Aging and Long-Term Services Department, Department of Finance and Administration, Public Education Department, Transportation Department, Retiree Health Care Authority, Governor's Commission on Disability, Developmental Disabilities Council, Vocational Rehabilitation Division, Health Policy Commission, and the Governor's Health Policy Coordinator. The bill would add the New Mexico Behavioral Health Providers Association to the collaborative.

The bill would designate the secretary of the Health Care Authority (HCA) as the chair of the Collaborative.

The bill would create the director of the collaborative and require the director be selected from a list of qualified nominees created by a nominating committee. The committee would be made up of three members with one appointed by the speaker, one by the president pro tempore, and one

appointed by the governor.

The bill repeals Section 24A-3-2 NMSA 1978, which currently establishes the Behavioral Health Planning Council.

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

HCA reports the bill would not have a fiscal impact for the agency.

SIGNIFICANT ISSUES

HCA notes the bill is unclear if the agencies being removed would still use the collaborative's administrative services organization to administer non-Medicaid behavioral health funds.

HCA notes the bill proposes to eliminate the Behavioral Health Planning Council, but the council meets a federal requirement set for receiving mental health and substance use block grant funding. HCA reports in federal FY24, HCA's Behavioral Health Services Division received \$5.9 million in mental health and \$10.4 million in substance use block grant funding.

The bill adds the New Mexico Behavioral Health Provider Association to the Collaborative and HCA notes other behavioral health associations are excluded and questions if this presents a conflict of interest.

HCA reports in Section I, paragraph 4, "mental health" should say behavioral health to incorporate all services including both mental health and substance use disorder.

PERFORMANCE IMPLICATIONS

HB329 adds housing supports to the scope of the Collaborative. HCA suggests the Collaborative will need participation from the New Mexico Housing Authority, Corrections Department, Administrative Office of the Courts, Department of Health, Public Education Department, and Children, Youth and Families Department.

ADMINISTRATIVE IMPLICATIONS

HCA notes the collaborative's administrative services organization contract currently resides within HCA's Behavioral Health Services Division.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The following bills relate to behavioral health:

- SB1, Behavioral Health Trust Fund, would invest \$1 billion into a trust fund that would make annual funds available for behavioral health appropriations.
- HB70, Behavioral Health Medicaid Waiver Act, would give the Health Care Authority funding to explore expanding federal Medicaid funding for a behavioral health Medicaid

waiver program.

- HB196, Behavioral Health and Child Care Funding, would appropriate funds to the Behavioral Health Capital Fund.
- SB120, No Behavioral Health Cost Sharing, would make permanent the elimination of behavioral health cost sharing.

This bill conflicts with SB3, Behavioral Health Reform and Investment Act, would create standards and priorities for behavioral health spending and would repeal the Behavioral Health Purchasing Collaborative.

OTHER SUBSTANTIVE ISSUES

HCA notes the federal Substance Abuse and Mental Health Services Administration encourages states to integrate substance use and mental health planning councils into a single behavioral health planning council to enhance coordination and efficiency. The current Behavioral Health Purchasing Collaborative is responsible for reviewing and making recommendations for the comprehensive mental health and substance use block grant applications, the state plan for Medicaid services, and any other plan or application for behavioral health federal funding.

RAE/hj/SL2