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FISCAL IMPACT REPORT

SPONSOR Hochman-Vigil ORIGINAL DATE 2/07/2020
LAST UPDATED 2/13/2020 HB 338
SHORT TITLE UNM Children's Psychiatric Hospital Pgm SB _____
ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$1,750.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

University of New Mexico Health Sciences Center (UNM HSC)
Children Youth and Families Department (CYFD)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 338, UNM Children's Psychiatric Hospital Program, appropriates \$1.75 million from the general fund to the board of regents of the University of New Mexico for the purpose of funding intensive outpatient mental health programs and partial hospitalization for mental health problems at the University of New Mexico Children's Psychiatric Hospital.

FISCAL IMPLICATIONS

The appropriation of \$1.75 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of each fiscal year shall revert to the general fund.

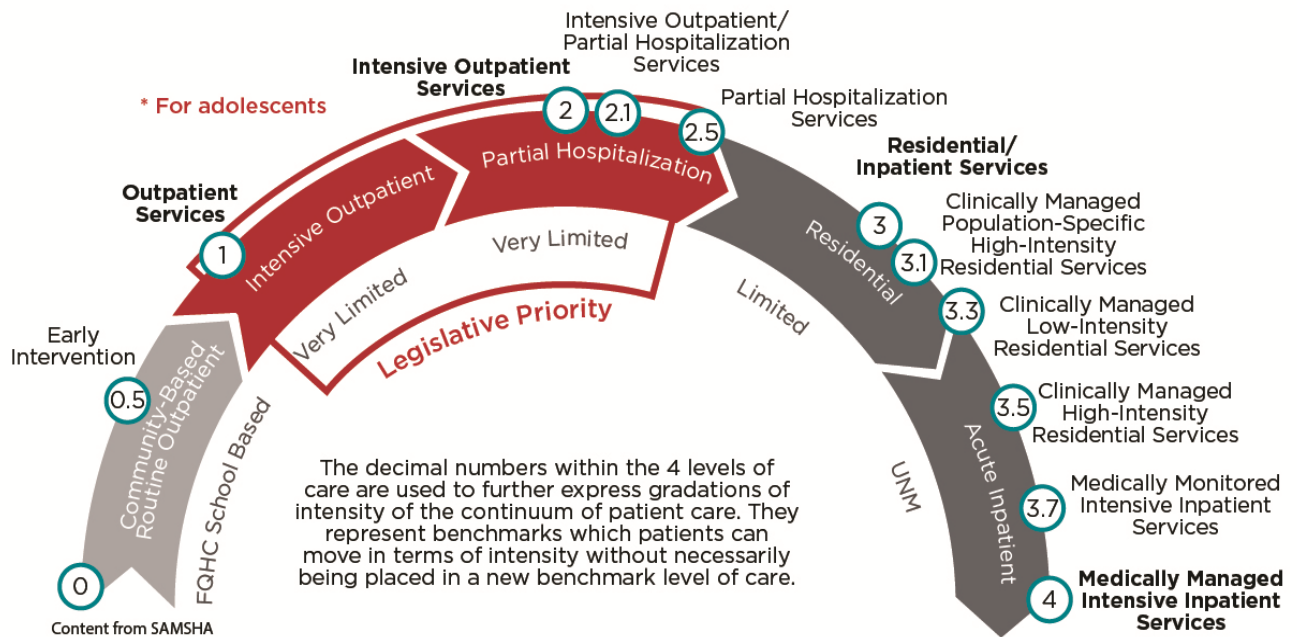
UNM HSC notes that availability of this appropriation would enable UNM to hire the additional 11.5 FTE needed to implement the program, as well as to fund the supplies, pharmacy costs, laboratory tests required and other expenses of running the programs of partial hospitalization and intensive outpatient care. Just over \$1 million of the total requested appropriation would go for personnel; the rest would go to other expenses and program set-up costs.

CYFD indicates that it would be able to absorb costs of licensing and auditing these new programs within currently available resources.

SIGNIFICANT ISSUES

Currently intermediate levels of care for children and youth with mental health and substance abuse disorders are missing in New Mexico, resulting in inadequate services for those who need more than simply occasional counselling or standard outpatient psychiatric care. Some children and youth in this situation receive more intensive treatment than they might need if there were intermediate treatment options like intensive outpatient care (according to UNM HSC, three hours per day three times a week for 16 weeks) or partial hospitalization (five hours a day five days a week, spending nights and weekends at home). The resulting cost for a child or adolescent given more intensive care than s/he needs would be correspondingly higher than necessary.

The federal Substance Abuse and Mental Health Administration (SAMHSA) displays the ideal spectrum of available care as follows:



It is those programs bracketed as “Legislative Priority” that are currently difficult to find within New Mexico. According to UNM HSC, “Many youth in New Mexico need intermediate level services to allow for a successful transition to outpatient community based care. Partial Hospital and Intensive Outpatient Treatment allow this progression to step down treatment intensity in a way that increases the probability of patients being successful in their recovery. Currently there are no other resources for Partial Hospital for child and Adolescents in New Mexico and limited resources for Intensive Outpatient programs.”

UNM HSC also comments on the importance of assessing the results of programs that would be established through this appropriation:

Health care programs that are robust and effective measure outcomes. Measuring the quality of health care is important because it tells us how the health system is performing and leads to improved care. Outcomes measured for Partial Hospitalization and Intensive Outpatient will include the following:

- readmission rates to the inpatient unit
- patient experience
- usage of Emergency Department/Psychiatric Emergency Services
- efficacy of treatment using the Child and Adolescent Functional Assessment Scale scoring
- residential treatment center (RTC) referrals for out of state placement

CYFD notes the presence of 14 agencies statewide providing intensive outpatient (IOP) or behavioral health intensive outpatient to adolescents, reimbursable by Medicaid if certified by CYFD and the interagency intensive outpatient council, which includes Department of Human Services Medicaid and Behavioral Health Division. CYFD continues:

CYFD Behavioral Health Services (BHS) administratively regulates and oversees the development of intensive outpatient programs for adolescents. Substance Focused IOP Treatment provides services for individuals who suffer from drug and alcohol use disorders or co-occurring disorder(s) who do not meet the clinical threshold for residential treatment or medically supervised detoxification, but whose disorder is too complex for effective management in a traditional outpatient treatment setting. As of January 2019, Behavioral Health IOP was approved as a model for providers to treat adolescents who need a higher level of care than outpatient treatment, but do not meet the threshold for residential treatment, and whose behavioral health concerns do not have a prominent substance use component. IOP works as an effective treatment model to step down to after residential treatment and as a standalone treatment model for those who meet criteria.

DOH comments on the low availability and uneven distribution of behavioral health providers and especially intensive outpatient treatment programs in New Mexico.

Concerns exist about the availability of behavioral health services, including treatment and service for mental health and substance use disorders. The need for such services is particularly pronounced in New Mexico, a state that has among the highest rates for suicide and deaths from overdose in the Nation (<https://oig.hhs.gov/oei/reports/oei-02-17-00490.pdf>).

In total, New Mexico has 2,665 licensed behavioral health providers that serve its 670,000 Medicaid managed care enrollees (2017). The licensed behavioral health providers are distributed unevenly across the State. Notably, 19 of the State's 33 counties have fewer than 2 licensed behavioral health providers for every 1,000 Medicaid managed care enrollees. Additionally, many behavioral health organizations in New Mexico report difficulty in arranging non-intensive outpatient services (<https://oig.hhs.gov/oei/reports/oei-02-17-00490.pdf>).

Intensive outpatient treatment (IOP) programs have been shown to be equally effective and often efficient for addiction rehabilitation. Benefits include:

- Increased duration of treatment has shown to lead to better recovery outcomes;
- Flexible and easily accessible IOP services allow the patient to maintain his or her everyday routines and responsibilities;

- Lower costs compared to a residential or inpatient treatment program;
- Clinical flexibility to respond to individual needs;
- Higher retention rate than low-intensity outpatient programs;
- Daily real-world opportunities to apply newly learned coping skills;
- Increased opportunities to establish community-based support;
- Enhanced treatment programs for relapses;
- Greater patient responsibility;
- Participation in local self-help groups from the beginning of treatment; and
- Enhanced ability to develop long-term supportive relations with other patients.

(<https://www.pyramidhealthcarepa.com/pyramid-family-behavioral-healthcare/pfbh-blog/what-are-the-benefits-of-intensive-outpatient-programs/>) ...

The potential impact of untreated mental illness in our communities includes self-medication with illicit substances, high crime rates and repeated incarceration. New Mexico's incarceration rate in 2018 was 829 per 100,000, which is significantly higher than the overall U.S. rate of 698 per 100,000. (<https://www.prisonpolicy.org/global/2018.html>). New Mexico also ranks fourth highest in the nation for suicide of all ages, at 23.3 per 100,000 in 2017 (<http://worldpopulationreview.com/states/suicide-rates-by-state/>). Without early prevention, intervention, and access to care, it is likely that years of life lost due to incarceration, suicide, and death related to undiagnosed and untreated mental illness will increase.