

LFC Requestor: GARCIA, Rachel

**2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: House
Number: 0463

Category: Bill
Type: Introduced

Date (of THIS analysis): 02/19/2025

Sponsor(s): Gail Armstrong

Short Title: CYFD Perinatal Investigation and Support Unit

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$	100.0	Nonrecurring: Total appropriation is for expenditure over 2 years (FY26-FY27).	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$0	\$0	\$0	n/a	n/a

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$	97.0	97.0	194.0	Nonrecurring	General

House Bill 463 (HB463) appropriates \$100,000 from the general fund for fiscal years 2026 and 2027 to support the establishment and operations of the Perinatal Investigation and Support Unit within CYFD. The bill does not specify how the funding will be allocated across staffing, training, administrative costs, and inter-agency coordination efforts.

The fiscal impact on NMDOH is not explicitly outlined, but HB463's data-sharing requirements and coordination with CYFD, hospitals, and early childhood programs may necessitate additional staffing or technology resources to manage information flow and compliance.

If NMDOH is required to dedicate staff to support the unit's operations, this could result in the need for at least one additional full-time equivalent (FTE) position, depending on the level of involvement.

- For a Program Coordinator-I, Pay band 70- \$33.23/hr x 2080 hours= \$69,118 + 40% fringe = \$96,765.00

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 463 (HB0463) proposes to establish a two-year pilot program within the Children, Youth, and Families Department (CYFD) to create a Perinatal Investigation and Support Unit. This unit would be responsible for investigating and assessing all reports of substance-exposed newborns from healthcare providers across the state, as required by Subsection A of Section 32A-4-3 NMSA 1978. The unit would employ trauma-informed perinatal professionals trained in an evidence-based intensive care coordination model recognized by federal and national child welfare organizations.

HB0463 also mandates coordination between the new unit and the department of health's maternal health program, the health care authority, and the early childhood education and care department's home visiting program.

The bill allocates \$100,000 from the general fund for fiscal years 2026 and 2027 to fund the program. Any unspent funds at the end of fiscal year 2027 will revert to the general fund.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

Substance-exposed newborns continue to be a serious concern in New Mexico. Among all infants born between 2016-2019, 34.9% were found to have been exposed to a psychoactive substance in utero (NMDOH, 2023). Link: nmhealth.org/data/view/report/2769/. According to America's health rankings, New Mexico is 42nd in the country for incidence of Neonatal Abstinence Syndrome (NAS), with 12.9 birth hospitalizations with a diagnosis code of neonatal abstinence syndrome per 1,000 birth hospitalizations (Federally Available Data, Maternal and Child Health Bureau, Health Resources and Services Administration, 2021) [Explore Neonatal Abstinence Syndrome in New Mexico | AHR](#). These conditions can result in extended hospital stays, developmental delays, and increased costs for healthcare and social services ([NMDOH, 2018](#); [Corr & Hollenbeak, 2017](#)).

In the US, among infants born during 2010-2017, neonatal abstinence syndrome (NAS) increased 83%, from 4.0 to 7.3 per 1,000 hospital deliveries ([Evaluation of State-Led Surveillance of Neonatal Abstinence Syndrome — Six U.S. States, 2018–2021 | MMWR](#)) and an estimated 80% of hospital charges for NAS are covered by state Medicaid programs ([Ko & Patrick et al., 2016](#)). Long-term savings could result from reduced neonatal intensive care unit (NICU) stays ([Jenkins et al., 2024](#)), decreased foster care placements ([Marcellus & Badry, 2020](#)), and lowered healthcare costs associated with NAS cases ([Winkelman & Villapiano et al., 2018](#)).

NM passed a law (HB 230) in 2019 to try to provide more support to families of substance-exposed newborns instead of reporting them automatically to protective services. Healthcare providers, however, are still mandated to report to CYFD if they have concerns about the safety of an infant or child and feel they are at risk of harm. When investigations do occur, it is critical that they be done by trauma-informed perinatal professionals trained in evidence-based models. This bill would support that need. In requiring coordination between the new unit and the DOH maternal health program, the Health Care Authority (HCA), and the Early Childhood Education and Care Department's (ECECD) home visiting program, the bill also acknowledges the various touchpoints across agencies. Several other programs also support families with substance-exposed infants, especially Children's Medical Services at DOH and the Family Infant Toddler Program at ECECD.

HB0463's data-sharing requirements and collaboration with CYFD, hospitals, and early childhood programs could necessitate additional personnel or technological resources to manage compliance and information exchange.

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes No

DOH has several programs that would need to coordinate with this new Investigative Unit, as described above. The bill may require additional DOH resources to support the Perinatal Investigation and Support Unit's collaboration, potentially increasing data-sharing requirements between DOH, CYFD, and hospitals regarding substance-exposed newborn reports. Additionally, it may necessitate the development of new policies to guide the integration of public health, child welfare, and early intervention services.

Is this proposal related to the NMDOH Strategic Plan? Yes No

- Goal 1:** We expand equitable access to services for all New Mexicans
- Goal 2:** We ensure safety in New Mexico healthcare environments
- Goal 3:** We improve health status for all New Mexicans
- Goal 4:** We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 Yes No N/A
- Does this bill have a fiscal impact on NMDOH? Yes No

While the fiscal impact on NMDOH is not explicitly stated, the bill's data-sharing requirements and collaboration with CYFD, hospitals, and early childhood programs could necessitate additional personnel or technological resources to manage compliance and information exchange. If NMDOH is required to allocate staff for these activities, the department may need at least one full-time equivalent (FTE) position, such as a Program Coordinator I (Pay band 70, \$33.23/hour), which would amount to \$96,765 annually, including fringe benefits.

It remains uncertain whether the allocated \$100,000 will fully cover the pilot program's operational needs, particularly if staffing, infrastructure, or expansion costs arise. If the program extends beyond FY2027, additional funding sources may be required.

If financial support is directed toward a specific organization, state agencies must comply with the Procurement Code when distributing funds to public and private entities.

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

If NMDOH must assign staff to these responsibilities listed in the bill, the department may need at least one full-time equivalent (FTE) position.

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes
 No

8. DISPARITIES ISSUES

The primary population served by this bill includes substance-exposed newborns (SENs) and their families, particularly those affected by maternal substance use disorders.

This population disproportionately includes low-income individuals ([Baptiste-Roberts & Hossain, 2018](#)), rural communities ([Mosel & Sharp, American Addiction Centers, 2025](#)), and racial/ethnic minorities ([Ali, Creedon, & Bagalman et al., 2023](#); [Massachusetts General Hospital Psychiatry Academy, Vilsaint, 2021 PowerPoint](#)), who often face barriers to healthcare access, prenatal care, and addiction treatment.

Heightened scrutiny may deter affected individuals from seeking prenatal care due to fear of involvement with child protective services (CPS) ([Stone, 2015](#)).

9. HEALTH IMPACT(S)

The bill primarily impacts newborns affected by prenatal substance exposure and their mothers, particularly those with opioid or other substance use disorders, and may reduce rates of neonatal abstinence syndrome (NAS), increase access to treatment and support, and improved child welfare and maternal health outcomes through early intervention.

BB0463 could also have a potential fiscal impact, as long-term savings could result from reduced neonatal intensive care unit (NICU) stays ([Jenkins et al., 2024](#)), decreased foster care placements ([Marcellus & Badry, 2020](#)), and lowered healthcare costs associated with NAS cases ([Winkelman & Villapiano et al., 2018](#)).

10. ALTERNATIVES

Existing programs, such as home visiting initiatives, Medicaid-funded maternal health services, and hospital-based substance use interventions could address some of the issues HB0463 targets. However, these programs do not currently coordinate statewide perinatal investigations, and there is no centralized unit to ensure uniform case management.

Policy changes within existing agencies could partially address the need identified in the bill, but they would lack the dedicated funding and structural framework established by this bill.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB463 is not enacted, then a dedicated two-year pilot program within CYFD to establish a specialized Perinatal Investigation and Support Unit will not occur.

12. AMENDMENTS

None.