

LFC Requester:	
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

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

Date Prepared: 2/13/25 *Check all that apply:*
Bill Number: SB42 Original Correction
Amendment Substitute

Sponsor: Sen Padilla **Agency Name and Code** HCA-630
Short Title: NEW CARA PROGRAM REQUIREMENTS **Number:** _____
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0.0	\$0.0	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0.0	\$0.0	\$0.0	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	\$0.0	\$6,557.8	\$6,557.8	\$13,115.5	Recurring	General Fund
	\$0.0	\$6,557.8	\$6,557.8	\$13,115.5	Recurring	Federal Medicaid Funds
Total	\$0.0	\$13,115.6	\$13,115.6	\$26,231.0	Recurring	

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Not known
 Duplicates/Relates to Appropriation in the General Appropriation Act: Not known

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

An act relating to child welfare; enhancing the State program administered pursuant to the Federal Comprehensive Addiction and Recovery Act of 2016; moving the program from the Children Youth and Families Department (CYFD) to the Department of Health (DOH); amending requirements for the Plan of Safe Care (POC); and providing for rule making.

- Allows plans of safe care to be implemented in hospitals and prenatal and perinatal visits.
- Clarifies that care coordinators can be from the MCOs or DOH
- Requires substance use disorder screening, brief intervention and treatment (SBIRT) to be done in all hospitals and at prenatal visits.
- Requires there to be a care coordinator at each hospital in the state
- Requires home visiting services and substance use disorder treatment services to be part of the plan of care.
- Annual report to LFC, LHHS and DFA.
- Mandatory family assessment if mother is not adherent to plan of safe care. Family assessment responsibility remains in CYFD.

FISCAL IMPLICATIONS

SB 42 does not provide appropriations to state agencies for implementing a ‘plan of safe care,’ which would require CARA care coordinators across 35 hospitals and early screening/brief intervention services across the affected population. The additional operating costs assume MCOs add 35 FTE care coordinators across New Mexico hospitals (operating 24/7) and expand brief intervention and screening services across an affected population of 900 newborn individuals per year. The cost of CARA care coordinators is estimated to be \$12,687.5 thousand based on an actuarial estimate of \$145,000 per care coordinator, inclusive of administrative expenses paid to MCOs. The costs of additional screening and early intervention services are estimated to be \$428.0 thousand, inclusive of administrative expenses paid to MCOs. Therefore, the overall cost of the bill is \$13,115.5 thousand, with a general fund need of \$6,557.8 thousand and a federal fund need of \$6,557.8 thousand applying a 50% federal financial participation rate.

Requiring home visiting services for the CARA population is likely to have a fiscal impact on the Medicaid program as it is currently a voluntary program. Medicaid is one payor of home visiting services.

SIGNIFICANT ISSUES

The bill is unclear on when the MCO care coordinators are lead and when DOH navigators are lead. This may create confusion on responsibilities.

PERFORMANCE IMPLICATIONS

Will increase the amount of required collaboration between CARA Navigators and MCO Care Coordinators and therefore will create need for updates and changes to processes, management and oversight of the Medicaid Managed Care Organizations MCOs by HCA staff.

ADMINISTRATIVE IMPLICATIONS

None noted by HCA.
No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

There is a relationship between this bill and HB343 and HB171

TECHNICAL ISSUES

The proposed bill requires increased communication between CYFD, DOH and HCA, to allow for a quality review of the processes, initiate process improvement updates if indicated and to mitigate further risk.

SBIRT training is currently only available at one location in New Mexico and requires a significant investment from the provider, including a two-day training on motivational interviewing. Requiring all providers who work with pregnant Medicaid members, and all hospital providers to complete this training is a considerable lift without any incentives for these providers to take that time away from seeing patients. SBIRT is also a billable Medicaid service. Requiring all perinatal visits to do SBIRT and all hospital personnel working with pregnant members, is likely to have a financial impact on the Medicaid program budget. Medicaid would need to create a mechanism for hospitals to pull SBIRT out of the DRG to allow for payment which would require a state plan amendment, NMAC revisions, a letter of direction, system changes, and a provider supplement

OTHER SUBSTANTIVE ISSUES

- ~~None.~~ There is a need for clarification if the care coordinators in the hospital are supposed to be from DOH or the MCOs.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The status quo is that the CARA program is moving from CYFD to DOH. Currently care coordinators and navigators may recommend a CYFD family assessment, but it is not required.

AMENDMENTS

This bill is a substitute.