

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 3

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

AN ACT

RELATING TO HEALTH; ENACTING THE BEHAVIORAL HEALTH REFORM AND INVESTMENT ACT; REPEALING A SECTION OF THE NMSA 1978; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be cited as the "Behavioral Health Reform and Investment Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Behavioral Health Reform and Investment Act:

A. "behavioral health region" means a geographic area of the state that is designated in accordance with Subsection B of Section 3 of the Behavioral Health Reform and Investment Act and encompasses one or more counties or judicial districts;

B. "behavioral health services" means a

1 comprehensive array of professional and ancillary services for
2 the treatment, rehabilitation, prevention and identification of
3 mental illnesses and substance misuse, including telemedicine;

4 C. "behavioral health stakeholders" means
5 representatives from the administrative office of the courts,
6 the public defender department, the district attorney's office
7 in the behavioral health region, behavioral health service
8 recipients, behavioral health service providers, behavioral
9 health care advocates, the health care authority, the
10 department of health, the children, youth and families
11 department, the university of New Mexico health sciences
12 center, higher education institutions within behavioral health
13 regions, Indian nations, tribes and pueblos, local and regional
14 governments and other appropriate state or local agencies or
15 nongovernmental entities, including school districts, local and
16 regional law enforcement agencies, local jails or detention
17 centers, behavioral health associations and local behavioral
18 health collaboratives;

19 D. "continuity of care plan" means a plan
20 identifying the interrelationship of available and prospective
21 behavioral health services for recipients to ensure consistent
22 and coordinated services over time;

23 E. "disproportionately impacted community" means a
24 community or population of people for which multiple burdens,
25 including mental, substance misuse and physical stressors,

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1 inequity, poverty, limited behavioral health services and high
2 unemployment, may act to persistently and negatively affect the
3 health and well-being of the community or population;

4 F. "generally recognized standards for behavioral
5 health" means standards of care and clinical practice
6 established by evidence-based sources, including clinical
7 practice guidelines and recommendations from mental health and
8 substance misuse care provider professional associations and
9 relevant federal government agencies, that are generally
10 recognized by providers practicing in relevant clinical
11 specialties, including:

- 12 (1) psychiatry;
- 13 (2) psychology;
- 14 (3) social work;
- 15 (4) clinical counseling;
- 16 (5) addiction medicine and counseling;
- 17 (6) family and marriage counseling;
- 18 (7) public health officials; and
- 19 (8) certified peer support workers;

20 G. "regional meeting" means a meeting held by
21 behavioral health stakeholders at a government-owned or
22 -operated facility within a behavioral health region;

23 H. "regional plan" means a plan that is developed
24 collaboratively by behavioral health stakeholders to provide
25 behavioral health services to a behavioral health region; and

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1 I. "sequential intercept mapping" means a strategic
2 planning tool that helps communities identify resources and
3 gaps and develop plans to divert people with mental health
4 disorders and substance misuse away from the criminal justice
5 system and into treatment.

6 SECTION 3. [NEW MATERIAL] BEHAVIORAL HEALTH EXECUTIVE
7 COMMITTEE.--

8 A. The "behavioral health executive committee" is
9 created and shall be composed of:

- 10 (1) the secretary of health care authority;
11 (2) the director of the behavioral health
12 services division of the health care authority, who shall chair
13 the committee;
14 (3) the director of the medical assistance
15 division of the health care authority;
16 (4) the director of the administrative office
17 of the courts; and
18 (5) three behavioral health experts designated
19 by the director of the administrative office of the courts.

20 B. The behavioral health executive committee shall:
21 (1) designate behavioral health regions;
22 (2) review and approve regional plans;
23 (3) establish funding strategies and structure
24 based on approved regional plans;
25 (4) monitor and track deliverables and

1 expenditures and address deficiencies and implementation issues
2 of regional plans; and

3 (5) establish a project management strategy
4 that shall be led by a project manager at the health care
5 authority.

6 C. The behavioral health executive committee shall
7 convene at least quarterly. Meetings of the committee shall be
8 subject to the Open Meetings Act; provided that executive
9 sessions are permitted when considering confidential or
10 sensitive information.

11 D. The behavioral health executive committee shall
12 report on a quarterly basis to the legislative finance
13 committee on the implementation status of the regional plans.

14 SECTION 4. [NEW MATERIAL] REGIONAL PLAN--SEQUENTIAL
15 INTERCEPT MAPPING--REPORTING REQUIREMENTS.--

16 A. The administrative office of the courts shall
17 coordinate regional meetings, complete sequential intercept
18 mapping and coordinate the development of regional plans. If
19 behavioral health stakeholders request to participate in the
20 development of a regional plan, the administrative office of
21 the courts shall include those stakeholders in the development
22 of the plan. If requested by the administrative office of the
23 courts, behavioral health stakeholders shall provide support in
24 coordinating regional meetings. The health care authority
25 shall verify that nothing in a proposed regional plan

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1 jeopardizes the state medicaid program, and if something in the
2 regional plan does jeopardize the state medicaid program, that
3 section of the regional plan is void.

4 B. A behavioral health stakeholder receiving
5 appropriations pursuant to the Behavioral Health Reform and
6 Investment Act shall participate in regional meetings, provide
7 substantive expertise, develop relevant portions of the
8 regional plans, submit annual reports based on those plans and
9 share relevant data as requested by a legislative interim
10 committee, the administrative office of the courts or the
11 health care authority.

12 C. For fiscal years 2025, 2026, 2027 and 2028, the
13 administrative office of the courts and the health care
14 authority shall collaborate to utilize current data to identify
15 gaps in any existing sequential intercept mapping and
16 supplement the mapping to ensure complete behavioral health
17 coverage prior to regional plan finalization. Nothing in this
18 subsection shall prevent the development of regional plans
19 prior to the finalization of the sequential intercept mapping.
20 Any grant or funding awards are contingent on finalized
21 regional plans; provided that those regional plans shall be
22 updated upon the completion of sequential intercept mapping.

23 D. A regional plan shall:

24 (1) include a phased implementation addressing
25 behavioral health service gaps, including the continuation and

1 expansion of behavioral health services;

2 (2) identify no more than five grants or
3 state-funded priorities per phase; provided that additional
4 priorities can be identified if the health care authority
5 determines that the service gaps in a behavioral health region
6 are large enough to warrant more priorities;

7 (3) identify local resources that may help
8 offset part of the costs associated with each funding priority;

9 (4) provide a time line and performance
10 measures for each funding priority that include a plan for
11 developing data collection and infrastructure, performance
12 measures, feasibility analysis and a sustainability plan;

13 (5) provide a continuity of care plan for the
14 region;

15 (6) consider the need for language access for
16 behavioral health services in the region;

17 (7) when appropriate, establish a plan to
18 obtain federal, local or private resources to advance a
19 regional priority;

20 (8) include an appendix with a list of all
21 behavioral service providers in the behavioral health region;
22 and

23 (9) identify how regional plans will optimize,
24 leverage or reinforce coordination with the state medicaid
25 program as the primary payor of behavioral health services.

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1 E. The administrative office of the courts shall
2 distribute each regional plan to the legislature and the
3 appropriate state agencies.

4 F. The health care authority, in consultation with
5 the legislative finance committee and the legislative health
6 and human services committee, shall determine baseline data
7 collection points to be collected and reported in all reports
8 subject to Subsection G of this section.

9 G. Beginning no later than June 30, 2027 and by
10 every June 30 thereafter, the behavioral health executive
11 committee shall designate a government entity within each
12 behavioral health region to provide a written report to the
13 legislature and the judicial and executive branches of
14 government that includes:

15 (1) the status of the implementation of each
16 regional plan and sequential intercept mapping;

17 (2) available data on performance measures
18 included in each regional plan;

19 (3) public feedback on the implementation of
20 each regional plan;

21 (4) uniform responses to data requests made by
22 a legislative committee, the administrative office of the
23 courts or an executive agency; and

24 (5) a list of qualified and certified
25 behavioral health service providers in each region that provide

1 services described in the Behavioral Health Reform and
2 Investment Act.

3 H. Starting May 1, 2025, and continuing through
4 December 31, 2025, the administrative office of the courts
5 shall provide the appropriate interim legislative committees
6 and the health care authority a monthly update on the status of
7 sequential intercept mapping and regional planning. After
8 January 1, 2026, the administrative office of the courts shall
9 provide quarterly updates on the status of sequential intercept
10 mapping and regional planning to the legislature and the health
11 care authority. The behavioral health executive committee
12 shall provide the legislature quarterly updates on the
13 implementation of regional plans starting when the regional
14 plans begin to be implemented.

15 I. Higher education institutions within behavioral
16 health regions shall coordinate with the health care authority,
17 the workforce solutions department and other behavioral health
18 stakeholders to create a behavioral health workforce pipeline
19 for the behavioral health services identified within regional
20 plans. A behavioral health workforce pipeline may include:

21 (1) pathways for people with lived experience
22 to enter the behavioral health workforce;

23 (2) in-state and national recruitment of
24 behavioral health professionals;

25 (3) increased awareness of behavioral health

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1 careers within middle and high schools in the region;

2 (4) optimization of state funding to enhance
3 or create behavioral health educational opportunities within
4 the behavioral health region; and

5 (5) making recommendations to the legislature
6 to better address the behavioral health workforce needs of the
7 region.

8 J. As New Mexico's single state authority, the
9 behavioral health services division of the health care
10 authority shall continue to oversee the adult behavioral health
11 system, including programming and rulemaking. Nothing in the
12 Behavioral Health Reform and Investment Act shall be
13 interpreted to imply anything to the contrary. The health care
14 authority remains the primary designated federal entity for the
15 state medicaid program.

16 SECTION 5. [NEW MATERIAL] BEHAVIORAL HEALTH SERVICE
17 STANDARDS.--

18 A. By June 1, 2025, the health care authority, in
19 consultation with other state agencies that have behavioral
20 health programs, shall provide the administrative office of the
21 courts with an initial set of generally recognized standards
22 for behavioral health services for adoption and implementation
23 in regional plans and any behavioral health service access
24 priorities or gaps in the regions. The standards may be
25 amended or updated to ensure that best practices of behavioral

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1 health services are delivered. The health care authority shall
2 confirm whether or not each regional plan meets the behavioral
3 health standards as set forth in the Behavioral Health Reform
4 and Investment Act.

5 B. By June 1, 2025, the legislative finance
6 committee and the health care authority shall provide the
7 administrative office of the courts an initial set of
8 evaluation guidelines for behavioral health services for
9 adoption and implementation of regional plans. The evaluation
10 guidelines shall include methods for evaluating the
11 effectiveness of promising practices and behavioral health
12 services not identified in Subsection A of this section. A
13 promising practice is a program that has shown potential to
14 improve outcomes or increase efficiency and is worthy of
15 further study through a pilot implementation. The guidelines
16 may be amended or updated at the request of the legislative
17 finance committee or the legislative health and human services
18 committee. The health care authority, in consultation with the
19 legislative finance committee, shall confirm whether or not
20 each behavioral health service in a regional plan meets the
21 evaluation guidelines as set forth in the Behavioral Health
22 Reform and Investment Act.

23 SECTION 6. [NEW MATERIAL] BEHAVIORAL HEALTH
24 INVESTMENTS.--

25 A. Money appropriated to carry out the provisions

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1 of the Behavioral Health Reform and Investment Act:

2 (1) shall be used to address priorities and
3 funding gaps identified in the regional plans;

4 (2) shall be equitably distributed for all
5 eligible priorities identified in each regional plan and shall
6 prioritize funding behavioral health services for
7 disproportionately impacted communities;

8 (3) may be used to fund grants not more than
9 four years in length that require annual reports to evaluate
10 the effectiveness of behavioral health services delivered;

11 (4) may be used to fund grants to cover costs
12 of providing non-acute care behavioral health services to
13 indigent and uninsured persons; and

14 (5) may be used to provide advance
15 disbursement of up to five percent for emergencies or
16 unforeseen circumstances that could adversely impact the
17 contracted behavioral health services within the regional plan
18 should funding not be made available or accessible.

19 B. A behavioral health region may request to
20 repurpose any unexpended balance of a grant subject to the
21 Behavioral Health Reform and Investment Act to another
22 identified funding priority within that region, and the health
23 care authority shall approve that request if:

24 (1) no report is provided by the grant
25 recipient as required by Section 4 of that act;

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1 (2) the grant purpose is not meeting
2 performance measures identified in the regional plan; or

3 (3) the audit or evaluation required by
4 Section 10 of that act finds the initial grant purpose to have
5 been implemented ineffectively.

6 SECTION 7. [NEW MATERIAL] UNIVERSAL BEHAVIORAL HEALTH
7 CREDENTIALING PROCESS.--No later than June 30, 2027, the health
8 care authority shall establish a universal behavioral health
9 service provider enrollment and credentialing process for
10 medicaid to reduce the administrative burden on behavioral
11 health service providers. No later than December 31, 2025, the
12 health care authority, in consultation with the legislative
13 finance committee and the legislative health and human services
14 committee, shall establish a working group of health care
15 licensing boards to streamline the process to verify behavioral
16 health licensing and improve the overall behavioral health
17 licensing process. The working group shall provide the
18 legislature with statutory recommendations if needed.

19 SECTION 8. [NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--
20 LIMITATIONS.--The health care authority shall promulgate rules
21 outlining the benefits and structure related to behavioral
22 health services. Any limitation on the number of new
23 behavioral health recipients that a behavioral health service
24 provider serves and is paid for shall be consistent with
25 standards of care for the behavioral health services provided

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1 to patients.

2 SECTION 9. [NEW MATERIAL] 988 AND 911 COORDINATION.--The
3 state agencies that manage the 988 behavioral health emergency
4 system and the 911 emergency system shall ensure the
5 interoperability and bidirectionality of those systems to
6 improve crisis and emergency response.

7 SECTION 10. [NEW MATERIAL] BEHAVIORAL HEALTH AUDIT AND
8 EVALUATION REQUIREMENTS.--

9 A. The health care authority shall regularly
10 monitor and audit contracts and grantees subject to the
11 Behavioral Health Reform and Investment Act to ensure that
12 behavioral health service quality standards are met and to
13 ensure financial and programmatic compliance during the
14 duration of an active regional plan. The health care authority
15 shall complete a statewide gap analysis of adult behavioral
16 health services every two fiscal years, beginning on July 1,
17 2027, that shall be used to inform regional plans and
18 sequential intercept mapping. Any data requests made by the
19 health care authority to a local government body related to the
20 local government body's behavioral health programs, including
21 financial information, shall be provided within thirty days of
22 the written request and shall be shared with the administrative
23 office of the courts and the legislative finance committee.
24 The health care authority shall review regional plans for
25 reasonableness of budget and service delivery to optimize

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1 infrastructure and behavioral health services throughout the
2 state.

3 B. The legislative finance committee, in
4 consultation with the health care authority, shall conduct or
5 contract for program evaluations and reviews of the sufficiency
6 of regional plans' program design and implementation plans to
7 ensure that they can meet the stated objectives, including:

8 (1) review and assessment of the sufficiency
9 of the regional plan, time lines and resources;

10 (2) review of the adequacy of functional,
11 technical and operational requirements, capabilities and
12 resources;

13 (3) identification of gaps and deficiencies in
14 the regional plan; and

15 (4) review of the sufficiency of staff, other
16 resources and partnerships.

17 C. During implementation of the Behavioral Health
18 Reform and Investment Act, the legislative finance committee or
19 a contractor retained by the legislative finance committee
20 shall report on the following services and progress to the
21 appropriate interim legislative committees, administrative
22 office of the courts and the health care authority:

23 (1) ongoing, real-time review of project
24 progress and deliverables;

25 (2) ongoing, real-time review of gaps,

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1 resources and deficiencies; and

2 (3) ongoing verification of critical features,
3 operations and program viability of grantees subject to that
4 act.

5 SECTION 11. REPEAL.--Section 24A-3-1 NMSA 1978 (being
6 Laws 2004, Chapter 46, Section 8, as amended) is repealed.

7 SECTION 12. EMERGENCY.--It is necessary for the public
8 peace, health and safety that this act take effect immediately.

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