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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Chavez, E **ORIGINAL DATE** 2/3/2025

BILL

SHORT TITLE Prevent Certain Treatment Restrictions **NUMBER** House Bill 152

ANALYST Hernandez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HCA/BHSD	\$51.5	\$205.8	\$205.8	\$463.1	Recurring	General Fund
HCA/MAD	\$27.0	\$54.0	\$54.0	\$135.0	Recurring	General Fund
HCA/MAD	\$27.0	\$54.0	\$54.0	\$135.0	Recurring	Federal funds
CYFD	No fiscal impact	\$325.8	\$325.8	\$651.6	Recurring	General Fund
Total	\$105.5	\$639.6	\$639.6	\$1,384.7	Recurring	

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

Sources of Information

LFC Files
The American Academy of Pediatrics

Agency Analysis Received From
Health Care Authority (HCA)
Department of Health (DOH)
Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of House Bill 152

House Bill 152 (HB152) requires that by the end of fiscal year 2026, the Department of Health (DOH), the Health Care Authority (HCA), and the Children, Youth and Families Department (CYFD) do not operate or contract with any facilities that restrict the use of medication-assisted treatment (MAT) for the treatment of substance use disorder in minor patients. Additionally, as of July 1, 2026, any facility that restricts the use of MAT will not be eligible for reimbursement from the state’s Medicaid program for services rendered to minors. Moreover, HB152 requires that the HCA promulgate rules about MAT and minor patients no later than December 1, 2025. The bill requires that on October 1, 2025, and annually thereafter, HCA report to the Interim Legislative Health and Human Services Committee on the availability of MAT for minor patients. Finally, the bill creates the evidence-based substance use disorder treatment for minors fund within HCA to assist DOH, CYFD, and providers to establish and operate MAT treatment programs for minors; the bill requires HCA to promulgate rules for the disbursement of the fund by December 1st, 2025.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

HB152 creates a fund consisting of appropriations without designating specific appropriation amounts.

HCA states:

[The] Behavioral Health Services Division may need one FTE at a pay band 70 and a .5 of a supervisor position at a pay band 75 for up to a total recurring cost of \$205,800 for salary, fringe benefits, and operating costs. These positions will administer the Fund and assist CYFD, DOH, and licensed substance use treatment providers to establish and operate medication-assisted treatment programs for minors. [Additionally] HCA's Medical Assistance Division (MAD) would need one FTE at a pay band 70 specifically for oversight and monitoring related to the change in reimbursement requirement for up to a recurring cost of \$107,900 for salary, fringe, benefits and operating costs. This would be eligible for a 50% federal match.

CYFD notes that “if enacted, CYFD Children's Behavioral Health Services' Licensing and Certification Authority and programmatic side would need additional FTEs (including two Registered Nurse Level III positions and one additional Social & Community Services Coordinator Advanced position) to adequately train, monitor and provide oversight.”

SIGNIFICANT ISSUES

Nationally, studies demonstrate that one third of people receiving treatment for a substance use disorder first used substances prior to the age of 18. Within New Mexico, 13.7 percent of teenagers surveyed used substances—the highest rate in the nation. Additionally, 6.6 percent of overdose deaths within the state are individuals between the ages of 0-24.

The American Academy of Pediatrics advocates for “increasing resources to improve MAT of opioid-addicted adolescents and young adults.” Despite this advocacy, while MAT is successful in youth, it is often difficult to access. According to a peer-reviewed article published in the American Journal of Drug and Alcohol Abuse, buprenorphine and naloxone are currently approved for substance use disorder in children 16 and older. However, “[while] methadone [also used to treat substance use disorder] can be prescribed to youth under the age of 18, the United States Code of Federal Regulations requires documentation that the patient has failed two previous drug-free or withdrawal management attempts and written consent from a parent or guardian.”

CYFD raises concerns that:

New Mexico behavioral health providers treat minors as co-occurring disorders, meaning the providers address substance abuse as a secondary need and address the mental health need as the primary need, looking for the root cause of the substance use. This new requirement to utilize MAT may hinder a provider's ability to provide in-patient services such as residential treatment as most adolescent residential treatment facilities do not

employ 24-hour medical staff or standard medical staff. The requirement to provide MAT for youths with substance use disorder could cause a residential treatment facility or an outpatient facility to shut down as they would not be able to ensure the cost or find the adequate staff. The requirement to provide MAT may also hinder a provider's ability to bill and be reimbursed by Medicaid. The need for providers to have medical staff to provide MAT is a concern for outpatient providers. Providers who work with minors do not always have all medical staff employed. There may also be a challenge to find medical providers who are willing to treat minors, making it a challenge to meet the requirements of the bill. This challenge will be especially pronounced in rural communities.

DOH states that:

Residential facilities, currently focused on providing services to adults, would be required to also provide these services to youth. Due to the different needs of the populations this could make it difficult to implement programs due to the lack of space and staffing. [Additionally,] HB152 would require all New Mexico Department of Health (NMDOH) offices offering substance use treatment, at both facilities and public health offices, to begin providing MAT to adolescents. This could impact current service delivery to adult patients and may require additional provider education, time, and training to meet the requirements of HB152. The requirement of this bill to only allow contracting with agencies that provide both adult and adolescent treatment may reduce the overall number of providers which NMDOH would be able to contract with to provide these services in future years.

HCA indicates that:

Language in HB152 restricting contracting and payment to providers who do not provide MAT services within their facility poses limitations on the provider network. There are a limited number of providers in New Mexico that serve youth under 18 with substance use disorder services. Telemedicine has contributed to the expansion of the behavioral health network. Recent regulations to federal regulations have significantly expanded service with buprenorphine via telehealth.”

ADMINISTRATIVE IMPLICATIONS

CYFD, HCA, and DOH would need to collaborate to oversee policy development, service coordination, compliance, reporting functions, and financial management.

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