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FISCAL IMPACT REPORT

DATE

SPONSOR Moore **TYPED** 1/29/04 **HB** 131

SHORT TITLE 8 County Regional Alcohol Treatment Center **SB** _____

ANALYST Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$22,500.0		See Narrative	Recurring	DWI Program Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Department of Health (DOH)
 Children Youth and Families Dept. (CYFD)
 DDPC- Brain Injury Advisory Council

SUMMARY

Synopsis of Bill

House Bill 131 makes available an appropriation of \$22.5 million beginning in FY05 and ending in FY09 from the DWI Program Fund to the Department of Health (DOH) to fund the operation of an eight-county regional alcohol treatment center and intensive after-care and transitional living programs for Curry, De Baca, Guadalupe, Harding, Quay, Roosevelt, San Miguel and Union counties.

The bill proposes to provide:

- \$11 million to fund the operation of a regional alcohol treatment center and inpatient alcohol treatment facility in Fort Sumner that will provide services to residents of the preceding counties.

- \$11.5 million to fund intensive after-care and transitional living programs that will enhance and supplement existing programs in the aforementioned counties.

The legislation also addresses coordination, planning and evaluation programs to be administered by no fewer than two representatives from the county health and wellness councils of each county. The bill provides for a board of advisors representing each county that will participate in alcohol prevention and treatment related training, mileage and per diem for the board of advisors, and a quality assurance and evaluation services program to monitor alcohol related statistics.

Significant Issues

DOH recognizes a shortage of substance abuse treatment funding for all levels of treatment services and specifically states that there is an absence of alcohol residential treatment beds in the northeastern area of New Mexico. The closest publicly funded residential treatment beds are in Roswell, Carlsbad, and Albuquerque.

However, the need for an alcohol treatment center operated in De Baca County may not be justified. According to the Office of Epidemiology of DOH, which maintains the state repository and database for DWI offenders screened for alcohol/drugs, a total of 1747 DWI offenders were screened from the eight county area mentioned above, during the period from July 1, 1999 to June 30, 2002. Of that total screened, 104 or 6% were recommended for inpatient treatment services, 819 (46%) were recommended for outpatient treatment services and 824 (47%) were not recommended for any type of treatment services. DOH states that it might be more cost effective to increase funding to those providers already providing residential treatment services in Roswell, Carlsbad, and Albuquerque, thus expanding treatment bed capacity.

According to the Center on Alcoholism, Substance Abuse and Addictions at UNM, most studies have shown no significant difference in the effectiveness between inpatient and outpatient treatment in reducing recidivism of substance abusers. The cost of inpatient treatment however, is significantly higher than that of outpatient treatment services.

FISCAL IMPLICATIONS

The appropriation of \$22,500.0 contained in this bill is a expense to the DWI Program Fund over five years (\$4.5 million per year) from 2005 through 2009.

Critical to this bill is the use of the DWI Program Fund dollars. The language used to identify the source of these funds in HB131 is the "DWI Program Fund". This fund usually refers to a limited amount of money used to fund the DFA Local Government Division's DWI initiative. That budget is derived from a set formula and would appear to be in conflict with this appropriation. Funds have been allocated based on the formula. In order to receive the funds that are necessary to operate the facility, a change is required to the formula.

The Local DWI Grant Fund receives approximately \$12 million per year to distribute to the local county DWI programs statewide. This amount is distributed as follows:

- \$9 million to the counties to run evaluation, prevention and treatment programs,
- \$1 million to detoxification programs, and
- \$2 million in grants to counties.

Currently DOH Behavioral Health Services Division (BHSD) Regional Care Coordinators (RCCs) have allocated approximately \$276, 500 for outpatient services to persons who meet the clinical and financial criteria for substance abuse treatment services in the 8 county region.

It is not clear in HB131 how the proposed treatment facility and transitional programs would be funded after 2009 when the proposed appropriation would terminate.

ADMINISTRATIVE IMPLICATIONS

The administrative burden would be minimal. The two DOH Behavioral Health Services Division Regional Care Coordinators that coordinate care in these eight counties would administer the funds.

TECHNICAL ISSUES

The language in HB 131 does not clearly define what is meant by “intensive after-care or transitional living programs”. There is also no mention of the use of evidence-based best practices in the legislation.

HB131 also would require the residential and the after-care-transitional living programs to perform quality assurance and evaluation services to monitor alcohol-related statistics without specifying what is meant by alcohol-related statistics.

OTHER SUBSTANTIVE ISSUES

Currently there is approximately \$12 million per year available to distribute to the local DWI programs statewide. If this \$12 million were used for the eight counties, the statewide DWI initiative would be negatively affected.

It is not clear in HB 131 how the proposed treatment facility, after-care, and transitional living programs would be funded after FY2009.

ALTERNATIVES

It is recommended by DOH that BHSD make the determination of where these proposed funds would be best used based on social indicators and the Behavioral Health Needs and Gaps analysis.

BD/lg