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FISCAL IMPACT REPORT

ORIGINAL DATE 02/22/13
LAST UPDATED 03/07/13 **HB** CS/588/HFIS

SPONSOR HF1

SHORT TITLE Community Engagement Teams **SB** _____

ANALYST Geisler/Chavez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Unknown/ See Fiscal Implications				

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
		\$0.0	

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

The House Floor substitute for the House Health, Government and Indian Affairs Committee substitute for House Bill 588 creates community engagement teams (CETs) to engage and assist persons with mental health disorders unlikely to live safely in the community but who do not immediately require inpatient or emergency care, with the objective of reducing the rate of intervention by law enforcement, involuntary hospitalization or incarceration through early outreach. The Department of Health (DOH) would be responsible for the oversight of CETs, and, in consultation with the interagency behavioral health purchasing collaborative (“the collaborative”), would establish a five-year CET pilot project.

The pilot project includes the creation of a performance improvement committee, facilitated by a not-for-profit health care organization to ensure a thorough and unbiased evaluation of the pilot project. This committee shall develop recommended criteria for data collection and project evaluation; and report on its activities to the legislature by October 31, 2014. There is no appropriation for the completion of this project.

The bill defines CETs as follows:

- A) A community engagement team shall work with persons with a mental health or co-occurring disorder and shall not work with persons whose sole diagnosis is a developmental disability, intellectual disability or brain injury.
- B) A community engagement team may be a public or private entity or a public-private partnership.
- C) A community engagement team shall have at least one member who is a physician or qualified mental health professional licensed for independent practice and may include members who are case managers, community support workers or core service workers acting under the supervision of a qualified mental health professional licensed for independent practice.
- D) In the absence of good cause given to the DOH, a community engagement team shall have at least one peer who lives with a mental illness as a member of the team.
- E) A community engagement team is not intended to be a treatment provider and is intended to function as a link to services.

The activities of CETs include:

- A) Determining eligibility for its services;
- B) Making reasonable efforts to engage a person who is unlikely to live safely in the community to voluntarily consent to assessment for treatment or other services;
- C) Assisting a person who is unlikely to live safely in the community to access appropriate services and support to enable such person to continue to live safely in the community, including providing links to resources for housing, food, transportation, mental health or other health treatment; and
- D) Strive to provide culturally appropriate services to the person it serves.

The Community Engagement Team Act is repealed effective July 1, 2019.

FISCAL IMPLICATIONS

HB 588 creates a number of on-going responsibilities for the DOH as well as requires completion of a pilot project. The bill does not include any appropriation to support these activities; it is unknown how the DOH would cover its costs over the multi-year life of this program. Of note however, the bill authorizes for other sources of funding support including private funding or public/private partnerships.

The DOH notes that significant additional state agency staff and operational resources would be required to implement the Floor Substitute.

The Human Services Department (HSD) adds that, without funding, it will be difficult for the DOH to administer a pilot program. However, the Behavioral Health Services Division (BHSD)

of the HSD has access to federal Block Grant and state funding for community based programs that could be used to establish and operate the pilot program if the program were administered by the HSD.

SIGNIFICANT ISSUES

The House Memorial 45 Task Force Recommendations (Dec 2012) points out that the availability of effective, comprehensive, community-based systems of care for persons living with serious mental illness are cost effective and reduce the need for involuntary commitment or other court ordered treatment. The Task Force agreed that a comprehensive community based system of care is essential for effective delivery of behavioral health services, and further adds that, where a lack of capacity prevents engagement, an engagement team could intervene earlier to help prevent unnecessary contact with high levels of care or incarceration.

Both the DOH and HSD note that the State Mental Health Authority falls under the purview of the BHSD of the HSD. The HSD states that oversight of the CETs and administration of the pilots should be the responsibility of the HSD, not the DOH. The HSD oversees all Medicaid and all public community-based behavioral health services, while the DOH administers the state facilities that provide inpatient behavioral health services only. The HSD's Behavioral Health Services Division is the state mental health authority and oversees the contract with the Statewide Entity that administers all public community-based behavioral health services in the state.

The HSD adds that Centennial Care's new care coordination effort and Medicaid expansion will address many recipients' need for help in linking to medical, social and behavioral health services. Most services to which the CETs will link consumers will be Medicaid benefits or administered in the BHSD network. Coordinating the CET's work with existing Centennial Care and BHSD care coordination efforts will be critical to ensure consumers receive comprehensive services and that coordination is provided to the same standards. If the HSD has a direct role in administering the program, it can ensure the CET's work is not duplicative and targets those most in need. While the House Floor Substitute would modify the bill to include an advisory role for the NM Interagency Behavioral Health Purchasing Collaborative, not administering the CET's and the pilot through the HSD/BHSD will make care coordination more difficult, complicate and delay linkages, and lead to duplication, according to the HSD.

The DOH is also in favor of a single agency having the leadership role in behavioral health to prevent fragmentation of services.

Responsibilities of the Community Engagement Team Pilot Project include:

- A. By July 1, 2013, the DOH shall establish a five-year community engagement team pilot project.
- B. The DOH may contract with CET entities that are public, private or public/private partnerships.
- C. Community engagement teams participating in the pilot project may be funded in whole or in part from sources other than the state.
- D. The DOH shall incorporate telehealth into the pilot project, including:
 - (1) The establishment of a twenty-four-hour hotline for CET members to consult with a mental health professional;

- (2) The use of distance technology and the internet to leverage scarce health care resources in the area of behavioral health; and
 - (3) The use of teleconferencing to train rural providers to integrate best practice screening and treatment protocols.
- E. The DOH, in consultation with the collaborative, shall adopt standards for the pilot project CETs, and each CET shall be contractually required to meet such standards.
- F. The DOH shall adopt metrics, after consultation with the performance improvement committee, to evaluate the effectiveness of CETs participating in the pilot project and shall require CETs to report such data as are necessary to measure the effectiveness of CETs in reducing involuntary admissions for evaluation or treatment, intervention by law enforcement and detention in correctional facilities.
- G. The DOH shall report annually on the community engagement team pilot project to the Legislative Health and Human Services Committee, the Legislative Finance Committee and the appropriate interim legislative committee that studies courts and corrections.
- H. From July 1, 2013 through June 30, 2014:
- (1) The DOH and the collaborative shall meet and confer with parties interested in participating in the pilot project;
 - (2) In consultation with the collaborative, the DOH shall develop standards for community engagement teams;
 - (3) The DOH shall develop plans and a budget for the implementation of the pilot project; and
 - (4) The DOH shall select sites for the pilot project.

Performance Improvement Committee and responsibilities:

Within thirty days of the effective date of the Community Engagement Team Act, the DOH shall appoint a performance improvement committee facilitated by a not-for-profit health care organization that leads the aligning forces quality initiative in New Mexico. The committee shall include a representative from:

- (1) The Administrative Office of the Courts;
- (2) The New Mexico state police division of The Department of Public Safety;
- (3) The DOH; and
- (4) The collaborative.

The performance improvement committee shall develop recommended criteria for data collection and evaluation of the CET pilot project; report on its activities and recommendations to the Legislative Health and Human Services Committee, the Legislative Finance Committee, and the appropriate interim legislative committee that studies courts and corrections by October 31, 2014; and meet as often as necessary to analyze data, monitor and produce an annual report on the pilot project by October 31 of each year beginning in 2015.

TECHNICAL ISSUES

The bill emphasizes mental health and the state agency responsible for mental issues and programs is the HSD/BHSD, not the DOH.

OTHER SUBSTANTIVE ISSUES

The HSD and DOH both continue to express concern about the definition in Section 3.I., “as evidenced by a pattern of behavior”. It notes that the definition as presently written could include people without serious mental illness and those without current mental distress or deterioration. Many individuals experience severe mental distress and deterioration due to other factors such as family violence, substance abuse and poverty. Also, individuals who experience mental distress or deterioration may eventually recover completely. To better focus the work of the Community Engagement Teams, the definition should be modified to: 1) specify that this mental distress or deterioration should be “due to serious mental illness” and 2) that the deterioration be evidenced by “current” behavior.

ALTERNATIVES

The DOH suggests replacing Page 1, Line 14, “Department of Health” with “Human Services Department”.

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