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## FISCAL IMPACT REPORT

SPONSOR Salazar, T ORIGINAL DATE 1/15/16  
LAST UPDATED \_\_\_\_\_ HB 88  
SHORT TITLE Behavioral Health Disabled Homeless Help SB \_\_\_\_\_  
ANALYST Chilton

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	\$2,500.0	Recurring	General Fund

Relates to HB 59

### SOURCES OF INFORMATION

2015 Legislation

Responses Received From  
Human Service Department (HSD)

### SUMMARY

#### Synopsis of Bill

In response to a presentation to the Legislative Interim Committee on Health and Human Services by the Task Force on Homelessness requested by 2015 HM44, this bill would appropriate \$2.7 million to the HSD for the purpose of establishing a program of permanent supportive housing of people who are homeless or at risk of becoming homeless due to behavioral health problems. Supportive permanent housing clients offered rapid permanent supportive housing are offered additional services, including case management, life-skills training, and rental and other assistance enabling them to maintain stable permanent housing.

### FISCAL IMPLICATIONS

The appropriation of \$2,500,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of 2017 shall revert to the General Fund.

## **SIGNIFICANT ISSUES**

It is estimated that there are 17,000 New Mexicans who experience homelessness during the course of a year. Many of these suffer from mental health and substance abuse disorders and/or from chronic homelessness. Some of the people experiencing homelessness with behavioral health disorders are served through HSD's Behavioral Health Services Division, but the agency indicates that the program does not have capacity to meet the demand.

Studies in other states have shown that housing homeless people results in substantial reductions in costs for emergency room care (36%), hospitalization (84%), and incarceration (64%). However, it is difficult to calculate the fiscal impact of these decreases, which would accrue to Medicaid and to the Department of Corrections.

## **ADMINISTRATIVE IMPLICATIONS**

HSD indicates that if the bill is enacted there may be additional requirements for data collection for the Behavioral Health Data Warehouse.

**RELATES** to HB 59, which offers funding for rapid re-housing of the homeless, also in response to the Taskforce on Homelessness.

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Fewer homeless people would be offered rapid re-housing and increased costs associated with incarceration, hospitalization and emergency room visits would continue to be seen.

LAC/jo/jle