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FISCAL IMPACT REPORT

SPONSOR Allison/Johnson ORIGINAL DATE 2/13/2020
LAST UPDATED _____ HM 55
SHORT TITLE Study Additional Drug Treatment Centers SB _____
ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY20	FY21	FY22	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	See Fiscal Implications					General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 338 and Senate Bill 115/House Bill 160

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Memorial

House Memorial 55, Study Additional Drug Treatment Centers, noting the possible legalization of recreational marijuana in New Mexico and the possibility that this may cause greater need for drug treatment centers, asks the Department of Health to study the need for and cost of establishing additional drug treatment centers.

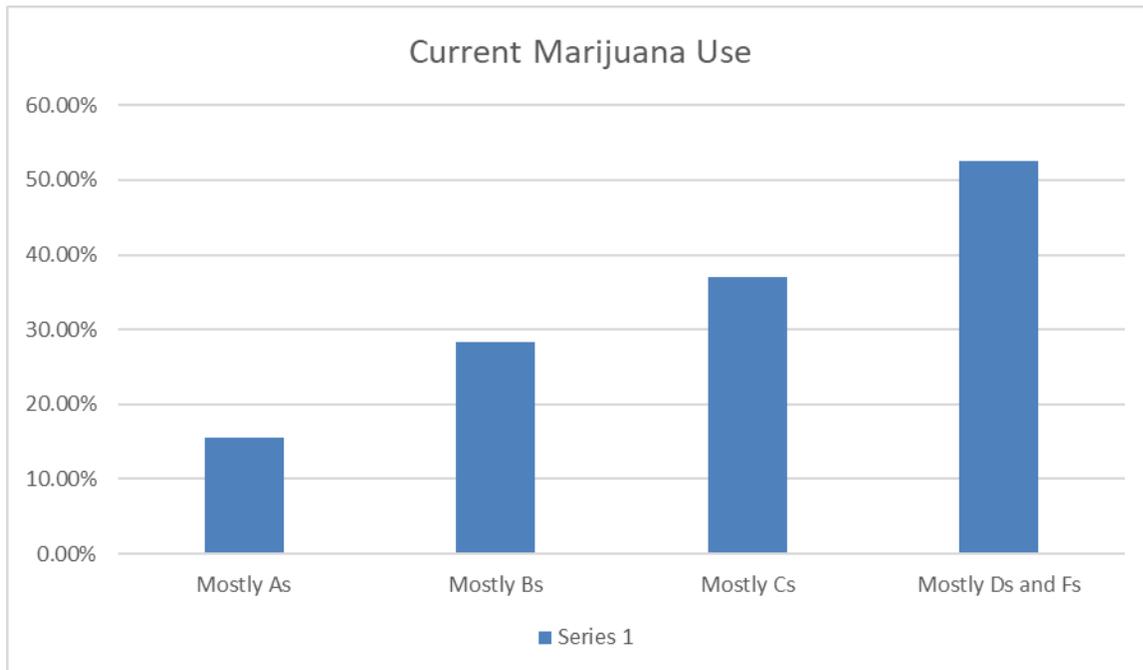
FISCAL IMPLICATIONS

Department of Health will incur personnel time costs to perform the requested study.

SIGNIFICANT ISSUES

According to the most recent available Youth Risk and Resilience Survey (<https://ibis.health.state.nm.us/query/result/yrrs/DrugMari30/DrugMari30.html>), 27.3 percent of high school students in New Mexico have used marijuana in the past month. Legalization of recreational marijuana may or may not increase that percentage. Studies on legalization of recreational marijuana have been inconclusive as to whether legalization increases marijuana consumption in either children or adults. And there is no conclusive data showing a connection with marijuana use and crime (<https://scitechdaily.com/study-analyzes-effect-of-legalization-of-recreational-marijuana-on-crime-here-are-the-results/>).

The New Mexico Youth Risk and Resilience Study for 2017, referred to above, shows that high schoolers using marijuana are more likely than non-users to have bad grades.



The Youth Risk and Resilience Study does not determine prevalence of mental health and serious substance abuse problems, but it is likely that the prevalence of mental health and substance abuse is higher among those using marijuana than those who do not. However, it is not clear which is the cause and which is the effect: Does marijuana use cause bad grades, or are students who get bad grades use marijuana more frequently because they have other underlying problems affecting their school performance?

In any case, it appears as if additional treatment availability would be helpful for both mental health disorders and for substance use disorders and for both children and adults. In commenting on House Bill 338, DOH noted that:

Concerns exist about the availability of behavioral health services, including treatment and service for mental health and substance use disorders. The need for such services is particularly pronounced in New Mexico, a state that has among the highest rates for suicide and deaths from overdose in the Nation (<https://oig.hhs.gov/oei/reports/oei-02-17-00490.pdf>).

In total, New Mexico has 2,665 licensed behavioral health providers that serve its 670,000 Medicaid managed care enrollees (2017). The licensed behavioral health providers are distributed unevenly across the State. Notably, 19 of the State's 33 counties have fewer than 2 licensed behavioral health providers for every 1,000 Medicaid managed care enrollees. Additionally, many behavioral health organizations in New Mexico report difficulty in arranging non-intensive outpatient services (<https://oig.hhs.gov/oei/reports/oei-02-17-00490.pdf>).

RELATIONSHIP

Relates to House Bill 338, which would appropriate \$1.75 million for intensive outpatient and partial hospitalization programs at UNM Children’s Psychiatric Hospital, partly for the treatment of substance abuse disorders, and Senate Bill 115/House Bill 160, which would have legalized and regulated recreational marijuana.

LAC/sb