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FISCAL IMPACT REPORT

SPONSOR <u>Lord/Rehm/Jones/Gallegos</u>	LAST UPDATED _____ ORIGINAL DATE <u>3/9/23</u>
SHORT TITLE <u>Study Prenatal Substance Exposure</u>	BILL NUMBER <u>House Memorial 52</u>
	ANALYST <u>Klundt</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$227.9		\$227.9	Nonrecurring	DOH operating budget
Total						

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

Sources of Information

LFC Files

Responses Received From

Early Childhood Education and Care Department (ECECD)
 Department of Health (DOH)

No Response Received

Children, Youth and Families Department (CYFD)
 University of New Mexico (UNM)

SUMMARY

Synopsis of House Memorial

House Memorial 52 (HM52) asks the Department of Health to convene a task force to make recommendations and study the independent and combined effects of prenatal drug exposure on birth outcomes for children in New Mexico. The task force is charged with analyses, studies, plan development, and reporting.

The task force is to get input from a variety of stakeholders, including experts in pediatric and neonatal medicine, a first responder, an expert in hospital management, and those with lived experience. The task force is also to enter into an agreement with an institution of higher education to perform research that supports the task force's work. The findings and recommendations of the task force are to be presented to the Legislative Health and Human Services Committee by August 1, 2024.

FISCAL IMPLICATIONS

HM52 does not include an appropriation to fund the task force or the research to be performed by the institution of higher education. DOH estimates the operating impact of this memorial to be \$227.9 thousand in FY24. DOH provided the below estimate:

2 FTE would be required to fulfill requirements of this memorial because the Environmental Health Epidemiology Bureau does not have capacity with current staffing levels:

Personnel Services & Employee Benefits (PS&EB)

Prenatal Substance exposure surveillance Epidemiologist (Epidemiologist Advanced) Pay Band 75 - \$35.22 x 2080 hours x 1.39	\$ 101,828
Prenatal Substance exposure Program Evaluator (Epidemiologist Advanced) Pay Band 75 - \$35.22 x 2080 x 1.39	\$ 101,828

Office Setup

Computer setup - \$2,000 per FTE x 2 \$4,000

Phones – Cell phone \$600 per FTE x 2 \$1,200

IT Costs – Enterprise costs, help desk, email, \$2000 per FTE annually x 2 \$4,000

Office Space

Homestead office space: 2 cubicles x \$ 475 per cubicle per month x 12 \$11,400

Homestead office security: \$300 per month x12 \$3,600

Total estimated costs for FY24 \$227,856

SIGNIFICANT ISSUES

ECECD provides:

As noted in the memorial, opioid use has been rising over the past decade both in New Mexico and the United States and babies born exposed to opioids (whether through illicit use or prescribed treatment) can experience neonatal opioid withdrawal symptoms (NOWs). Other substances, when used during pregnancy, can also have health impacts on the fetus and newborn.

In New Mexico, changes were made to the Children’s Code in 2019 to require hospitals to create plans of care (POCs) for all babies born exposed to substances that could have an impact on their health. This includes both licit and illicit substances. The data collected through the POCs is required to be reported to the federal government under the Comprehensive Addiction and Recovery Act (CARA) law from 2016.

The POCs are submitted to the Children, Youth and Families Department (CYFD) and the Department of Health (DOH) and are intended to provide a list of individualized supports and services for a family to improve neonatal health and safety.

The New Mexico law also requires the care coordination for families with a POC be provided, either by the managed care organizations (MCOs) for those families covered by Medicaid managed care, or by the Children's Medical Services program at DOH, for those families who are uninsured or covered under fee-for-service Medicaid.

Since January 2020, when the state started collecting data on POCs, there have been over 3,500 POCs submitted. According to CYFD and DOH, 63 percent of those families with a POC engaged in care coordination. In 2020 and 2021, 2321 infants had a plan of care. Among those, marijuana/cannabis composed the highest number of exposures. Almost 40 percent of exposures were marijuana only.

Prenatal substance exposure can have significant consequences for child health and development. An estimated six to eight per 1,000 hospital births are affected by neonatal abstinence syndrome (NAS), with an estimated overall hospitalization cost of \$572 million per year. Fetal alcohol spectrum disorders (FASD) are estimated to affect as many as 11-50 per 1,000 children in the United States, with an estimated total lifetime cost of \$2 million per affected individual. The U.S. assistant secretary for planning and evaluation (ASPE) reports identify multiple strategies to aid in the prevention, identification, and care of FASD through coordination between critical systems including healthcare, education, and long-term care. In New Mexico, the rate of NAS increased 324 percent between 2008 (3.3 per 1,000 livebirths) and 2017 (14 per 1,000 livebirths) and has remained consistently higher than the U.S. rate.

KK/rl/hg