

LFC Requester: _____

**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)**

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared 2.20.2025

Bill Number: CS/SENATE BILL 3

Sponsor: Peter Wirth, Mimi Stewart,
William Sharer
Short Title: BEHAVIORAL HEALTH
REFORM & INVESTMENT

Agency Name and Code: DFA-341
Number: _____
Person Writing: Cecilia Mavrommatis
Phone: _____ Email: Cecilia.Mavrommatis@dfa.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

Senate Finance Committee Substitute for SB3 included the expanded definitions adopted by the Senate Health and Public Affairs Committee.

- Amended Section 2 by expanding the definition of behavioral health stakeholders to include:
 - behavioral health advocates
 - higher education institutions within behavioral health regions
 - nongovernment entities
- Amended Section 2 Subsection H to clarify the definition of sequential intercept resource mapping to include identifying community resources and gaps
- Amended Section 3, Subsection B, to expand the list of items included in the regional plan. The following changes were made:
 - the identification of gaps in behavioral health service needs,
 - consider the need for language to address access for behavioral health services
 - include an appendix of all behavioral health service providers in the behavioral health region

Original Bill Analysis

BILL SUMMARY

- Senate Bill 3 aims to reform and invest in behavioral health services in New Mexico, addressing mental health and substance misuse issues through a structured and collaborative approach. Key Provisions include:
 - **Definitions:** Defines key terms such as behavioral health region, services, stakeholders, continuity of care plan, standards, regional meeting, regional plan, and sequential intercept resource mapping.
 - **Regional Plan and Mapping:** The administrative office of the courts will designate behavioral health regions, coordinate meetings, complete resource mapping, and develop regional plans.
 - Regional plans must include a phased approach, state-funded priorities, local resource identification, timelines, performance measures, continuity of care plans, and strategies for obtaining additional resources. Annual reports on the status and performance of regional plans are required.

- **Behavioral Health Service Standards:** By June 1, 2025, the office of superintendent of insurance will provide standards for behavioral health services. The legislative finance committee will provide evaluation guidelines for these services. The administrative office of the courts will ensure regional plans meet these standards and guidelines.
- **Behavioral Health Investments:** Funds appropriated will address priorities and gaps identified in regional plans, with equitable distribution and prioritization for disproportionately impacted communities. Grants up to four years in length may be funded, with annual effectiveness evaluations. Funds may cover non-acute care for indigent and uninsured persons and provide emergency disbursements.
- **Universal Credentialing Process:** By June 30, 2027, a universal credentialing and enrolling process for behavioral health providers will be established to reduce administrative burdens.
- **Prohibition on Caps:** Managed care organizations cannot limit the number of new behavioral health patients a provider can serve if the provider has the capacity.
- **Emergency Clause:** The act is declared an emergency for public peace, health, and safety, taking effect immediately.

FISCAL IMPLICATIONS

- SB 3 contains no direct fiscal impacts to the state.
- SB 3's indirect fiscal impacts to the state will include the costs of funding behavioral health services, administrative expenses for the office of superintendent of insurance, the legislative finance committee, and the administrative office of the courts, and the establishment of new processes and standards.
- SB 3 will require local and regional governments to be stakeholders in their respective behavioral health region that may require employees with expertise in behavioral health to attend and provide input at the regional meetings. It is anticipated this fiscal impact will be minimal for the governing agency.
 - Any fiscal impact to local and regional governments should be offset by the creation of the behavioral health regions opening up grant opportunities under SB 2.

SIGNIFICANT ISSUES

N/A.

PERFORMANCE IMPLICATIONS

N/A.

ADMINISTRATIVE IMPLICATIONS

Senate Bill 3 (SB 3) has several administrative implications for various state agencies and stakeholders involved in the implementation and oversight of the Behavioral Health Reform and Investment Act. Here are the key administrative implications:

- **Administrative Office of the Courts:**
 - Designate behavioral health regions.
 - Coordinate regional meetings and complete sequential intercept resource mapping.
 - Develop and distribute regional plans.
 - Ensure regional plans meet behavioral health standards and evaluation guidelines.
 - Designate a government entity within each behavioral health region to provide annual reports on the status and performance of regional plans.
- **Office of Superintendent of Insurance:**
 - Provide an initial set of generally recognized standards for behavioral health services by June 1, 2025.
 - Update and amend standards as necessary to ensure best practices are delivered.
- **Legislative Finance Committee:**
 - Provide initial evaluation guidelines for behavioral health services by June 1, 2025.
 - Update and amend evaluation guidelines as needed.
 - Confirm whether behavioral health services in regional plans meet evaluation guidelines.
- **Health Care Authority:**
 - Establish a universal behavioral health service provider credentialing and enrolling process by June 30, 2027.
 - Ensure managed care organizations comply with the prohibition on limiting the number of new behavioral health patients a provider can serve.
- **Government Entities within Behavioral Health Regions:**
 - Provide annual written reports to the legislature and the judicial and executive branches of government, detailing the status of regional plan implementation, performance measures, public feedback, and responses to data requests.

Overall, SB 3 requires significant coordination and collaboration among various state agencies, behavioral health stakeholders, and managed care organizations. The administrative office of the courts plays a central role in coordinating efforts, developing plans, and ensuring compliance with standards and guidelines. The bill also necessitates the establishment of new processes and

systems, such as the universal credentialing process, to streamline and improve the delivery of behavioral health services in New Mexico.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 3 is a companion bill with SB 2. SB 2 provides appropriations for the implementation of activities under SB 3.

TECHNICAL ISSUES

Without passage of SB 2, SB 3's requirements will remain unfunded.

OTHER SUBSTANTIVE ISSUES

N/A.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A.

AMENDMENTS

N/A.