Administrative Office of the Courts
Karl W. Reifsteck, Director
Sarah Jacobs, Deputy Director

Michelle Lujan Grisham, Governor
Kari Armijo, Cabinet Secretary
Alex Castillo Smith, Deputy Secretary
Kathy Slater-Huff, Deputy Secretary
Niki Kozlowski, Acting Deputy Secretary
Dana Flannery, Medicaid Director

Behavioral Health Reform and Investment Act
Executive Committee Meeting Minutes
Date: August 5, 2025 | Time: 10:30 a.m. – 12:30 p.m.
Location: Senate Finance Committee Room (Room 322)
490 Old Santa Fe Trail, Santa Fe, NM 87505

1. Welcome and Roll Call

- Committee Present:
  - Nick Boukas, Executive Committee Chair, *Behavioral Health Services Division Director at the New Mexico Health Care Authority*
  - Kari Armijo, *New Mexico Health Care Authority Cabinet Secretary*
  - Dana Flannery, *Medicaid Director*
  - Karl W. Reifsteck, *Administrative Office of the Courts Director*
  - Dr. Violette Cloud, *Behavioral Health Expert*
  - Dr. Stacey Cox, *Behavioral Health Expert*
  - Senator Gerald P. "Jerry" Ortiz y Pino, *Behavioral Health Expert*

- Behavioral Health Reform and Investment Act Leads:
  - Kristie Brooks, *New Mexico Health Care Authority Director of Behavioral Health Transformation & Innovation*
  - Esperanza Lucero, *Administrative Office of the Courts Behavioral Health Reform & Investment Administrator*

2. Quorum Confirmation

- A quorum was established.

3. Meeting Called to Order

- The meeting was convened at 10:30 a.m.
- Chairman Boukas welcomed attendees—including members of the public and media, both in person and online—and noted the meeting was being recorded.

4. Approval of Minutes and Agenda

- Minutes

- Senator Ortiz y Pino motioned to approve the June 24 Meeting Minutes.
- Cabinet Secretary Armijo seconded the motion.
- With no discussion, the motion passed unanimously.

- Agenda Item 7: Fast-Track Funding Discussion
  - Cabinet Secretary Kari Armijo motioned to postpone Agenda Item 7 to the September 30 meeting.
    - Rationale:
      - Additional time is needed to review the Regional Community Mini Grant Application process and analyze statutory language to ensure all funding options are considered.
    - Clarification on Statutory Language and Funding Flexibility:
      - Sen. Ortiz y Pino requested clarification regarding statutory language linking funding to regional plan development.
      - Secretary Armijo explained that while the statute does tie funding to the development of regional plans, it also grants the HCA discretion to establish additional funding priorities.
      - The Committee acknowledged the urgency of unlocking funding to support regional efforts currently underway and agreed to explore mechanisms that would allow for expedited distribution, consistent with statutory guardrails and evolving community needs.
      - The Committee will revisit this topic on September 30 to propose clear guardrails for community funding pathways
  - The motion to postpone Agenda Item 7 was seconded by Sen. Ortiz y Pino and passed unanimously.
- Agenda Item 8: Finance Overview
  - Director Reifsteck raised concern about the complexity of the Finance Overview content and the limited time allocated on the agenda (10 minutes).
  - Chairman Boukas stated that given the postponement of Agenda Item 7, additional time would be made available for Agenda Item 8.
- Chairman Boukas moved the meeting along by collectively requesting the BHEC move to accept the agenda as presented. Dr. Violette Cloud accepted.

5. Presentation: Enhanced Sequential Intercept Mapping (SIM) Model

Presentation shared by Esperanza Lucero, Administrative Office of the Courts Behavioral Health Reform & Investment Administrator and Dr. Annette Crisanti, UNM Department of Psychiatry

- Overview of the enhanced SIM model developed by AOC and UNM Health Sciences Center, emphasizing prevention, early intervention, and expanded support for youth and rural communities.
- Dr. Crisanti introduced **three key enhancements**:
  - Pre-Intercept: Community Prevention Services—Addresses availability and gaps in community prevention services, recognizing that not all individuals with mental illness and substance use challenges encounter the justice system.
  - Youth System Mapping—Includes youth-serving systems on the left side of the framework, complementing the adult system on the right. This expansion allows for a more comprehensive understanding of services and gaps for youth at risk, ensuring early intervention.
  - Public Health Framework—Focuses on prevention and early intervention through a public health framework. This approach supports efforts to improve the health and well-being of all New Mexicans by identifying opportunities to prevent initial or deeper involvement in both the healthcare and justice systems.
- Enhanced SIM diagram includes:
  - Intercept Zero:
    - Focuses on crisis and treatment services for individuals showing early signs of behavioral health needs.
    - Provides early intervention services designed to reduce crisis by addressing root causes such as substance misuse, crime, and mental health challenges.
- Key Intercepts Summary:
  - Pre-Intercept: Prevention services before justice involvement.
  - Intercept 1: Initial contact (e.g., CYFD, school resource officers).
  - Intercept 2: Early court processing and diversion
  - Intercept 3: Court proceedings and alternatives to detention
  - Intercept 4: Re-entry and transition support
  - Intercept 5: Community corrections and ongoing recovery services
- Committee Discussion and Feedback (SIM Model Enhancements):
  - Recommendation to explicitly **include MAT** in Intercept 3 for adults and juveniles, aligning with recent legislation supporting juvenile access in detention settings.

- Dr. Cloud emphasized SIM as a **flexible framework**—not an exhaustive model—encouraging local adaptation and cautioning against scope or mission creep.
- Members praised the model's **thoughtful expansion**, noting its value in guiding regional planning while allowing communities to define service arrays.
- Suggestion to create a statewide "menu" of essential behavioral health services to support **equitable access**, separate from the SIM framework.
- Dr. Cox and others stressed the need for adaptable tools and examples to support **rural communities**, encouraging innovation alongside structure.
- The model's ability to address both j**ustice and behavioral health system penetration** was recognized as a key strength for broader planning efforts.
- While substantial funding is available to support behavioral health services statewide, **workforce expansion** remains essential to meet growing demand.

6. Finance Overview
Presented by RubyAnn Esquivel, Legislative Finance Committee Principal Analyst

- Ms. Esquivel provided a high-level overview of funding allocations, whether through House Bill 2 or Senate Bill 3.
- A total of $291 million in behavioral health-related funding has been allocated across 25 sections of Senate Bill 2.
- The funds span multiple fiscal years and support a wide range of initiatives: crisis response, treatment courts, housing, CCBHCs, MAT, and regional planning efforts.
- Distribution will occur primarily through agency-administered grants, with many components requiring alignment with regional plans.

***7.* Strategic Vision for Behavioral Health Services in New Mexico**
Presented by Kristie Brooks, New Mexico Health Care Authority Director of Behavioral Health Transformation & Innovation

- At the Committee's request, Ms. Brooks provided an **overview of BHSD**, emphasizing its statewide goals: prevention, crisis response, treatment, and recovery. BHSD affirms that recovery is possible, prevention is effective, and treatment works.
    - The strongest independent risk factor for criminality and violence among individuals with mental illness is long-term substance use disorder.

- By investing in treatment and services—at the state and community level—we can change outcomes.
    - The SIM presentation highlighted those early intercepts, where recovery happens.
    - A 2023 analysis (National Survey on Drug Use and Health) highlighted that individuals with mental illness are more likely to be victims of violent crime than perpetrators.
    - Long-term substance-use disorder remains the strongest independent risk factor for criminality and violence.
- HCA/BHSD is the largest payer of behavioral health services in New Mexico; and the impact of Medicaid cuts for our state and constituents are at the forefront of discussions.
    - **Behavioral Health Financing:** HCA and BHSD *together* finance over 90% of behavioral health services in New Mexico.
    - **HCA/Medicaid:** Primary payer for Medicaid-eligible populations
    - **BHSD:** Covers services for uninsured or Medicaid-ineligible individuals

- HCA and BHSD completed a statewide **gap analysis** and **needs assessment**, delivered July 15. The study identifies service gaps and utilization trends across all counties, with a focus on individuals experiencing co-occurring behavioral health and substance use challenges.
    - Director Dana Flannery provided a brief preview of findings from the third-party study conducted by PCG. A full stakeholder forum is planned for late August or September to present results and methodology.
        - There is a significant gap between individuals receiving MAT and those who need it. (*Data will be available at the county level.)*
        - Only 904 individuals received services during the study period, indicating a substantial unmet need.
        - Utilization data reflects service levels prior to the rollout of CCBHCs. Future analyses will capture evolving service models.
    - Preliminary maps highlighted counties with the greatest need for expanded MAT, OTPs, and partial hospitalization services (Visuals showed CCBHCs statewide).
    - The study includes youth and adult populations—tracking behavioral health services funded through Medicaid and HCA/BHSD.
    - Top Medicaid Utilization Codes:

- Psychotherapy (most utilized)
- Adaptive behavior treatment (technician)
- Intensive Outpatient Programs (IOP)
- Comprehensive community supports
- Methadone clinic services

- Next Steps: Continued efforts are underway to improve data transparency and outpatient utilization tracking, with expanded reporting anticipated in 2026.

8. **Regional Plan Rubric & Mapping Overview**
Presented by Kristie Brooks, New Mexico Health Care Authority Director of Behavioral Health Transformation & Innovation

- Ms. Brooks shared that the regional plan scoring rubric is nearly finalized and will guide Committee review of incoming plans.
- The rubric will be shared with the AOC and regional planning teams to ensure alignment with funding criteria.
- The rubric may be refined as regional planning and service mapping evolve.
- Committee Discussion & Questions:
  - Clarification was requested regarding **psychosocial rehabilitation**, noting it differs from counseling or psychotherapy. Ms. Brooks explained these services include peer support, case management, housing assistance, job training, hygiene support, and other community-based skill-building. The broad scope reflects non-clinical support essential for recovery and reintegration.
  - The Committee noted that many agencies do not receive reimbursement for case management, contributing to **service gaps** identified in the analysis.
  - Dr. Cox responded to questions about the **mapping process,** confirming it was based on claims data and did not include direct community engagement. A provider sampling map will be shared at regional meetings to help identify service gaps, such as the absence of crisis triage centers in the southwest region. Committee members emphasized the importance of incorporating community feedback to ensure maps reflect actual needs and conditions.

9. **Regional Committee Mini-Grant Application**
Presented by Esperanza Lucero, Behavioral Health Administrator, Administrative Office

of the Courts Behavioral Health Reform & Investment Administrator

- Ms. Lucero presented AOC's $1.71M planning grant, designed to support statewide behavioral health planning aligned with locally driven legislation. The grant will:
  - Focus on engaging with the communities by partnering with all 13 behavioral health regions to gather local input via regional workshops.
  - Enhance infrastructure and expertise to support regional planning.
  - Create a sustainable, community-responsive behavioral health system.
- Each region is eligible to receive a planning grant. County managers must jointly identify a lead government entity to oversee planning. Applications must include:
  - Letter of interest from the proposed lead entity
  - Letters of support from other counties in the region
  - AOC will review submissions and initiate agreements. Selected lead entities will form stakeholder planning committees to guide inclusive development.
- Ms. Lucero outlined support for lead entities, including logistics and technical assistance for regional workshops. Regions may focus on youth, adult, or combined system mapping. Communities with existing SIM plans may only need updates.
  - Convening Phase: Workshops will identify up to five priority areas.
  - Timeline: Regional plans should be completed within 60–90 days post-workshop and submitted to the Executive Committee.
  - Program Alignment: Lead entities will reconvene stakeholders to align programs with selected priorities. Overlapping needs (e.g., housing) highlight the importance of coordinated planning.
- Committee members clarified funding sources and alignment requirements:
  - State-Managed Funds:
    - $110M housing (DFA, Workforce Solutions, MFA)
  - Regionally Distributed Grants:
    - $10M + $7M for courts
    - $10M for outpatient/MAT services
    - $28M for CCBHCs
    - $7.5M for crisis services
    - $2.5M for law enforcement/provider grants
    - $11.5M for mobile crisis/recovery response
  - Corrections Department funding is excluded due to vetoed language. Unused funds revert to the Behavioral Health Trust Fund (SB123). Final decisions will be made by the Behavioral Health Executive Team and stakeholders.

- Plan Oversight and Transparency
  - Regional plans are the primary vehicle for funding and fall under Executive Committee oversight.
  - The Healthcare Authority will manage contracts and release funds.
  - Public reporting will ensure transparency.
  - Some appropriations (e.g., PED, DOH, UNM) are not tied to regional plans, but key items like the $50M behavioral health allocation and peer support funding must be reflected in submitted plans.
- Funding Structure and Timeline
  - Committee requested clarity on funding tied to regional plans vs. other appropriations. Examples:
    - AOC's $7M spans FY26–28 ($2.33M/year)
    - HCA's $10M is available FY25–29 as a flexible tranche
  - $110M housing allocation is managed by DFA; MFA remains a key partner under the Affordable Housing Act.
  - Families First (CYFD) may inform planning; it does not replace Medicaid reductions.
  - Line 19 (988/911 coord.) will be addressed via "No Wrong Door" efforts.
  - Most appropriations span 3–4 years; $50M in Item 22 must be spent in FY26–27.
- Behavioral Health Trust Fund
  - The $50M allocation is available in FY26 or FY27.
  - If the Trust Fund reaches $1B, it could yield ~$50M annually, compared to the current $25M allocation.
  - Committee members emphasized this as meaningful progress toward sustainable funding.

10. **Public Comment**
    - Comments were received from both in-person and online attendees

11. **Next Meeting:**
    - The next meeting will take place on Tuesday, September 30, 2025, from 9:00 a.m. to 12:00 p.m., and addressing HCA: Fast-Track Funding

12. **Adjournment**
    - Meeting adjourned at 12:40 p.m.