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FISCAL IMPACT REPORT

	ORIGINAL DATE 01/27/09		LAST UPDATED 02/06/09	HB 100/aHCPAC
SPONSOR	Garcia, T.	Increase New Mexico Miners' Hospital Board		
SHORT TITLE	Members	SB		
				ANALYST Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	Minimal	Minimal	Minimal	Minimal		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)
 New Mexico Health Policy Commission (HPC)
 New Mexico Miners' Hospital

SUMMARY

Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee amendment changes the board of trustees of the Miners' Hospital to one licensed physician, one registered nurse, three miners, and five residents of Colfax County. The purpose of the amendment is to give greater representation to miners and to Colfax County.

There has been discussion about an Attorney General Opinion, 60-26, Opinion of Hilton A, Dickson, Jr., Attorney General on the interpretation of Section 3 (A) and Section 3 (B) of Article XIV of the New Mexico Constitution. The Attorney General states "The opinion was issued under a different constitutional provision that has been amended. The new provision allows composition of the hospital board to be determined by law. So there is no impediment to making such a change."

Synopsis of Original Bill

House Bill 100, Increase New Mexico Miners' Hospital Board Members, increases the size of the Board of Trustees of the New Mexico Miners' Hospital from five to nine members appointed by the governor with the consent of the Senate. Three members will be health care practitioners, one of which must be a licensed physician and one registered or licensed nurse. Two members

will be miners or their representatives, two members will be from the general public, one will be a certified public accountant or licensed attorney and one will be the member of a major interest group, organization or industry related to mining in New Mexico. At least three members will be residents of Colfax County.

Members will serve five year terms with two members expiring annually for each of four years and one member every fifth year.

As a temporary provision, current board members will serve out their existing terms and the governor is to appoint members with terms of two years, three years, four members and five years. After this temporary provision expires, members will serve five years.

FISCAL IMPLICATIONS

Some additional expenses for board of trustee mileage and per diem may be incurred.

SIGNIFICANT ISSUES

Concern has been expressed that the current Board of Trustees for the New Mexico Miners' Hospital is too small to fully represent all the interests associated with the hospital. DOH expresses that the bill would provide wider overall representation and significantly enhances representation from clinical health care professionals.

The current Board of the Miners' Hospital provides the following input:

1. The mission of Miners' Colfax Medical Center primary focus is the care and treatment of miners in New Mexico. Based on the mission of the facility, the resident miners, feel it is imperative that the representation of miners on the Board of Trustees should be at minimum equal to the current ratio. A minimum of three miners should serve on a board consisting of nine members.
2. Additionally, the secondary mission is to serve the people of the region. Based on this mission, the Board states the community would be better served if a minimum of five Colfax County residents were appointed rather than the proposed three.
3. In comparison to other Boards in our area, a Board of nine members may be ineffective and hamper the efficient operations of the organization. The majority of hospital boards in the area from Las Vegas to Walsenburg Colorado have from five to seven members. Due to the complex structure of the organization and the unique fiscal management responsibility, it is imperative that all trustees attend and participate in board meetings, which could prove to be challenging with a large board.

PERFORMANCE IMPLICATIONS

Better financial oversight by the Board of Trustees should result from have a certified accountant on the board.

OTHER SUBSTANTIVE ISSUES

HB 100 is a Governor's bill.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The current board structure will remain.

GAD/mc:svb