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FISCAL IMPACT REPORT

SPONSOR <u>Campos</u>	LAST UPDATED _____
	ORIGINAL DATE <u>2/22/23</u>
SHORT TITLE <u>Health Centers in Hermits Peak/Calf Canyon</u>	BILL NUMBER <u>Senate Bill 306</u>
	ANALYST <u>Klundt</u>

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$250.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent version of this legislation.

Relates to appropriation in the General Appropriation Act

Sources of Information

LFC Files

Responses Received From

Department of Health (DOH)

Human Services Department (HSD)

SUMMARY

Synopsis of Senate Bill

Senate Bill 306 (SB306) appropriates \$250 thousand from the general fund to Department of Health (DOH) to support school-based health centers in communities impacted by the Hermits Peak/Calf Canyon fire.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund. Although Senate Bill 306 does not specify future appropriations, establishing a new grant program could create an expectation the program will continue in future fiscal years; therefore, this cost is assumed to be recurring.

The House Appropriations and Finance Committee (HAFC) substitute for House Bill 2 (HB2/HAFCS) includes a recurring increase of \$3 million for DOH and \$1.5 million in nonrecurring funds for school-based health centers. However, the appropriation is not specified for school-based health centers in communities impacted by the Hermits Peak/Calf Canyon fire.

The Human Services Department (HSD) provides federal matching funds to DOH for administrative costs of managing the Medicaid approved SBHCs. HSD would need to request additional federal matching funds. (Approximately \$125 thousand based on 50 percent of the \$250 thousand appropriation, however this revenue amount would depend on the reported cost.)

HSD reported this appropriation is estimated to impact four rural SBHCs which include, Mora High School SBHC, Robertson High School SBHC, Sierra Vista School Based Clinic, and West Las Vegas School Based Clinic.

SIGNIFICANT ISSUES

School-based health centers (SBHCs) are clinics on or near school grounds that provide physical health and behavioral health services to the students at that school. Many SBHCs also see students from other schools in the district, as well as staff and community members. Dental services are also offered at some SBHCs. The 2021-2022 annual status report published by DOH reported SBHCs provided 42,416 visits to 16,144 patients, of which 59 percent of visits were for primary care and 12 percent were for well child checks. DOH also reported 34 percent of visits provided behavioral healthcare.

The Human Services Department (HSD) and Managed Care Organization (MCO) project is an agreement between the Medicaid MCOs, the Department of Health Office of School and Adolescent Health, and the Medical Assistance Division School Health Office. There are 78 SBHCs in New Mexico, and 54 are contracted with Department of Health (DOH) Office of School Adolescence Health (OSAH). The 54 SBHCs contracted with OSAH are allowed to bill Medicaid through this project.

By providing onsite primary, preventive, and behavioral health services to students, SBHCs reduce lost school time, remove barriers to care, promote family involvement, and advance the health and educational success of school-age children and adolescents. SBHCs play an important role in increasing access to primary and behavioral health services among vulnerable, hard-to-reach or at-risk children and adolescents, particularly in rural and other medically underserved areas of New Mexico.

The partnership between the SBHCs and the Medicaid MCOs has allowed for the development and implementation of several best practice clinical guidelines to direct SBHCs in providing Early and Periodic Screening Diagnosis and Treatment Program (EPSDT) health screens; identifying and managing asthma, depression, obesity, and type-2 diabetes; communicating with primary care providers; and working with the MCOs to coordinate and manage recipient care.

DOH also reported 90 percent of SBHCs are sponsored by federally qualified health centers (FQHCs), university medical systems, hospitals, and community medical practices.

DOH also reported, “Adverse Childhood Experiences (ACEs) are potentially traumatic events that happen in childhood. ACEs are linked with increased risk for mental health issues, substance use, suicide, violence, risky sexual behaviors, and lower self-esteem. The COVID-19 pandemic, school closures, and devastating fires across the state in 2022 intensified the likelihood of children experiencing an ACE, including loss of loss of homes, parents and primary caretakers, and family members.”