

Closure of San Juan Generating Station: Energy Paradigm Shift Impacts on Health Care

Economic and Rural Development Committee
Legislator Briefing
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What Will We Cover

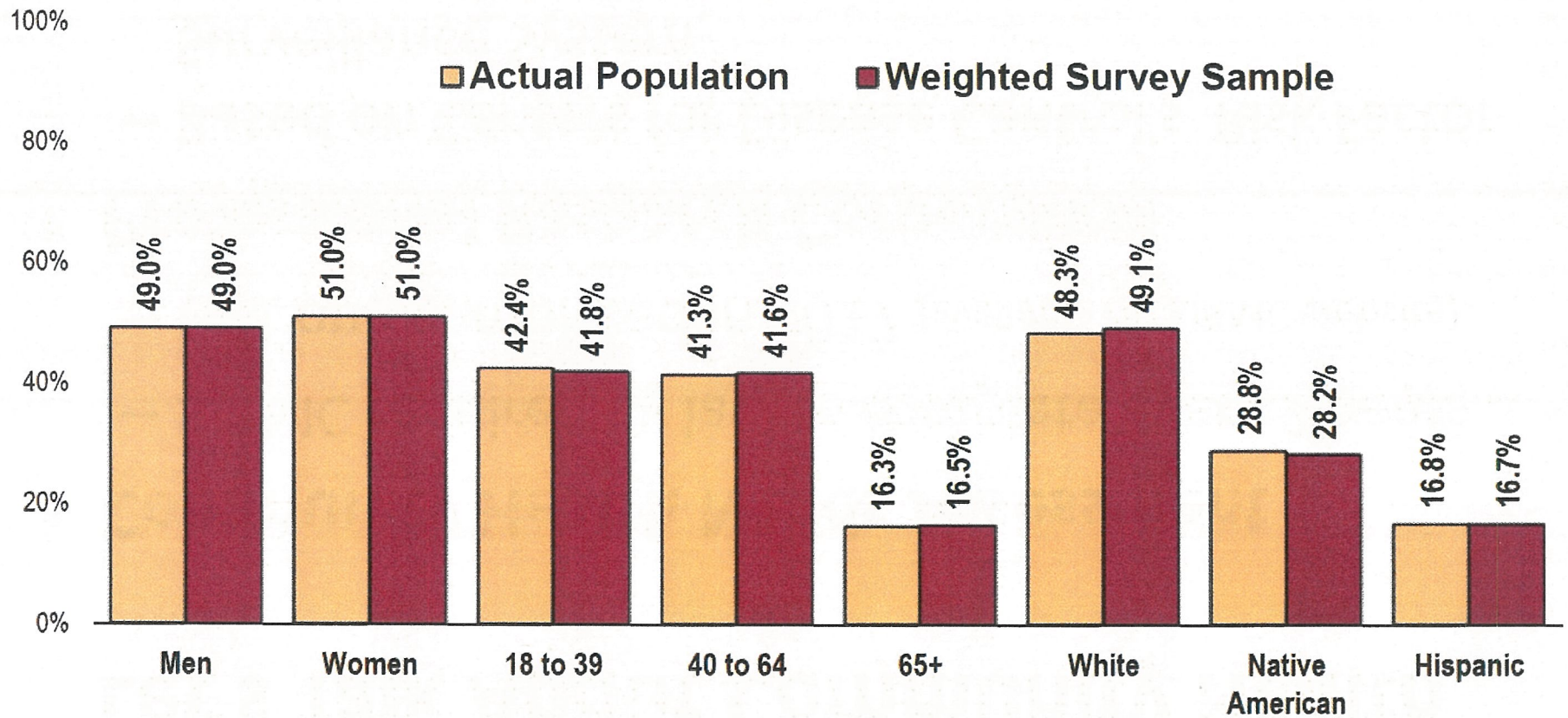
- Findings from Community Health Needs Assessment
- Implications of Energy Paradigm Shifts on Health Care

Let's Talk About Community Health

- **Community Health Needs Assessment**
 - SJRMC required by law to complete every 3-years
 - Last one completed in 2017 (available on SJRMC website)
- **Professional Research Corporation**
 - Based on Centers for Disease Control's Risk Factor Surveillance System
 - 95% confidence level with $\pm 3.1\%$ error rate

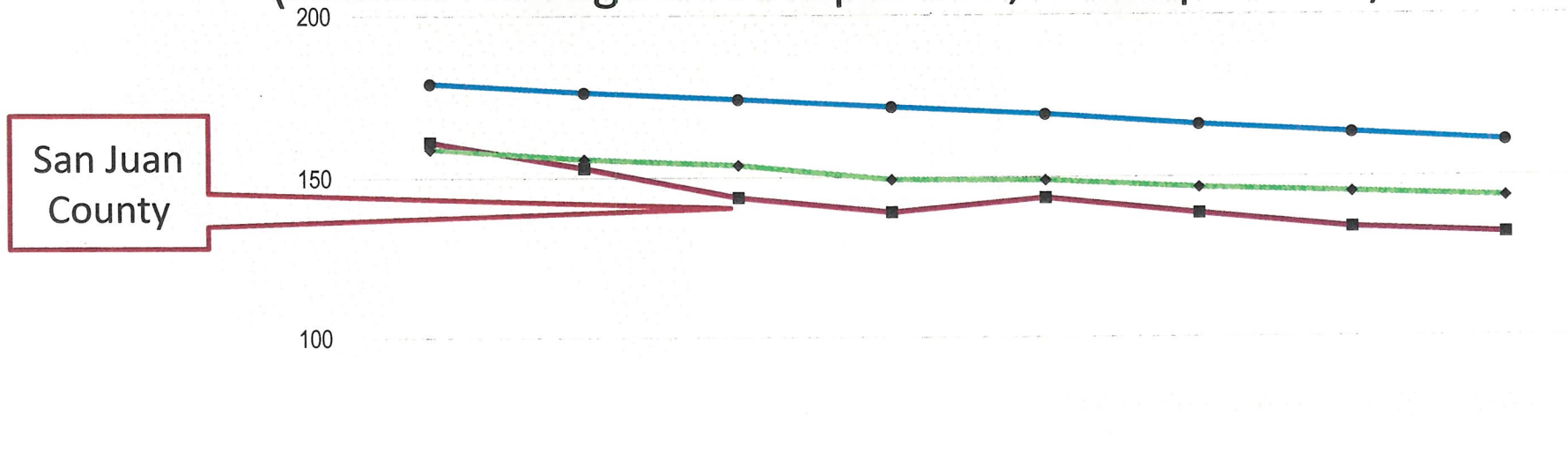
Population & Survey Sample Characteristics

(San Juan County, 2017)



San Juan County Trends Below State and National Average: Cancer [Age-Adjusted Mortality Trends]

(Annual Average Deaths per 100,000 Population)



	2006-2008	2007-2009	2008-2010	2009-2011	2010-2012	2011-2013	2012-2014	2013-2015
■ San Juan County	161.2	153.1	143.9	139.2	143.6	138.7	134.2	132.3
◆ NM	159.0	155.8	153.9	149.4	149.1	146.8	145.3	143.7
● US	179.2	176.4	174.2	171.8	169.4	166.2	163.6	161.0

Sources:

- CDC WONDER Online Query System. Centers for Disease Control and Prevention, Epidemiology Program Office, Division of Public Health Surveillance and Informatics. Data extracted April 2017.

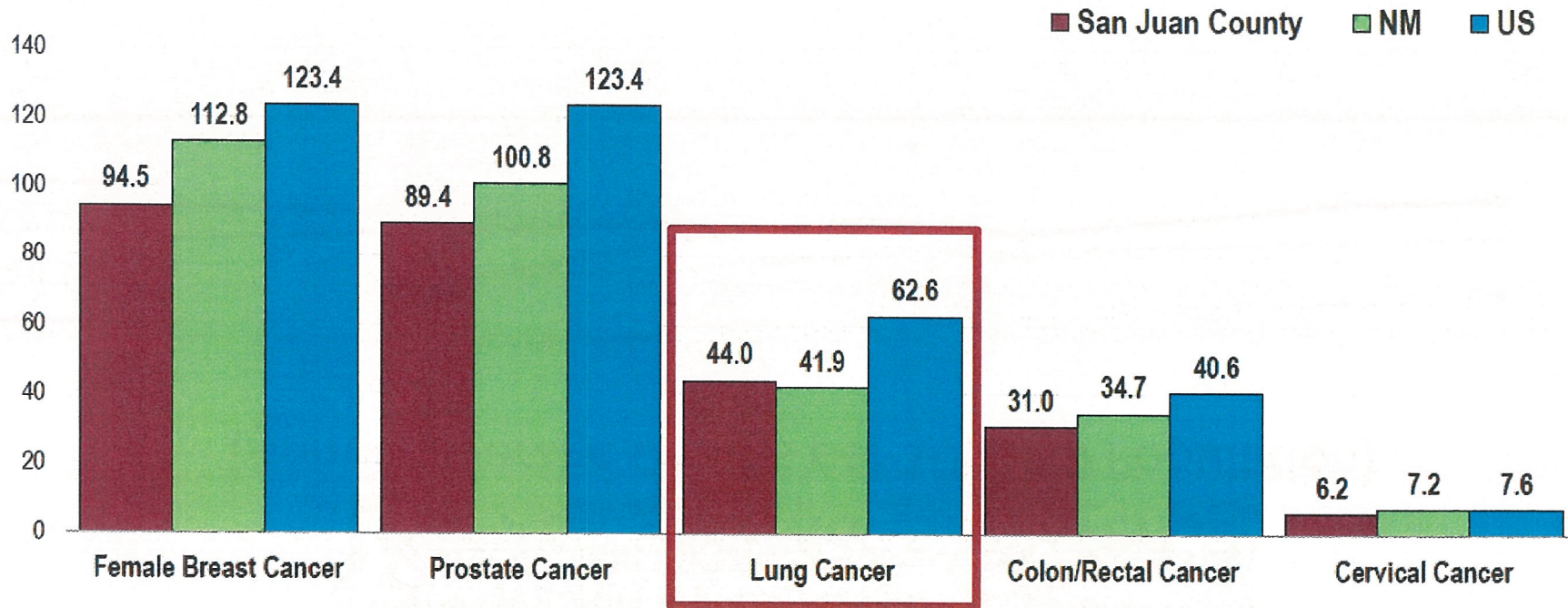
-US Department of Health and Human Services. Healthy People 2020. December 2010.

<http://www.healthypeople.gov> [Objective C-1]

Mortality and incidence compare favorably to state and US for leading types of cancers.

Cancer Incidence Rates by Site

(Annual Average Age-Adjusted Incidence per 100,000 Population, 2009-2013)

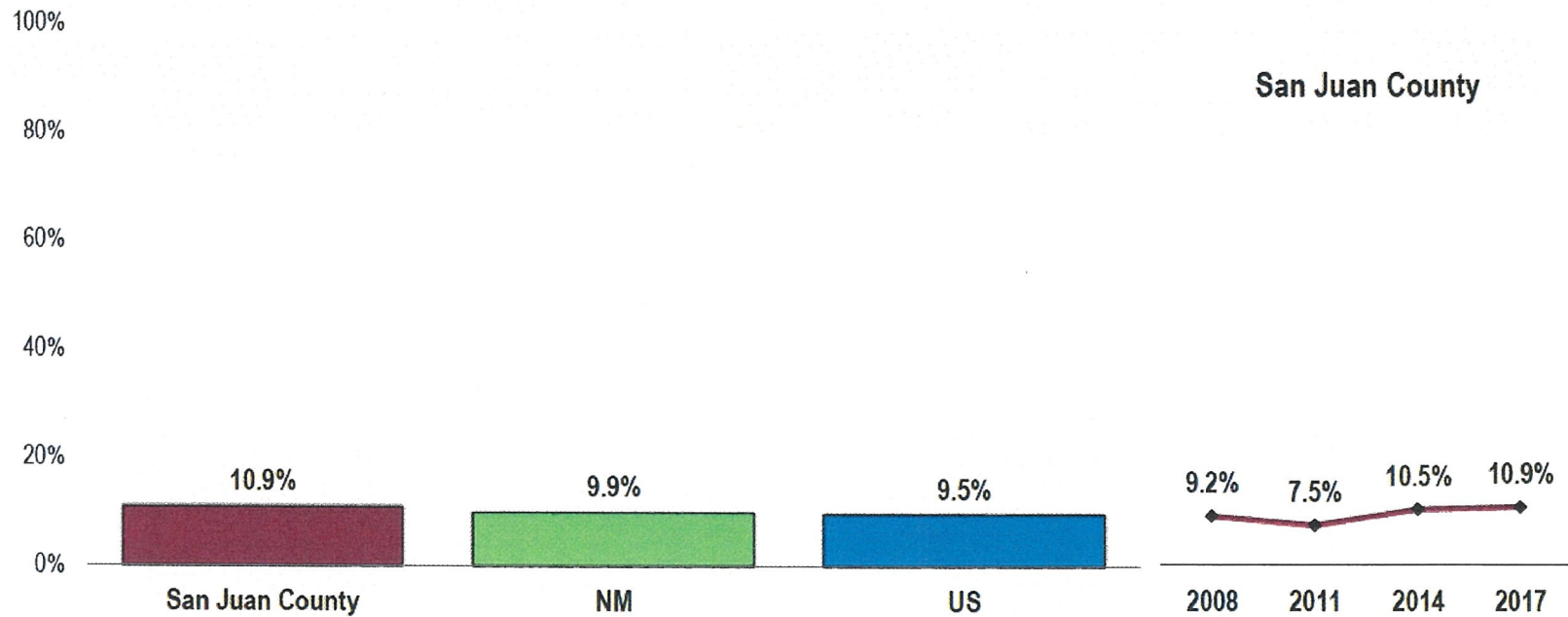


Sources:

- State Cancer Profiles.

- Retrieved April 2017 from Community Commons at <http://www.chna.org>

Asthma: Current Prevalence

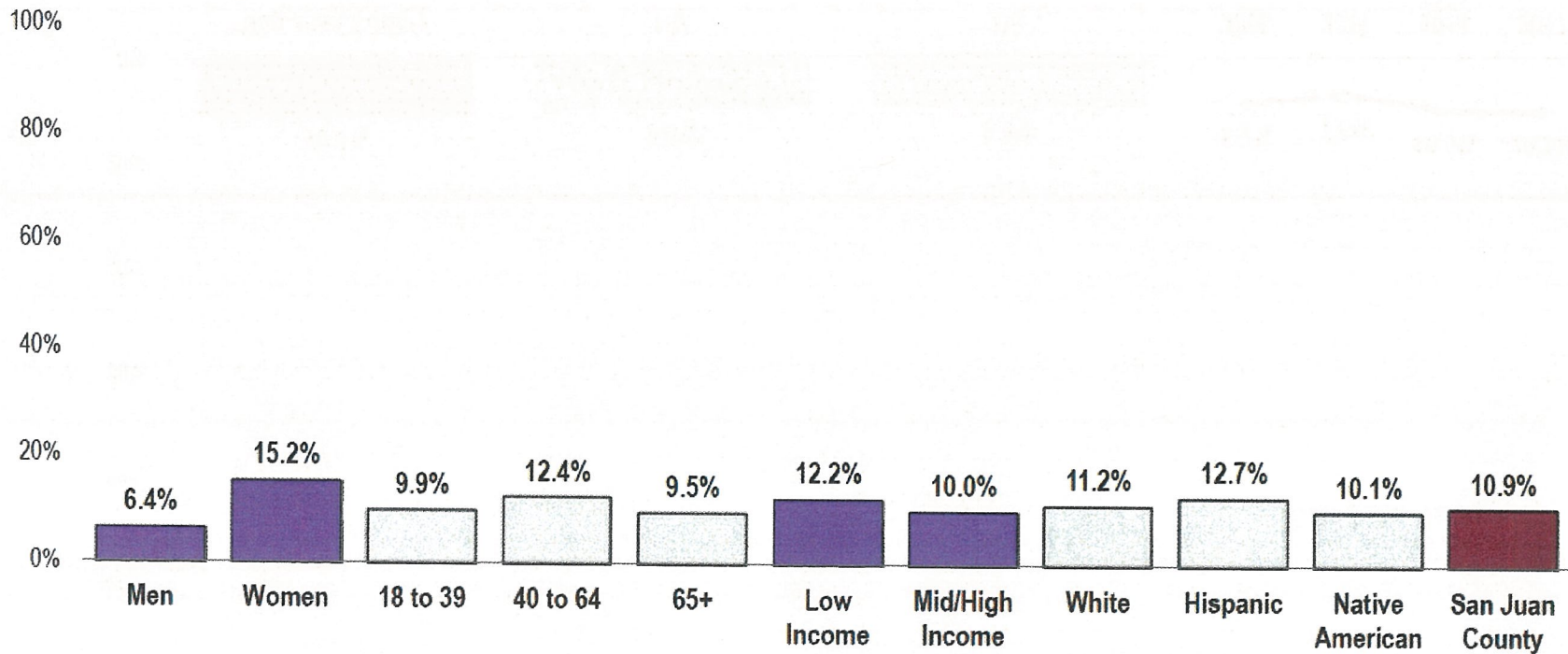


- **Similar to the statewide and national prevalence.**
- **TREND: The prevalence has not changed significantly since 2008.**

Sources:

- 2017 PRC Community Health Survey, Professional Research Consultants, Inc.
- 2015 PRC National Health Survey, Professional Research Consultants, Inc.
- Behavioral Risk Factor Surveillance System Survey Data. Atlanta, Georgia.
Centers for Disease Control and Prevention: 2015 NM data.

Currently Have Asthma (San Juan County, 2017)



Sources:

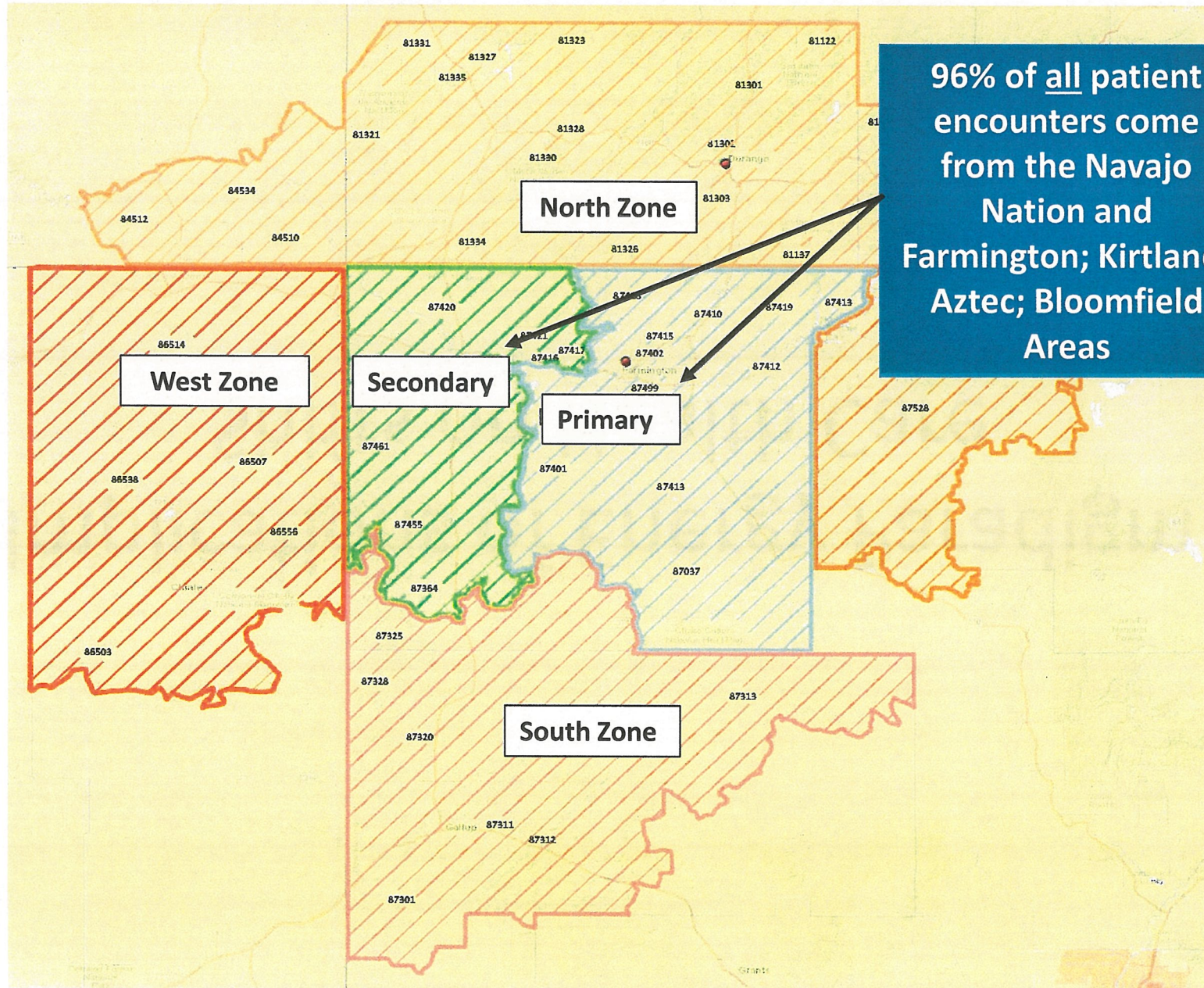
- 2017 PRC Community Health Survey, Professional Research Consultants, Inc.

- Asked of all respondents.

- Income categories reflect respondent's household income as a ratio to the federal poverty level for their household size. "Low Income" includes households with incomes up to 200% of the federal poverty level; "Mid/High Income" includes households with incomes at 200% or more of the federal poverty level.

Implications of Energy Paradigm Shifts on Health Care

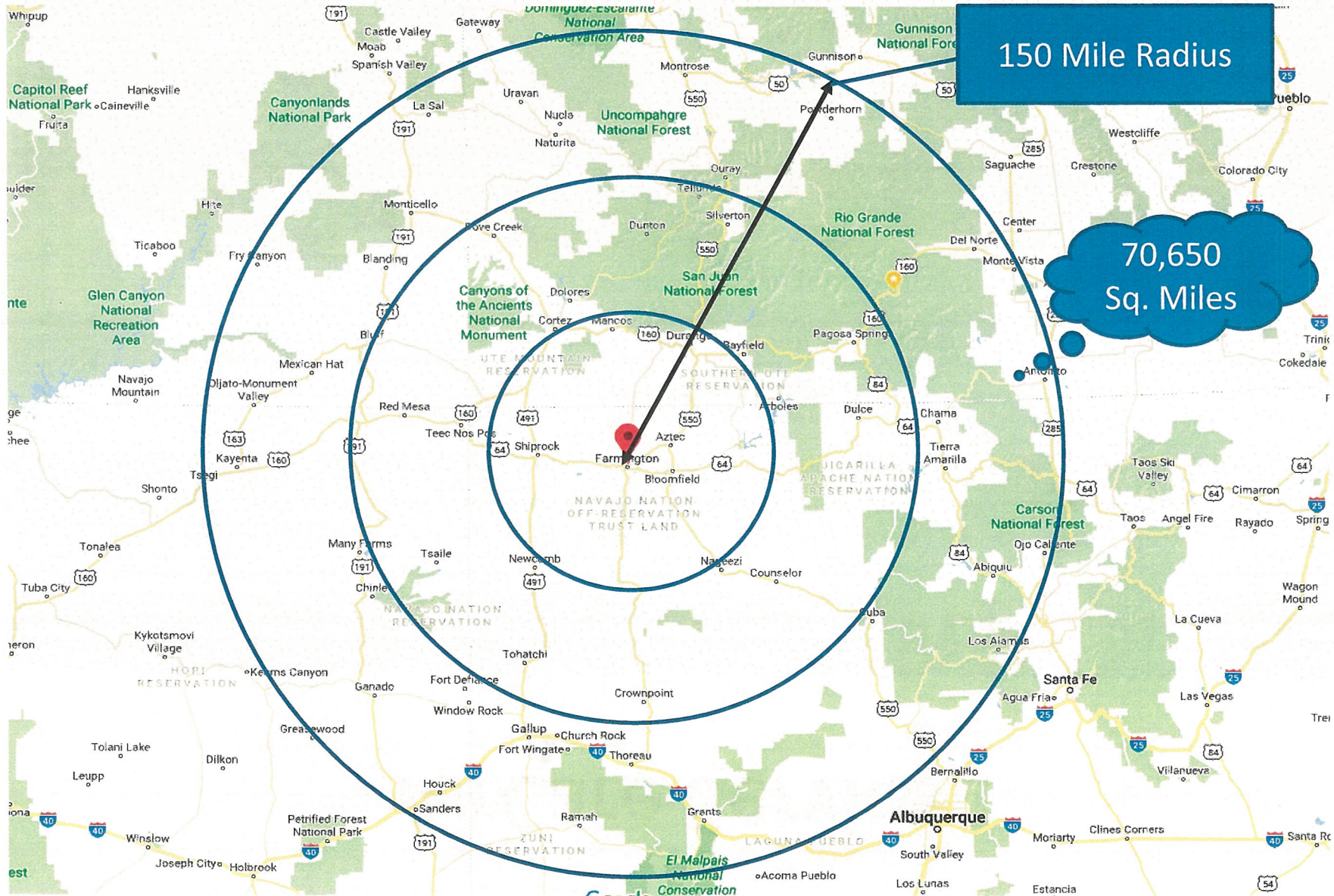
SJRMC Patient Origin



AirCare Service

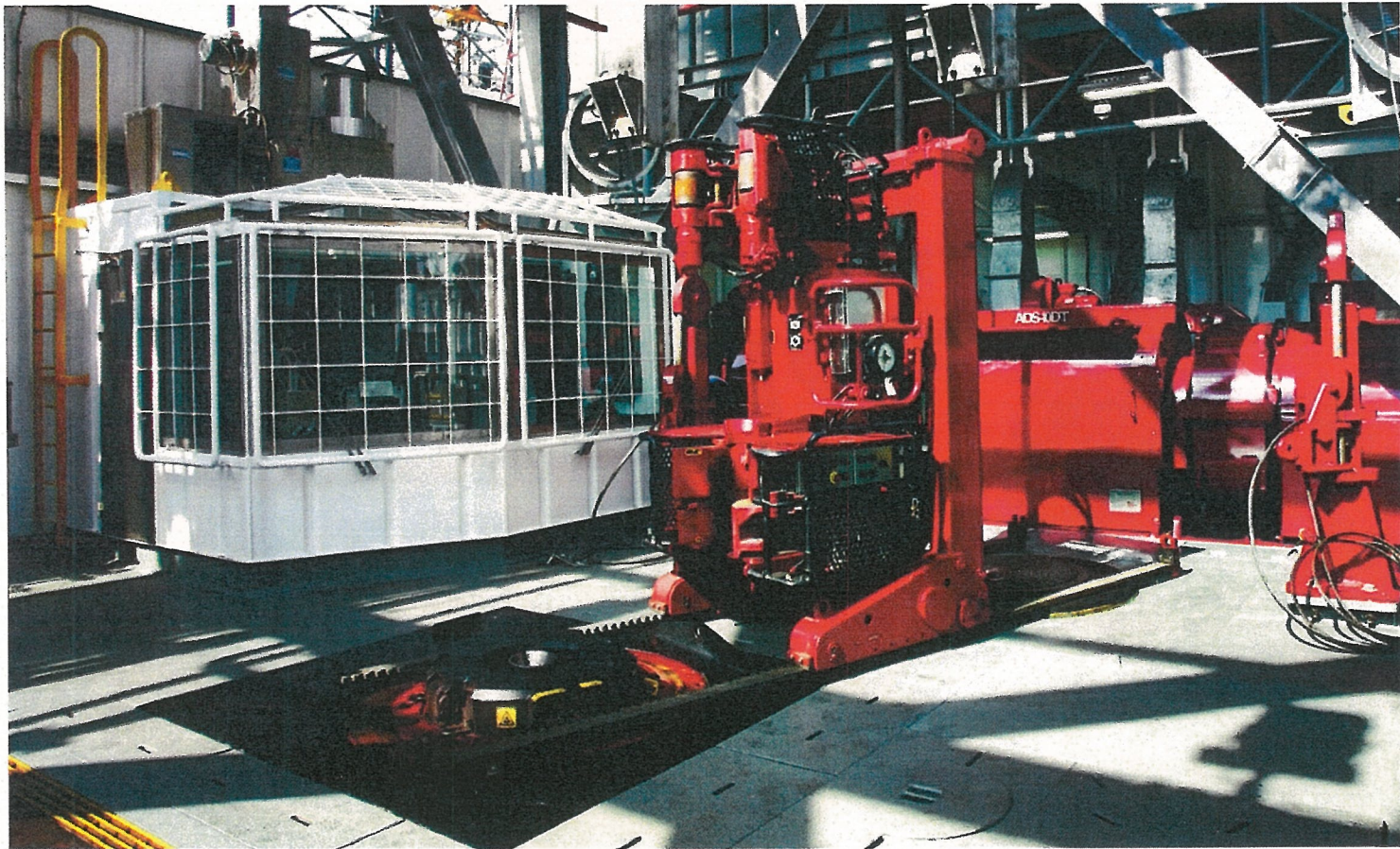


SJRM's Extended Area

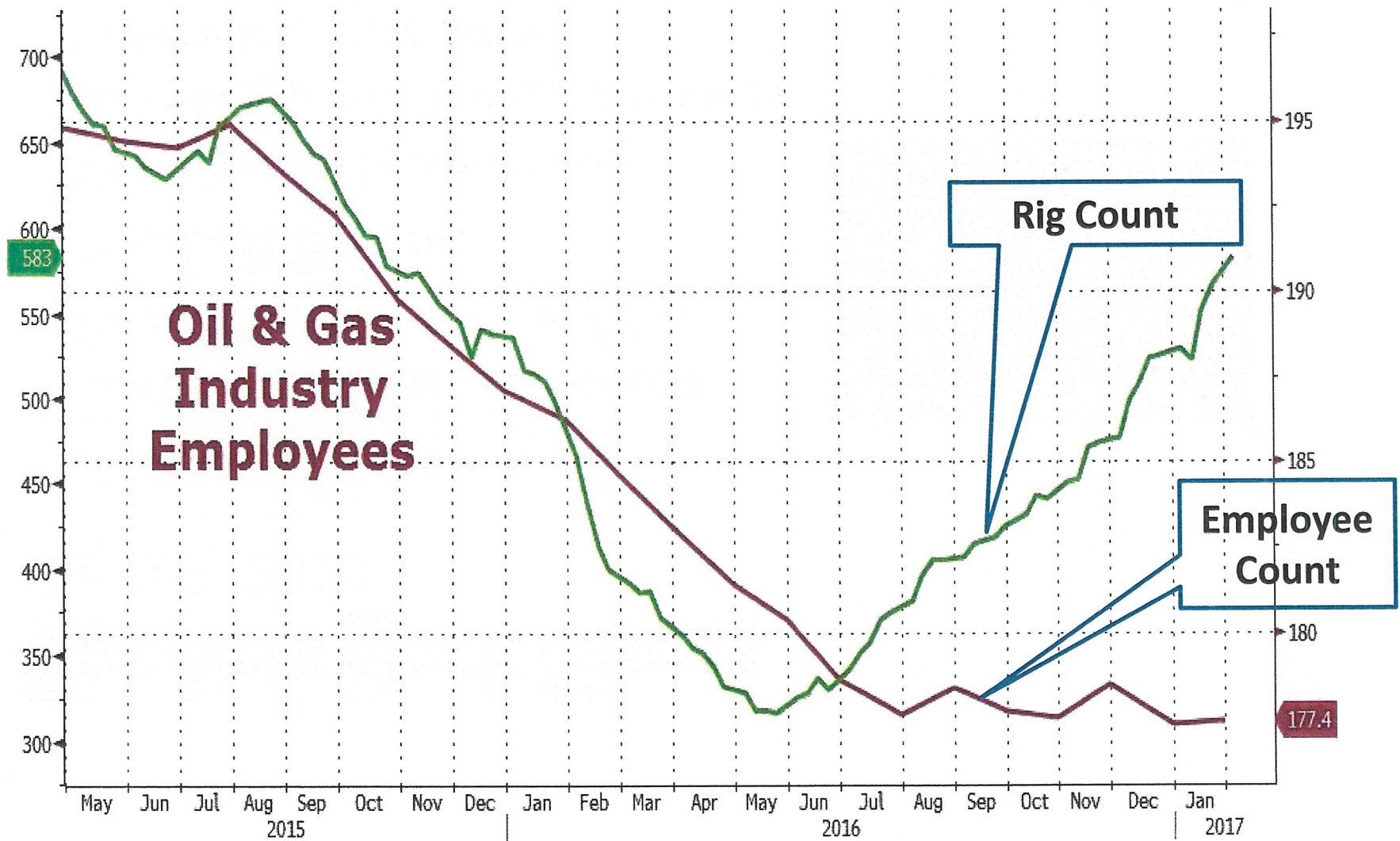




Automated Iron Roughneck



A Paradigm Shift In One Chart



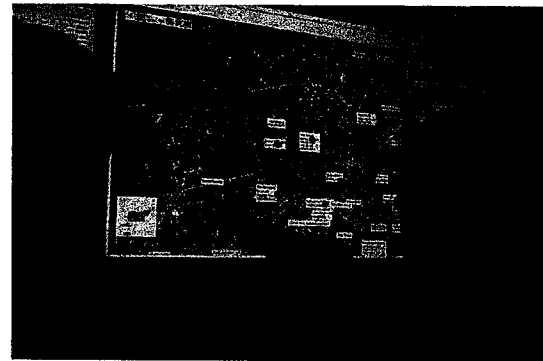
The New York Times

Feb. 19, 2017

ENERGY & ENVIRONMENT

Texas Oil Fields Rebound From Price Lull, but Jobs Are Left Behind

The industry is embracing
technology, and finding new ways
to pare the labor force.



The New Oil/Gas Paradigm

Old (2014)

- Crew of 20-25
- 46-52 days to drill a well
- 4,500 foot horizontal line
- 15-18 wells
- Breakeven \$60 a barrel
- A rig drills 8-10 wells per year
- Predominantly manual jobs

Today

- Crew of 5-8
- 6-8 days to drill a well
- 9,000+ foot horizontal line
- 1 well, with 8-10 lines
- Breakeven \$35 a barrel
- A rig drills 16-20 wells per year
- New jobs & skills: Data analysts, math scientists, and robotic design engineers
- Central location can monitor 900+ wells

Farmington Daily Times

PART OF THE USA TODAY NETWORK

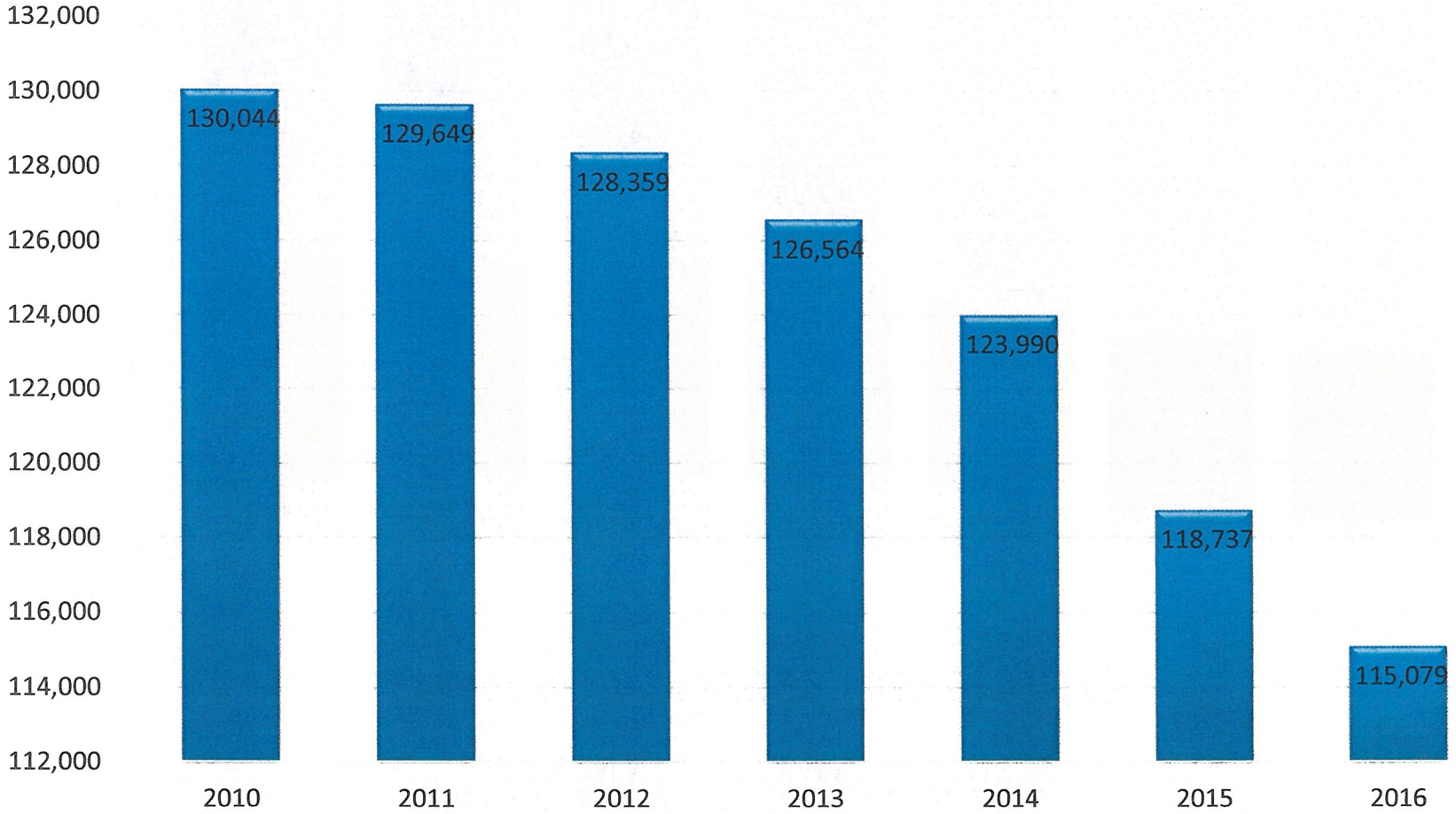
San Juan County in top 10 for population decline

Leigh Black Irvin, lirvin@daily-times.com

Published 6:10 p.m. MT March 23, 2017

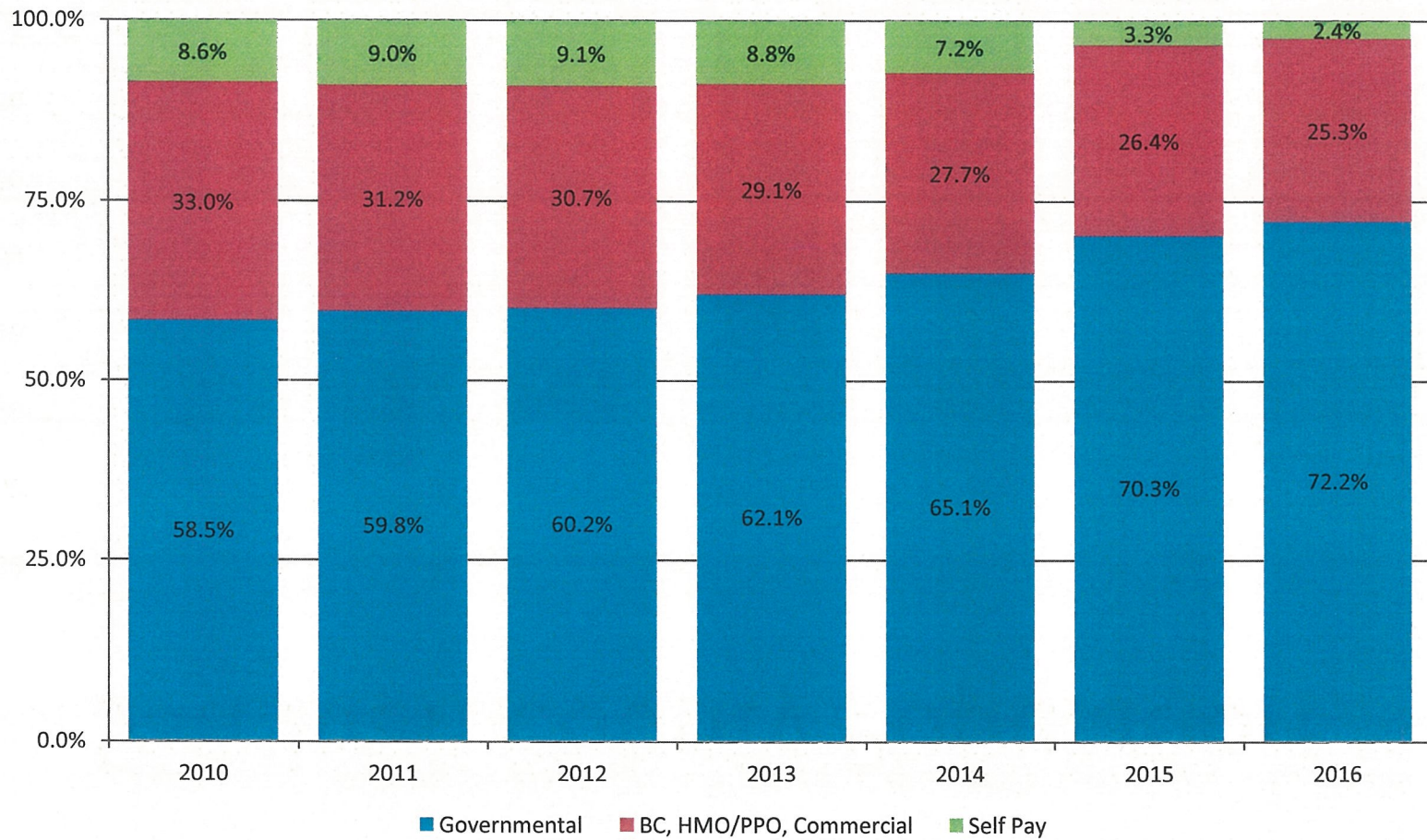
Nearly 13,000 people have moved away from county since 2011

San Juan County Population



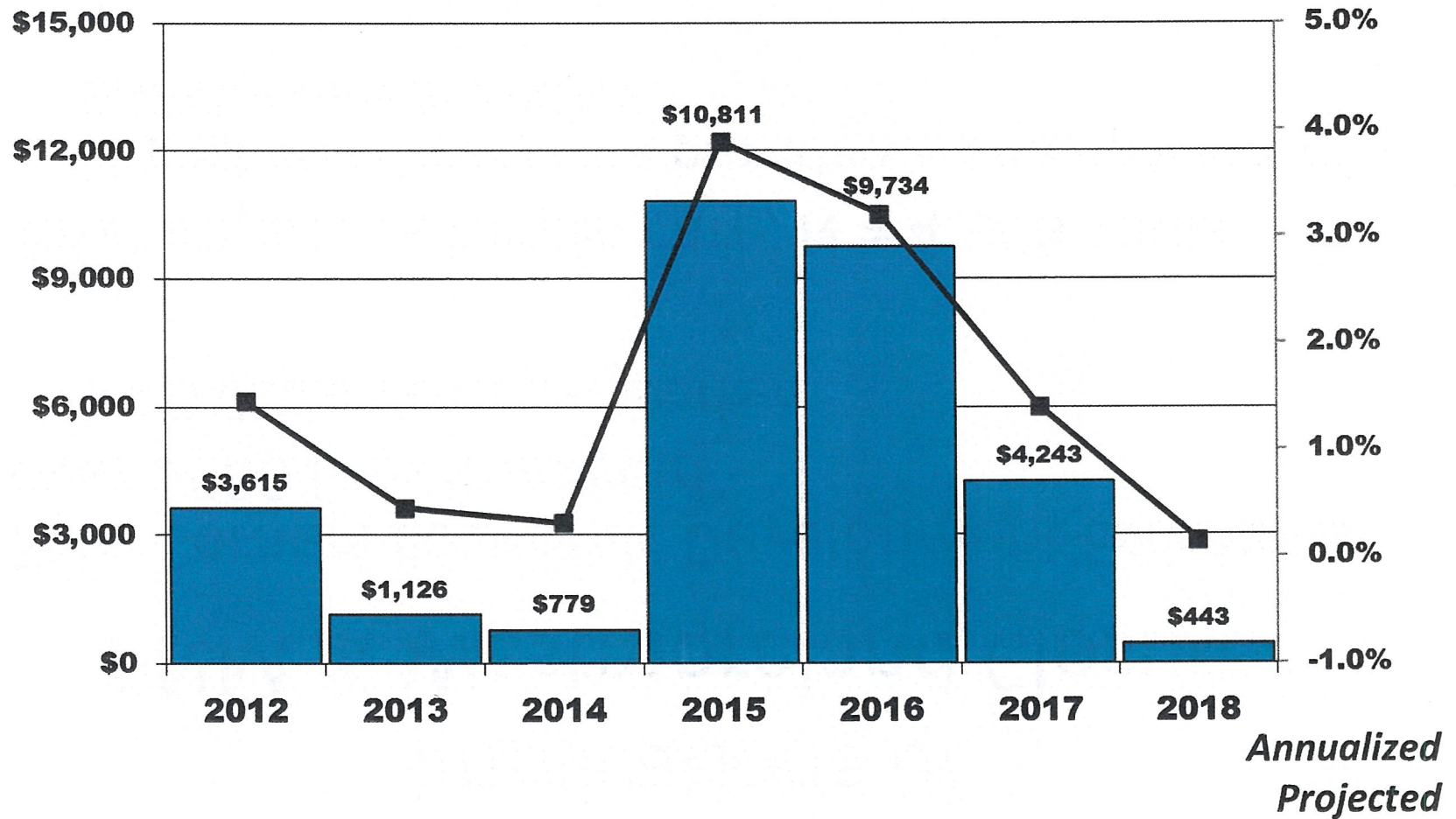
Source: U.S. Census Bureau

SJRMHC Payer Mix (Based on Gross Revenues)



SJRMC Consolidated Operating Income

with Operating Margin %
(In Thousands)



Implications of PNM & Westmoreland Closure

- Four Corners Economic Development Estimates over 1500 jobs impacted
 - ≈ 2.3 dependents per worker
- Total impact re health care, $N \approx 4,808$ souls
 - Impact on primary care providers – potential loss of 4 primary care providers
- Average age of workforce 47 – Anticipate continued exodus