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FISCAL IMPACT REPORT

SPONSOR: Vigil DATE TYPED: 3/03/03 HB 728

SHORT TITLE: West Las Vegas School-Based Health Clinic SB _____

ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$75.0		See Narrative	Recurring	Rural Primary Health Care Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HJM44

SOURCES OF INFORMATION

Responses Received From
 Department of Health (DOH)
 Health Policy Commission (HPC)
 New Mexico State Department of Education (NMSDE)

SUMMARY

Synopsis of Bill

House Bill 728 designates that \$75,000 be appropriated from available Rural Primary Health Care Act (RPHCA) funding for the purpose of partially funding a school-based health clinic for the West Las Vegas school district pursuant to the provisions of RPHCA.

Significant Issues

HB 728 appears to earmark \$75,000 from the RPHCA appropriation to partially fund a school-based clinic in West Las Vegas. The proposed legislation indicates that this appropriation is “pursuant to the provisions of the Rural Primary Health Care Act”. However, while RPHCA supports community-based primary care centers for operations targeted to the general population in underserved areas, existing RPHCA legislation mandates competitive application and review for funding clinic operations. There may be difficulties reconciling the use of these proposed

funds under the RPHCA procurement process. It is unclear how this non-competitive appropriation could occur within the provisions of RPHCA.

School-based health centers are normally funded under a separate contract program administered by the Office of School Health.

- The Department of Health (DOH), in collaboration with other state agencies, i.e. Children, Youth and Families (CYFD), Human Services Department (HSD) and the State Department of Education (SDE), currently provide funding for some school-based health centers (SBHC) in New Mexico. Not all SBHCs in New Mexico are funded by the DOH and collaborating agencies, however.
- The DOH, Office of School Health has oversight for DOH contracted sites, including established standards for SBHC operation, e.g., submission of data on the clinical encounters provided.
- Currently DOH is collaborating with HSD on a grant from the Center for Health Care Strategies to bring SBHCs into Medicaid Managed Care.
- National statistics show that school-based health centers are popular with parents and students.
- Many requests for new SBHC start-ups are received, but current funding levels do not allow for expansion.
- Local communities, in partnership with schools, determine the type of services provided by a SBHC in New Mexico.

There is no national funding stream for SBHCs at this time. The Bureau of Primary Health Care, DOH estimates the cost of running a fully operational SBHC is \$220,000 per year.

DOH data from the 2000-2001 school year reveal that 8,095 patients received services and 20,427 visits were provided. Of the visits provided, 29% were in urban schools, 19% in frontier schools (located in counties with 6-10 people per square mile) and 52% in rural schools (located in counties with up to 100 people per square mile). Data from the 2001-2002 school year are pending, but should be similar.

FISCAL IMPLICATIONS

HB 728 would appropriate \$75.0 to the Department of Health in Fiscal Year 2004 from "funds available for programs of the Rural Primary Health Care Act " for the purpose of "partially funding a school-based health clinic for the West Las Vegas school district pursuant to the provisions of the Rural Primary Health Care Act." As written, HB 728 would reduce the appropriation otherwise available for the purposes of the Rural Primary Health Care Act.

A small percentage of appropriations for the purposes of RPHCA come from the County-Supported Medicaid Fund, which also supports operations of the Medical Assistance Program. There is no program fund for the Rural Primary Health Care Act.

State funding for the DOH-contracted SBHC sites comes from a number of state agencies including Human Services Department and Children Youth and Families Department. A total of \$705,000 supports 16 SBHCs, which provide services to 40 schools. In addition there are approximately 20 sites that receive funding from a variety of sources other than DOH, including the Federal Bureau of Primary Health Care, Indian Health Service and local community sources.

Currently, the DOH does not provide oversight for these additional sites, and they are not required to abide by DOH SBHC standards.

Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 would revert to the program fund for the Rural Primary Health Care Act.

ADMINISTRATIVE IMPLICATIONS

HB 728 would require supplemental procurement contracting and contract management activities on the part of the Department. These activities would be absorbed within the current administrative capacity.

RELATIONSHIP

Relates to HJM44, which would request the State Board of Education to adopt policies that recognizes the unique characteristics and services delivered in SBHCs to ensure that SBHCs are adequately compensated for services provided.

TECHNICAL ISSUES

The term utilized nationally and statewide instead of “school-based clinics” is “school-based health centers”.

HB728 does not indicate which school in Las Vegas will house the clinic or whether it is a new or pre-existing clinic. Currently, Highlands University is the only RPHCA funded clinic in Las Vegas.

The proposed legislation indicates that this appropriation is “pursuant to the provisions of the Rural Primary Health Care Act”. Existing RPHCA legislation mandates competitive application and review for funding SBHC operations. It is unclear how this non-competitive appropriation could occur within the provisions of RPHCA.

OTHER SUBSTANTIVE ISSUES

Five DOH SBHC model sites are participating in the Center for Health Care Strategies grant with the Human Services Department. These SBHCs are located in Albuquerque, Santa Fe, Tierra Amarilla, Ruidoso and Silver City. The SBHCs are contracted for services with all three Medicaid managed care organizations. National studies demonstrate that Medicaid funding alone is not sufficient to support SBHCs.

School-based health centers in New Mexico are a successful strategy for providing access to primary care and mental health and substance abuse services to students in rural and frontier areas of the State. School-based health centers provide an important entry point into the health care delivery system by providing medical and mental health care to students at accessible locations – the schools. In rural, urban, and suburban settings alike, this type of access to health care is critical. While adolescents are at risk for a wide variety of conditions and behaviors that may seriously harm their health, they are traditionally the most under-represented group in health care utilization.

The SBHC model seeks to improve health outcomes for youth by developing positive adolescent

health-related attitudes and behavior. SBHC services are planned and integrated within the context of the school environment, enhancing the exchange of pertinent information between school personnel, parents, and the SBHC staff, providing a collaborative system to address the health and education needs of the student.

National statistics show that SBHCs are popular with parents and students. More than 70% of parents consent for their children to use the centers. Parents appreciate the availability of SBHC staff to administer immunizations, provide sports physicals, treat minor ailments, and provide well-child exams. School-based health centers provide non-insured and under-insured students with access to both physical and mental health services.

HPC reports that:

- 19.9% of families in San Miguel are below poverty (2000 Census)
- New Mexico 2002 KIDS COUNT Data Book reports:
 - 6.2% unemployment rate in 2000
 - 28% poverty for children
 - 21% of population is 5-17 years old
 - 25.3% of the population is Medicaid eligible (HPC *Quick Facts 2003*)

AMENDMENTS

On Page 1, Line 22, replace the term “school based clinics” with “school-based health centers”.

Modify Page 1, Line 11 to read, "RELATING TO SCHOOL-BASED HEALTH CARE; MAKING AN APPROPRIATION..."

DOH suggest modifying Page 1, line 19-25 to read, "the general fund to the West Las Vegas school district in Fiscal Year 2004 for the purpose of partially funding a school based health center for the West Las Vegas school district. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2004 shall revert to the General Fund."

Alternatively, the Department of Health could be substituted on Page 1, line 19 for the West Las Vegas school district

BD/yr