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## FISCAL IMPACT REPORT

SPONSOR: Rodriguez DATE TYPED: 2/6/03 HB \_\_\_\_\_

SHORT TITLE: Santa Fe Women's Health Services Center SB 347

ANALYST: Dunbar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$300.0			Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 173

### SOURCES OF INFORMATION

#### Responses Received From

Department of Health (DOH)  
Health Policy Commission (HPC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 347 appropriates \$300.0 from the general fund to the Department of Health in fiscal year 2004 to purchase services at the Women's Health Services Family Care and Counseling Center (WHS) in Santa Fe.

#### Significant Issues

WHS is a community agency that has been providing health services to residents in Santa Fe for several decades. WHS provides primary medical care, behavioral health, and alternative health care services to community residents. In the current fiscal year, WHS receives \$330.0 in financial support from the Department of Health under the Rural Primary Health Care Act (RPHCA) program. WHS receives additional support for its participation in the Department's Breast and Cervical Cancer Program. WHS is a grantee of the federal Health Resources and Services Administration, who recognizes the program as an exemplary model of women's health care ser-

vices for the nation

The language of SB 347 may raise Anti-Donation Clause questions. (See Technical Issues below)

### **FISCAL IMPLICATIONS**

The appropriation of \$300.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY 04 will revert to the general fund.

DOH currently supports \$330.0 in services at the Center. These funds are not currently eligible for federal match, although the center is applying to become eligible.

### **ADMINISTRATIVE IMPLICATIONS**

SB 347 would have some administrative impact upon the Department of Health. The additional appropriation would require additional procurement, contracting and monitoring activities to existing workloads under the Rural Primary Health Care Act (RPHCA) Program. The Department of Health would administer this additional appropriation in coordination with current efforts.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates Senate Bill 173, which appropriates additional funds for support of primary care center operations statewide. SB 173 appropriations could be used, in part, to provide some additional support for WHS.

### **TECHNICAL ISSUES**

SB 347 appropriates funds directly for the benefit of a specific community health agency. DOH indicates that in previous years, the Office of General Counsel in the Department of Finance and Administration has raised questions about whether such language is a violation of the Anti-Donation Clause in the State Constitution. Furthermore, SB 347 would require the Department to "purchase services at the women's health services family care and counseling center in Santa Fe". This is somewhat vague, as it does not clearly identify which services should be purchased on behalf of which target clientele. To resolve these issues, it may be advisable to change the statutory to "for support of services provided by a nonprofit, tax-exempt community-based health center specializing in women's health care."

### **OTHER SUBSTANTIVE ISSUES**

WHS has approached the Department of Health to discuss its need for additional support for its current service operations. WHS has indicated that it is facing a worsening financial situation caused by several factors, including payments lower than cost from managed care plans, underinsured patients and an increase in the number of uninsured patients. These financial problems extend to all aspects of its services, including primary care, behavioral health and alternative

health services. The appropriation proposed in SB 347 is intended to help address these financial needs, and underwrite a portion of the agency's operations.

Women's Health Services, Family Care, and Counseling Center in Santa Fe is a 501c3 not for profit with an annual budget of \$2.7 million. The center offers extended hours and sliding scale fees, and provides services for men, women, and children, including:

- Obstetrics
- Pediatrics
- Urgent Care
- Gynecology
- Podiatry (including diabetic foot care)

The Center is currently integrating mental health care with primary care. The Center reports adding 150 new patients per month for the last two years with more than 50% qualifying as low income, who will pay on a sliding fee scale.

The Center does not have a federal 330 designation. No matching federal funds are available, so the Center must pay its \$150,000 malpractice insurance without federal assistance.

The *County Funded Health Care Report* of January 2001 (Health Policy Commission) reports that Santa Fe County services for Primary Care Clinics and Community Health Centers totaled \$414,000 for SFY 2000.

The *Quick Facts 2003* (Health Policy Commission) reports seven Primary Care clinics in Santa Fe County as of December 2001.

## **AMENDMENTS**

SB 347 would require the Department to "purchase services at the women's health services family care and counseling center in Santa Fe". It is unclear which services should be purchased on behalf of which target clientele. To resolve these issues, it may be advisable to change the bill to "for support of services provided by a nonprofit, tax-exempt community-based health center specializing in women's health care."

**BD/prr :yr**