

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Saavedra **DATE TYPED** 02/16/04 **HB** 366

SHORT TITLE UNM Health Sciences Center Programs **SB** _____

ANALYST Williams

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$6,798.1			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 367, SB 97

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission on Higher Education (CHE)

Health Policy Commission (HPC)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 366 creates certain health care programs at the University of New Mexico Health Sciences Center, specifically:

- Los Pasos program to provide comprehensive health services for New Mexico families with children exposed in utero to alcohol and drugs and to work with high-risk families;
- Newborn intensive care to provide specialty care to acutely ill newborns along with developmental follow-up, regional outreach, research and training;
- Poison and drug information center to provide assistance during possible poisoning emergencies, provide information, provide training to pharmacists and students, conduct research and training;

- Specialized perinatal care to serve as a statewide information clearinghouse on high-risk, uniquely ill obstetrical patients, statewide outreach for maternal fetal medicine, high-risk pregnancy referral, prenatal diagnosis and genetic counseling services, and research;
- Pediatric dysmorphology and genetics program to provide counseling, educational presentations and continuing education programs, training to health care providers regarding birth defects and genetic disorders and research;
- Pediatric oncology for medical diagnostic services, treatment, research and educational opportunities for children and adolescents with cancer;
- Pediatric pulmonary center for care, education, training, community and family support and research for children and adolescents with pulmonary diseases;
- Young children's health center to provide primary health care, behavioral health care needs, social services, resources for special needs patients and health professional training; and
- Locum tenens program to provide practice relief for rural community physicians, regional continuing medical education programs, expand rural programs of the School of Medicine residency programs and identify potential collaborative areas.

Further, the bill appropriates \$6,798.1 thousand as follows:

- \$50.0 thousand for Los Pasos
- \$3,033.7 thousand for newborn intensive care
- \$1,414.7 thousand for poison and drug information center
- \$433.7 thousand for specialized perinatal care
- \$138.5 thousand for pediatric dysmorphology and genetics
- \$979.3 thousand for pediatric oncology program
- \$178.1 thousand to the pediatric pulmonary center
- \$231.8 thousand for young children's health center
- \$338.3 thousand for locum tenens.

Significant Issues

The Governor's budget recommendation includes a 15 percent reduction in non-statutory research and public service projects at public, post-secondary institutions. The programs identified in this bill currently exist as non-statutory entities, and therefore are subject to proposed fiscal reductions based on this methodology.

FISCAL IMPLICATIONS

The appropriation of \$6,798.1 thousand in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 would revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

Indirect cost revenues could be used as an alternative funding source.

OTHER SUBSTANTIVE ISSUES

HPC notes Los Pasos is a service demonstration program partially funded by the Abandoned Infants Assistance program of the US Department of Health and Human Services. Many of the children in Los Pasos are in single parent households or cared for by other caregivers. New Mexico has a high incidence of births to single mothers, and alcohol and other drug dependence rates for the state are considerably higher than the national average.

HPC notes the newborn intensive care unit is a 35-bed tertiary care service. Before the program's inception in 1971, the neonatal mortality rate in New Mexico was 15:1,000 live births, compared to 14.2 nationwide. By the mid-1980's, the rate declined to 6.0 (compared to 7.0 nationwide); in 1987, was 5.0, the sixth lowest neonatal mortality rate in the United States; and in 1996, the neonatal mortality rate in the state was 3.9, 21% lower than the provisional national rate of 4.7.

HPC notes the Locum Tenens program provided 17,300 days of practice relief since 1993; provides an average of 238 placement days/month in FY02, up 40% over FY01, with particular emphasis on primary care practices in rural or medically underserved areas and placed 50 resident physician graduates into rural practices.

DOH notes Los Pasos and the Developmental Care Continuity Program, part of the newborn intensive care program, currently receive funding through the DOH Master Agreement with UNM HSC and notes performance accountability measures required under the agreement. DOH repeatedly expresses concerns about direct appropriations to UNM HSC for these programs. However, DOH notes if the legislature directly appropriates state general funds for these programs, then "these programs may no longer need funding through Department of Health for the service activities listed."

DOH notes the bill is consistent with its strategic plan under the objective of ensuring a continuum of community based services accessible within a timely manner.

POSSIBLE QUESTIONS

1. How would the incremental appropriation contained in the bill be utilized?
2. What performance measures would be used to address performance outcomes of the various programs?

AW/yr:dm