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FISCAL IMPACT REPORT

SPONSOR Garcia, MJ DATE TYPED 3/7/05 HB 919

SHORT TITLE Dona Ana County Pregnant Women's Services SB _____

ANALYST Hanika-Ortiz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$160.0			Recurring	General Fund

SOURCES OF INFORMATION

LFC Files

Responses Received From

Health Policy Commission (HPC)

Department of Health (DOH)

Human Services Division/Medical Assistance Division (HSD/MAD)

SUMMARY

Synopsis of Bill

House Bill 919 appropriates \$160 thousand from the general fund in FY06 to the DOH to provide services to low-income, uninsured and under-insured high-risk pregnant women in Dona Ana County.

Significant Issues

The HPC reports that New Mexico ranks 50th in the nation with only 64% of women receiving prenatal care by their third month of pregnancy.

First Step Women's Health (FSWH) is the only large-scale provider of high risk pregnancy care particularly for low-income, under-insured or uninsured women in Dona Ana County. FSWH uses mobile units to provide care to transport patients to clinics in Las Cruces. In 2001, FSWH performed more than half the deliveries in Dona Ana County. It is likely that the appropriation will be directed to their efforts as they are the only large-scale provider of high risk pregnancy care for low-income women in Dona Ana County.

PERFORMANCE IMPLICATIONS

HSD/MAD states that the Prenatal Program at DOH reports that the probably recipient of the funds is the First Steps program of Dona Ana County, which has provided prenatal services to undocumented women there for many years. Recently, funding of the program has not kept up with the demand for services.

FISCAL IMPLICATIONS

The appropriation of \$160 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

The appropriation in HB 919 was not part of the agency's budget request submitted to the LFC for review in FY04.

DOH notes that approximately 100 low-income, uninsured, high-risk pregnant women in Dona Ana County were seen for pregnancy care in FY06. Reimbursement by low-income self-pay women for pregnancy care averages about 10% of the billed amount. Studies have shown that prenatal care significantly decreases the incidence of premature and low birth weight babies, and by doing so saves from \$2 to \$3.50 per dollar spent in neonatal intensive care costs.

Average Medicaid coverage for prenatal care for a woman with a high risk condition is approximately \$2 thousand including prenatal care, delivery, postpartum care and appropriate additional testing required for the high risk condition. In 2003, Medicaid paid for 49% of all births to teenage mothers in New Mexico.

As of 2004 27.93% of the Dona Ana county population is enrolled in Medicaid, an increase of 8.53% from the 2002 enrollment. 67% of the enrolled are children under 21.

ADMINISTRATION IMPLICATIONS

DOH reports that FSWH was a subsidiary of Memorial Medical Center in Las Cruces until August 2003. Due to the Medical Center's financial necessities, FSWH became an independent entity at that time. Because its services are focused on low income women, including those with no financial resources for health care, FSWH's reimbursements are low. It has sought support from various sources such as trying to become a subsidiary of a primary care clinic which would have given FSWH federally qualified health care provider status and increased Medicaid funding. This plan did not materialize. FSWH's application to Dona Ana County to be an indigent fund recipient was also rejected.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB 786, UNM Special Perinatal Program, to provide up-to-date obstetrical technology and high quality care to high risk pregnant women in rural areas of the state.

OTHER SUBSTANTIVE ISSUES

According to Department of Health Public Health Division - Dona Ana County Health Profile Report 2003:

- In 2001, per capita personal income for Dona Ana County was \$17,984 compared to \$23,081 for New Mexico as a whole. The annual average wage – salary per job was \$23,643 versus \$28,701 in New Mexico
- Since 1993, the unemployment rate for Dona Ana County has been consistently higher than the New Mexico rate, as well as the national rate.
- In 1999, approximately 25% of people in Dona Ana County were living in poverty compared to 18% in New Mexico.

According to 2002 provisional data for Dona Ana County:

- The provisional crude birth rate was 17.2 per 1,000 population compared to 14.9 in New Mexico. The fertility rate was 75.9 per 1,000 population of women ages 15-44 compared to 70.6 in New Mexico.
- 19.2% of births were to mothers under age 20 versus 16.6% in New Mexico.
- Approximately 40% of live births were to mothers with less than 12 years of education compared to 28% in New Mexico.
- Approximately 8% of live births were of low birth weight (less than 5-1/2 pounds).

According to UNM Health Sciences Center:

- New Mexico facts that relate to high risk maternity patients:
 - New Mexico has one of the highest teen birth rates in the nation (17.3%).
 - 50% of births are to single mothers.
 - High rates of congenital anomalies such as neural tube defects (7.9/10,000 population) and cleft lip/palate (26.7/10,000 population).
 - Approximately 770-1300 infants were exposed to alcohol during the last trimester of pregnancy (NM PRAMS Surveillance Report).
 - High prevalence of fetal alcohol syndrome compared to the national average.
 - Increased teen smoking rates.
 - High rate of partner abuse prior to or during pregnancy.
 - High prevalence of overweight mothers, gestational diabetes and preeclampsia, particularly in Hispanic and Native American populations.

TECHNICAL ISSUES

The bill is unclear how the appropriation will be used to help low-income, uninsured, high-risk pregnant women in Dona Ana County and what measures will be used to determine the success

of strategies.

POSSIBLE QUESTIONS

Why was FSWH's application to Dona Ana County to be an indigent fund recipient rejected?

AMENDMENTS

On page 1, line 18 after the word "provide", delete the word "services" and insert the words "prenatal, delivery and postpartum health care services not coverable by Medicaid".

AHO/yr