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# FISCAL IMPACT REPORT

SPONSOR _	Arnold-Jones	DATE TYPED	03-02-05	HB	967
SHORT TITL	E Study Use of Lact	ation Consultants		SB	

ANALYST Woods

#### **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$250.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation to the University of New Mexico in the General Appropriations Act.

## SOURCES OF INFORMATION

LFC Files

<u>Response Received From</u> New Mexico Health Policy Commission (HPC) New Mexico Commission on Higher Education (CHE)

#### SUMMARY

#### Synopsis of Bill

House Bill 967 – Making an Appropriation for a Study on the Use of Lactation Consultants in the Neonatal Intensive Care Unit at the University of New Mexico – appropriates \$250,000 from the general fund to the Board of Regents of the University of New Mexico for expenditure in FY06 for the neonatal intensive care unit of the University of New Mexico to conduct a study on the use of lactation consultants, to provide breast pumps to mothers, to reduce infant mortality and to reduce Mdicaid costs for mothers of premature babies. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

#### Significant Issues

HPC observes that – from the legislation's present language – it is unclear if the expenditures would go toward:

1. conducting a study to determine if infant mortality and Medicaid costs would be reduced with the utilization of lactation consultants and the distribution of breast pumps to mothers of premature babies; or

2. if expenditures would be spent in conducting a study which would include studying the utilization of lactation consultants, *and* the cost of providing breast pumps, *and* reducing infant mortality *and* reducing Medicaid costs.

This program was not included in the CHE's 2005-2006 Higher Education Funding Recommendation.

### FISCAL IMPLICATIONS

The appropriation of \$250,000 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.

## **ADMINISTRATIVE IMPLICATIONS**

HPC poses the question, "Would the UNM lactation consultant serve only low-income women, or all women who have been deemed as benefiting from the program?"

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the appropriation to the University of New Mexico in the General Appropriations Act.

## **OTHER SUBSTANTIVE ISSUES**

HPC notes that nearly 40,000 children – of which more than 50 percent live outside of the Albuquerque area or out of state – are treated annually at UNM Children's Hospital. The neonatal intensive care unit has provided services for about 10,000 critically ill children and their families over the past 23 years, and the provision of lactation consultants to mothers of premature babies falls under UNM Hospitals' mission of health promotion.

HPC suggests that culturally appropriate education for mothers who may not have knowledge of, or experience with nursing could encourage breastfeeding and could subsequently boost the newborn's immune system and reduce the infant's susceptibility to various illnesses. Further, that breastfeeding also provides mothers with health benefits and could potentially reduce the risk of ovarian and breast cancer.

HPC adds that, although lactation consultants do not need to be nurses, they must be certified with intensive educational training in order to practice. Fees for lactation consultants vary by geographic location, and can cost from \$25 to \$100 per hour and often include the provision of breast pumps, undergarments and other accessories. While the La Leche League is comprised of volunteers that assist mothers during their normal course of breast-feeding, mothers with premature and high-risk newborns may need help that the La Leche League cannot provide and are referred to lactation consultants. However, it should be noted that not all insurances provide coverage for the lactation consultant services.

#### BFW/yr