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FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 1/24/05 HB _____

SHORT TITLE Pharmacy Services in Primary Care Clinics SB 11

ANALYST Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$1,200.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 8

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 11 appropriates \$1.2 million from the general fund to the Department of Health for the purpose of increasing the number of pharmacy technicians and services available in primary health care clinics, pursuant to the Rural Primary Health Care Act.

FISCAL IMPLICATIONS

The appropriation of \$1.2 million 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

DOH notes pharmacy services would have to be clarified in the request for proposals and scope of work for contracts to distribute the funds proposed in the bill and the additional funding would require additional procurement, contracting and monitoring activities to existing staff workloads.

RELATIONSHIP

Senate Bill 11 relates to Senate Bill 8 in that they are both expanding primary health care clinic capacity.

OTHER SUBSTANTIVE ISSUES

According to DOH, the needs of underserved New Mexicans are met, in part, by a network of community-based primary care centers. This network provides basic services to more than 230,000 patients each year. The state or federal RPHCA Program, administered by the DOH, provides financial support to more than 75 clinics in the network. The majority of patients at community-based primary care centers are either indigent or Medicaid program participants. Indigent patients receive services according to sliding fee schedules, based upon their ability to pay. It is estimated that an additional 200,000 New Mexicans statewide could benefit from the services of new or expanded health centers.

Despite efforts over the years, there are still gaps in access to health care services for many New Mexicans who reside in underserved areas of the state. The federal government has designated all or part of 29 New Mexico counties as Health Professional Shortage Areas for Dental, Medical or Mental Health.

Pharmacy professionals are trained to perform expanded roles and duties that are in demand by many diverse organizations. Pharmacy technicians are also trained and certified to assist pharmacists in their duties and state law requires that they be supervised by a licensed pharmacist, so it would be necessary to include pharmacists. DOH notes it has been difficult for primary care centers to compete with larger cities, chain pharmacies, hospitals and other health care organizations for these professionals. Other factors include many similar to those that have been identified for physicians and other health care professionals including geographic location, salaries and benefits. Patients seen at primary health care centers have not often had the opportunity to experience the full benefits of pharmaceutical care services. Consulting with patients about the use of their prescription drugs in a culturally appropriate manner is critical to discovering health beliefs and practices that have an impact on compliance with the prescribed health plan and overall outcomes. DOH indicates, with the appropriation proposed in the bill, centers might be able to offer services that will enhance the care they provide.

DOH notes nationally, the President has established a Community Health Center Initiative aiming to double the number of new or expanded community-based primary care centers nationwide by 2006. All new centers receiving this federal funding are required to provide both medical and dental services to their patients. Primary care centers in New Mexico have competed successfully for this funding over the last few years. New or expanded centers in Silver City, Edgewood, Mora, Santa Fe, East Mesa (Dona Ana County), Fort Sumner, Socorro and Alamogordo have all benefited from this initiative. In addition, there have been numerous supplemental grants given to existing health centers to expand the comprehensiveness of their services to include dental and basic behavioral health care. During the next 2 years it is anticipated that at least 5-10 applications could be developed for new or expanded health centers in New Mexico. This would permit a significant expansion of New Mexico's primary health care safety net.