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FISCAL IMPACT REPORT

ORIGINAL DATE 02/17/07
 LAST UPDATED 03/13/07 HB 1283/aHAFC/aSFC

SPONSOR Sandoval

SHORT TITLE Driver Contributions to Children's Sight Fund SB _____

ANALYST Hanika Ortiz

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	\$0.1		see narrative	Children's Sight Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$15.2	\$7.5		Recurring	General fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Health (DOH)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee Amendment removes the requirement that the vision testing occur annually.

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee Amendment allows a school nurse or the nurse's designee, a primary care health provider or a lay eye screener to conduct vision screenings; provides a vision test only for students enrolled in PK, K 1st and 3rd grades; removes

the requirement that any parent notification be only by mail; allows eyeglasses purchased from the fund to not necessarily be the least expensive; disallows using monies from the fund to provide replacement insurance for ruined contact lenses; and, includes the appointment of a school administrator to the advisory committee.

Synopsis of Original Bill

House Bill 1283 amends the public school code and adds new sections to Chapters 24 and 66- Article 6 NMSA 1978 to require an elementary school nurse administer an annual vision screen for enrolled students unless the parent refuses the screening. In addition, it will establish a “save our children’s sight fund” in the state treasury administratively attached to the DOH. The fund will be used for the purpose of developing and implementing a vision screening program with follow-up comprehensive examinations for children regardless of family income. A temporary provision will require the Secretary of Health to appoint an advisory committee to establish the standards for an appropriate vision screen. The DOH will also be required to promulgate rules for appropriate vision screening test standards.

SIGNIFICANT ISSUES

The bill is unclear if a “lay eye screener” needs specific training or prior qualifications to conduct vision screenings on children.

AMENDMENTS

Pg 2, line 8, insert “developmentally appropriate” between “annual” and “vision screening test” to help address the needs of PK; non-verbal children with disabilities; and, children with hearing impairments.

FISCAL IMPLICATIONS

Children’s Medical Services within the DOH pays for diagnostic evaluations for children, but only those children diagnosed with severe problems receive continued vision services. Children found to have only mild visual acuity are not covered. In those cases, families must pay out-of-pocket for glasses and follow-up care.

The bill establishes a non-reverting “Save Our Children’s Sight Fund” administered by DOH for development and implementation of a vision screening program to be administered annually in the state’s elementary schools. The fund will support the costs associated with follow-up exams as needed, contact lenses or polycarbonate lenses and replacement insurance for lost or broken lenses or ruined contact lenses. Funds will come from voluntary contributions from drivers who have checked-off an option to contribute to the fund for a \$1.00 or \$5.00 fee. Other funds may come from grants, appropriations, contributions and statutory revenues directed to the fund. Expenditures will be by warrants of the secretary of finance and administration pursuant to vouchers signed by the secretary of health or the secretary’s authorized representative.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

The bill is not part of the FY08 Governor’s Executive Budget request for the DOH. The budget impact to DOH is reported at 0.25 FTE at an estimated cost of \$15,250 for salary, benefits, and start-up costs for the first year. There is no provision within the bill for a percentage of the revenue from the fund be set aside for administrative costs.

SIGNIFICANT ISSUES

Pre-kindergarten public school students are required to have a vision screening. The current practice in New Mexico is that vision screening occurs in kindergarten, first grade, third grade and fifth grade. Early screening requires screening for vision problems such as amblyopia, which needs treatment as early as possible for the best possible outcome.

The bill presents an innovative financing mechanism to help cover the cost of vision diagnosis and treatment for student who do not have insurance coverage. It is not clear if this mechanism of the vehicle registration check-off box will adequately fund such an effort. The bill will require the parents to be notified by mail if a child’s vision screen indicates the need for follow-up. Information regarding the availability of funds from the Save Our Children’s Sight Fund must be enclosed.

PERFORMANCE IMPLICATIONS

Vision screening is recommended by the American Academies of Pediatrics, Family Physicians and Ophthalmologists.

PED comments that providing early vision screening and possible funds to support follow-up costs and treatment can lead to improved vision. As there is a link between health and academic success, this can assist in closing the achievement gap and lead to improved reading and math scores. However, there is currently no requirement for annual vision screening for all elementary students; and, as there are 177,419 students enrolled in New Mexico in grades pre-K through 6 an annual screening may be difficult for the current number of elementary school nurses to accomplish.

ADMINISTRATIVE IMPLICATIONS

DOH notes that the bill creates a new revenue stream to support specialty medical needs for children without insurance coverage; and, until the revenue stream can be determined it is impossible to identify the extent to which services will be provided. DOH further notes the need to develop rules and establish a mechanism to disburse these funds to eligible families and to evaluate efficiency and effectiveness of vision screening, follow-up referral and treatment.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates SB 1149

TECHNICAL ISSUES

Vision screening protocols are already established and used in New Mexico public schools, so that the recommendation for an “advisory committee to establish the standard for appropriate vision screening” may be a duplication of efforts.

OTHER SUBSTANTIVE ISSUES

DOH has the following comments:

Not all children in New Mexico are receiving the vision care that they need. A recent national report from the Centers for Disease Control highlights the lack of appropriate screening for children 0-6 years of age who are from poor and or minority families. The report goes on to state that for many children, their visual impairment only becomes obvious when they enter school. A significant proportion of children with visual impairments do improve with appropriate treatment if it is provided early.

School nurses in New Mexico public schools perform vision screening on elementary age students, however there is no requirement or established standard for when a child should be screened and or how often a screen is necessary. Even if these children are screened in school, uninsured or underinsured children may not receive needed vision services or glasses. They may attend school, yet not achieve up to their potential due to vision problems.

POSSIBLE QUESTIONS

The earlier vision impairment is identified and treated, the better the outcome for the child. Is there a reason why the bill does not specifically include pre-school?

AMENDMENTS

The Departments suggest the following:

- On page 2, line 7, strike “An elementary” and insert in lieu thereof of “A”.
- On page 2, line 8 after the word “nurse”, insert “or their designee”.
- On page 2, line 8 after the word administer, strike the words “an annual” and insert the word “a”
- On page 2, line 9 after the word “students”, insert “in grades pre-kindergarten, kindergarten, first grade, third grade and fifth grade”.
- On page 2, line 10 after students, insert “in identified grades”.
- On page 2, line 19 after parent, strike “by mail and enclose” and insert in lieu thereof “of that need and provide”
- On page 3, line 21 after “a practicing school nurse,” insert “a school administrator,”

AHO/nt