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FISCAL IMPACT REPORT

ORIGINAL DATE 02/01/07

SPONSOR Rodriguez LAST UPDATED _____ HB _____

SHORT TITLE Santa Fe Women's Health Services Facility SB 527

ANALYST Hanika Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$500.0	recurring	general fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Local Government Division/Department of Finance Administration (LGD/DFA)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 527 appropriates \$500 thousand from the general fund to the department of finance and administration to provide for services at the Women's Health Services (WHS) facility in Santa Fe.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund.

WHS receives a recurring yearly appropriation from DOH. WHS is receiving \$300 thousand through the competitive Rural Primary Health Care Act (RPHCA) RFP process for FY07. The funds appropriated in this bill will be in addition to those funds. Women's Health Services received a separate one-time non-competitive special appropriation of \$192 thousand from DOH in FY07. Other non-competitive special appropriations have occurred in the past to WHS.

SIGNIFICANT ISSUES

WHS is a 501(c) (3) community service agency that has been providing health services to residents in Santa Fe County since 1973. WHS provides outreach/public health education, professional education, direct healthcare services and participates in medical research for women's health initiatives. WHS sees sliding scale fee patients and low-income patients and gets no federal money for direct patient services. This appropriation will cover additional operating expenses of WHS.

PERFORMANCE IMPLICATIONS

LGD/DFA reports the Division cannot write a sole-source justification for general primary healthcare services to a non-profit provider without violating the procurement code. Nor could the Division sponsor a competitive procurement because the appropriation names a beneficiary and the funds would not be available for any other agency than that named in the appropriation.

ALTERNATIVES

LGD/DFA reports this appropriation raises severe anti-donation issues. DOH must follow a competitive review process pursuant to the Rural Primary Health Care Act in selecting providers. At face value this appropriation would bypass that process. If DOH attempts to write a sole-source justification, the contract would be subject to protest by other providers. LGF/DFA recommends directing the appropriation to DOH as an addition to the regular primary care contract funds. Then WHS could compete with other providers in an attempt to increase their base funding.

POSSIBLE QUESTIONS

Why was WHS able to divert the RFP process to receive one time appropriations in the past?

AHO/mt