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FISCAL IMPACT REPORT

ORIGINAL DATE
LAST UPDATED 02/08/08 **HB** 428

SPONSOR Campos

SHORT TITLE UNM Rural Health Care Outreach Program **SB** _____

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$1,800.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 93

Relates to General Appropriation Act, SB 7: Medical School Recruitment of Rural Undergraduates and HB 25: Tribal Cooperative Extension Centers.

SOURCES OF INFORMATION

LFC Files

Responses Received From

University of New Mexico Health Sciences Center (UNM HSC)
 Department of Health (DOH)
 Health Policy Commission (HPC)
 Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 428 appropriates \$1.8 million from the General Fund to the Board of Regents of the University of New Mexico for the purpose of supporting a comprehensive rural health care outreach program, including health extension rural offices, to address more effectively local health priorities. The program is a partnership with the New Mexico State University Cooperative Extension Service.

FISCAL IMPLICATIONS

The appropriation of \$1.8 million contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 09 shall revert to the General Fund.

SIGNIFICANT ISSUES

UNM notes the state's high uninsured rate, substantial health disparities, poor performance in health outcomes and access to health care concerns. The proposal addresses strengthening health infrastructure, building health workforce capacity, supporting community health services and facilitating community health research.

HED notes the proposal would seek to fund at least 18 Health Extension Rural Offices (HERO) to serve rural counties. The sites are budgeted at \$100,000 each, which includes funding for personnel and operations. In some communities, the HERO will be housed with the County Extension Agent, while others have offered to share positions to implement the program. The program will coordinate with county health councils, health service and provider organizations, local government, state agencies and state universities.

According to a UNM website, the Cooperative Health Extension Regional Offices will:

- Provide liaisons between communities and the UNM HSC partnership office
- Assure campus-community communication and coordination
- Provide the institutional framework for sustainable partnerships
- Produce targeted projects addressing community needs
- Sustain the financing and delivery system to improve community health status indicators

DOH discusses 31 of the state's 33 counties are federally designated Health Professional Shortage Areas (HPSA). DOH notes "The outreach effort supported by this proposed program could serve as a bridge between the universities and the communities, helping community identify ways in which UNM and NMSU could help improve access to care, provide education on health care concerns and address medical workforce shortage issues."

HPC notes the intent of this bill is to develop a system of local Cooperative Health Extension Officers to act as liaisons between communities and the UNM HSC Community Partnership Office. HPC notes other sources of funding for these entities, i.e. the Cooperative Extension Service receives federal funding from the U.S. Department of Agriculture.

An expansion proposal for \$6 million for this project was submitted by UNM to the HED to consideration in the Fall 2007 budget cycle, but was not included in the Department's funding request for FY09. The request was ranked #4 out of 6 requests by UNM HSC. In its November 2007 evaluation of research and public service project expansion requests and new initiatives, HED rated the UNM expansion request as "would not oppose if funding is available". The January 2008 LFC report "Higher Education Department Review of Selected Research and Public Service Projects" discusses best practices for funding these types of projects.

TECHNICAL ISSUES

HPC notes the bill does not provide what the expected health status improvement would be statewide as a result of implementing the proposed model. The bill also does not note that local health priorities will be more effectively addressed.

OTHER SUBSTANTIVE ISSUES

DOH notes “the proposed effort would complement and enhance the rural healthcare services currently being provided by the University of New Mexico Health Sciences Center Project ECHO (Extension of Community Healthcare Outcomes).”

At least three tribal communities have expressed an interested in developing a health extension rural office.

POSSIBLE QUESTIONS

1. How would performance outcomes be measured?
2. To what extent are other funding sources available, including from federal sources and foundations?
3. What are the best practices in this area? How are other states addressing similar issues?

AW/bb