

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/08

SPONSOR Foley LAST UPDATED _____ HB 569

SHORT TITLE Rural Primary Health Clinic Service Hours SB _____

ANALYST Geisler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$1,000.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Relates to: HB 260 and SB 341

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 569 would appropriate \$1,000,000 from the General Fund to the Department of Health (DOH) for expenditure in Fiscal Year 2009 for eligible programs under the Rural Primary Health Care Act (RPHCA) to plan and implement extended service hours. HB 569 would define "service hours" to mean the hours during which an eligible program is open to the public for health care appointments or walk-in visits. Any unexpended balance remaining at the end of fiscal year 2009 would revert to the General Fund.

FISCAL IMPLICATIONS

The funding in HB 569 is not a part of DOH's FY09 executive budget request. Base general fund to support rural primary health care clinics in FY09 is \$13.5 million.

SIGNIFICANT ISSUES

New Mexico's community-based primary care centers provide basic medical and dental care to residents of underserved areas. This safety net of clinics has over 250 clinical providers

providing healthcare homes for 300,000 New Mexicans at 149 Primary Care clinics (93 medical, 39 dental, and 17 school-based health clinics). The majority of patients at these centers is uninsured or on public programs like Medicaid. Primary care centers are part of the health care safety net assuring a health care home to New Mexicans who would not otherwise receive services.

The support for primary care centers comes from multiple sources, including Federal community health center grants, generated revenues and financial support under the State RPHCA program. Demand for services at primary care centers exceeds available capacity. In recent years there has been a rise in demand from uninsured New Mexicans. Although there has been an increase in RPHCA and other support, the cost of uncompensated care has outstripped the additional funding. The additional funding proposed in HB 569 would permit some expansion of primary care center capacity to meet community need at RPHCA funded clinics.

RELATIONSHIP

HB 569 is related to HB 260, which would provide additional funds to DOH to increase compensation for health care providers at RPHCA eligible primary care centers, and SB 341, which would provide funds to DOH to support the implementation of electronic health records at these same centers.

GG/mt