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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/09

SPONSOR Stewart LAST UPDATED _____ HB 16

SHORT TITLE Cardiovascular Disease Prevention Program SB _____

ANALYST Chabot

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$200.0	Recurring	Tobacco Settlement Program Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$200.0	\$200.0	\$400.0	Recurring	Tobacco Settlement Program Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

House Bill 16, Cardiovascular Disease Prevention Program, appropriates \$200 thousand from the Tobacco Settlement Program Fund to the Department of Health (DOH) for the purpose of establishing a cardiovascular disease prevention program and to provide public and professional education on the prevention and control of heart disease and stroke.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a recurring expense to the tobacco settlement program fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the tobacco settlement program fund.

SIGNIFICANT ISSUES

The LFC submitted a balanced tobacco settlement program fund appropriation recommendation for fiscal year 2010. Any additional expenditure appropriated by the Legislature from the tobacco settlement program fund must be off-set by an equal amount from the appropriation recommendation.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

DOH reports heart disease is the leading cause of death in New Mexico and stroke is the fifth leading cause. In 2006, these diseases claimed “nearly 4,000 lives.” (*New Mexico Selected Health Statistics Annual Report for 2006*). In 2007, seven percent of New Mexico adults reported having been seen by a health professional for heart related symptoms. This equates to 109,000 adults with cardiovascular disease statewide. An estimated \$390 million was spent on heart disease-related care. Another \$130 million cost resulted from lost productivity (Centers for Disease Control and Prevention, 2008).

Health Policy Commission adds that 780,000 Americans suffer a new or recurrent stroke annually. The American Stroke Association estimated that in 2008, \$65.5 billion was spent for stroke-related medical costs and disabilities.

PERFORMANCE IMPLICATIONS

This appropriation could lead to an improvement in health of New Mexico. DOH would have to develop a system for measuring the impact of the program.

ADMINISTRATIVE IMPLICATIONS

DOH would have to establish a cardiovascular prevention and control program and would need to hire staff, particularly a health educator, to administer the program.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Additional funding for cardiovascular programs will not be funded by the tobacco settlement program fund.