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FISCAL IMPACT REPORT

ORIGINAL DATE 01/28/10

SPONSOR Griego, P LAST UPDATED _____ HB _____

SHORT TITLE Study Office Of Community Health Workers SJM 6

ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$5.0 - \$50.0			Recurring	Various

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 6 requests DOH to conduct an analysis of state statutes for the purpose of recommending legislation to establish an office of community health workers (CHW's) and to establish a task force to develop a budget and provide organizational details and program activities of the proposed office.

SJM 6 provides for the following:

- NM continues to experience challenges in improving health outcomes and addressing health disparities;
- New Mexico continues to experience critical shortages in providers in primary, oral and behavioral health care, particularly in rural and inner city areas;
- New Mexico is a predominantly rural state with a high percentage of its rural population lacking access to health care services;
- There is substantial evidence that coordination of comprehensive care for individuals with chronic diseases and information regarding preventive care can improve individual health status and create a healthier population, reducing the costs of health care;

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- CHW's, promotoras and community health representatives, hereinafter collectively referred to as CHWs, have demonstrated success in increasing access points in underserved communities; in providing culturally appropriate prevention and disease management education, translation and interpretation services for medical encounters; in improving health through care coordination; in increasing individual health literacy and advocacy; and in organizing to enable community health improvement;
- The federal department of labor has recognized and defined CHWs as "health professionals" under occupational definitions;
- Federal initiatives, including health care reform legislation, identify the role of CHWs as critical to the provision of health education, care management, continued enrollment to assure access to care for populations eligible for public programs, the prevention of duplicative care, an increased quality of care and the provision of home visitation regarding maternal health and prenatal care;
- Although multiple efforts are underway to train CHWs for employment opportunities in rural, tribal and urban areas, the financing and sustainability for those trained has not been developed nor is the training standardized or coordinated;
- At least seventeen states are developing or implementing certification processes and financing options for CHWs;
- The secretary of health created an office of community health workers within the public health division by executive appointment, an office that does not reside in public health statutes and therefore has no permanent authorization;
- The office of community health workers has studied, evaluated and observed the benefits of CHWs in a variety of health care settings within communities, clinics, hospitals and public health offices, in conjunction with the CHW advisory council, created pursuant to Senate Joint Memorial 76 of the 2003 legislative session; and
- The advisory council has determined that the department of health is the agency to coordinate training and the certification of CHWs, trainers and training programs and to develop and maintain a registry of certified CHWs;

FISCAL IMPLICATIONS

SJM 6 contains no appropriation; however, there will be costs associated with the creation of a permanent Office and organizational task force.

DOH reports that CHW's have traditionally been contracted under discontinued projects and grants, or have served as part-time volunteers. CHW's are not currently recognized under Medicaid, Medicare and private insurance fee schedules.

SIGNIFICANT ISSUES

HED reports that because NM faces a critical, chronic shortage of qualified health care providers in rural and urban communities, community health care workers are an important component in providing increased access to health care, particularly in traditionally underserved areas of the state.

The Secretary of Health has created an Office of CWH's at DOH by executive appointment; however, this Office does not reside in public health statutes and therefore has no permanent authorization. SJM6 requests DOH to recommend legislation that will establish the Office of CWH's in statute.

PERFORMANCE IMPLICATIONS

The task force will consist of representations from CHW's and community health representatives professions; higher educational institutions; community colleges; vocational schools; and branches of higher education, state agencies and other organizations charged with the delivery, administration or financing of health and social services and community provider organizations, including the professional associations and other potential employers.

The task force will review best practices utilizing CHW's that result in increased access and efficiencies, reduced costs, and improved health outcomes. The task force will submit its recommendations to the appropriate committee by October 2010.

ADMINISTRATIVE IMPLICATIONS

DOH would be charged with the creation of the Office of CHW's and the associated organizational task force.

OTHER SUBSTANTIVE ISSUES

HED further notes that the development of programs and training of CHW's will most likely occur at NM's community colleges, two-year, and vocational institutions.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

No Office of CHW's or organizational task force will be created in state statute. DOH will most likely continue to support the establishment of an Office of CHW's administratively.

AHO/mt