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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/21/11

SPONSOR Griego, P. LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Health Care Student Intern Liability Coverage SB 41

ANALYST Wilson

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Health (DOH)

Public School Department (PED)

Public School Insurance Authority (PSIA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 41 amends the New Mexico Public School Insurance Authority Act to allow the PSIA to provide liability insurance coverage for health care student interns currently enrolled in health care instructional programs.

### FISCAL IMPLICATIONS

There is no fiscal impact. The PSIA is already offering the coverage under a memorandum of coverage.

### SIGNIFICANT ISSUES

PSIA notes that this bill clarifies coverage to health care student interns. It has historically been covered by PSIA under a Memorandum of Coverage.

Many approaches to address New Mexico's health care professional shortages involve increasing the availability of educational, training and intern options for youth to become interested and

could potentially discourage PSIA covered schools from involvement in health care instructional programs.

PSIA was created by the legislature in 1986 to serve as a purchasing agency for public school districts, post-secondary educational entities and charter Schools. Through PSIA, member schools are afforded the opportunity to offer quality employee benefit and risk coverage. Because of the purchasing power of a large group covering over 30,000 educational employees and their families, PSIA is able to negotiate better premiums and better benefits than an individual school district. PSIA currently provides benefit and risk coverage to 89 school groups (all districts except for Albuquerque Public Schools), 59 Charter Schools and 17 educational entities.

PSIA legislation only insures employees and volunteers of member institutions, not students. According to PSIA, health care student internships with employers are in danger because employers say they will not accept interns in hospitals and other facilities unless the school has liability insurance for each student intern. Internship projects are critical in the health care careers.

SB 41 only covers health care student interns that are enrolled in a health care instructional program provided by a member of PSIA. Postsecondary institutions that are covered by PSIA include Eastern New Mexico University (ENMU), ENMU Roswell, Luna Community College, Mesalands Community College, New Mexico Junior College, Northern New Mexico College, Santa Fe Community College and Western New Mexico University. Health care student interns from other postsecondary institutions are not covered by SB 41. Additionally, student interns in fields other than health care at PSIA member institutions are not included in SB 41.

#### **ADMINISTRATIVE IMPLICATIONS**

PSIA is already offering coverage to health care student interns. There are no administrative implications.

#### **OTHER SUBSTANTIVE ISSUES**

New Mexico has a documented shortage of health care professionals. Of the 33 counties in the State, 32 are classified, in whole or in part, as either medical, mental health or dental Health Professional Shortage Areas.

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