

Adequacy of New Mexico's Healthcare Workforce Systems

AT A GLANCE

With the full implementation of the Affordable Care Act in 2014, the health care system in the United States rapidly changed. The LFC's 2012 evaluation of New Mexico's health systems workforce evaluated the state's capacity to meet increased demand for health care associated with Medicaid and private insurance expansion. At the time of the

The Evaluation: The evaluation, *Adequacy of New Mexico's Healthcare Systems Workforce*, (May 2013) assessed the demand for healthcare workers stemming from the implementation of the Affordable Care Act and opportunities to meet the state's demand for healthcare services.

evaluation, the LFC estimated 172 thousand of the state's uninsured population would receive coverage and concluded the state's existing healthcare professionals would not be able to adequately meet increased demands for healthcare. Since then the state has enrolled about 220,000 individuals through Medicaid expansion and 44,000 through the health exchange. The evaluation recommended a variety of strategies healthcare workforce shortages, including changes to service delivery systems, recruitment and retention efforts, educational strategies, and

regulatory or statutory changes.

In direct response to the report, the Legislature has made significant investments to develop the state's workforce through coordinated efforts, including expanding nursing education slots, funding primary care medical residencies, and increasing appropriations for loan-repayment programs for medical providers. Together in FY15 and FY16, the Legislature appropriated over \$36 million for healthcare workforce initiatives.

Progress Reports foster accountability by assessing the implementation status of previous program evaluation reports' recommendations and need for further changes.



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By 2030, New Mexico will rank 4th in the nation for proportion of the population over age 65.

The 2013 LFC evaluation found of the 4,690 doctors actively practicing in the state, only 1,633 (35 percent) list their specialty as primary care.

The 2013 evaluation found demand for healthcare would be driven by expansion of the state's newly insured population in the near term, and population growth and aging in the longer term. The full implementation of the federal Affordable Care Act, required all U.S. citizens gain health insurance and included provisions for Medicaid expansion. The U.S. Census estimated 378 thousand New Mexico residents were uninsured in 2012, and an estimated 204 thousand became eligible for Medicaid. As of June 2015, 220,000 newly eligible clients enrolled through Medicaid expansion and total enrollment has climbed to almost 834,000 New Mexicans.

Expansion of the state's insured population produced the potential for increased demand for health care, and the 2013 report anticipated this increase in demand would create the need for a larger healthcare workforce. In addition to the need for a larger healthcare workforce, New Mexico experiences misdistribution of its existing workforce, potentially exacerbating unmet demand for care. Thirty-two of New Mexico's 33 counties are full or partial federally designated Health Professional Shortage Areas (HPSAs) for primary medical care.

As New Mexico's insured population expands and ages, healthcare service delivery models must evolve to adequately address New Mexico's healthcare needs. In addition to expanding the nation's uninsured population, the federal Affordable Care Act places a greater value on primary care by attempting to realign financial incentives with care needs and improving prevention efforts. As such, the evaluation noted the state's need for primary care providers was particularly great.

In 2012, the Legislature implemented a previous LFC recommendation to transfer health workforce data from the Department of Health to the University of New Mexico Health Science Center. The statute also created the New Mexico Health Care Workforce Committee, comprised of a broad range of health care professionals, health care consumers, professional groups, state agencies and licensing boards. Since 2013, the Committee has collected and analyzed licensing data and published annual reports with recommendations to expand and support the state's healthcare workforce. The Committee began issuing reports in 2013 and plans to issue detailed healthcare workforce reports annually.

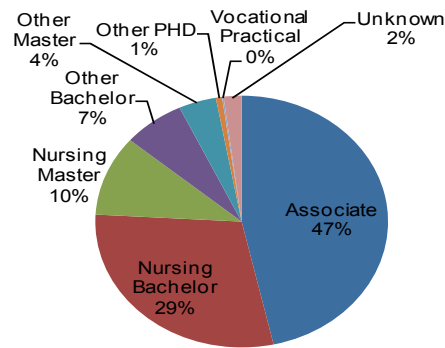
The 2014 Health Care Workforce Committee annual report noted the need for continued efforts to increase the number and improve the distribution of healthcare providers in New Mexico. The report also noted the need for coordination across multiple entities, including state agencies, the Legislature, clinics and hospital systems, and academic institutions. The 2014 annual report recommended several strategies to address continuing workforce needs, including, recruitment and retention tools, such as financial incentives, educational and training programs, and localized efforts.

Legislative Investments in Healthcare Workforce

Since the 2013 evaluation, the Legislature has made significant investments to increase the number of primary care providers in New Mexico.

Nursing. The 2013 evaluation found nurses play a critical role in expanding patient access to primary care. However, at the time of the report New Mexico had not increased the number of nurses educated by the state's public institutions, despite state and national calls for more nurses with bachelor's degrees. Registered nurses (RNs) may hold either an associate (ADN) or a bachelor-level (BSN) nursing degree. At the time, 66 percent of all nursing graduates earn ADNs as opposed to BSNs, despite an Institute of Medicine report that recommended 80 percent of the nursing workforce hold bachelor's degrees by 2020 to meet the nation's demand for health-care. As of 2014, nearly half of all registered nurses in New Mexico (RNs) hold an associate degree. In 2014, 76 percent of the 778 newly licensed RNs in New Mexico were ADNs.

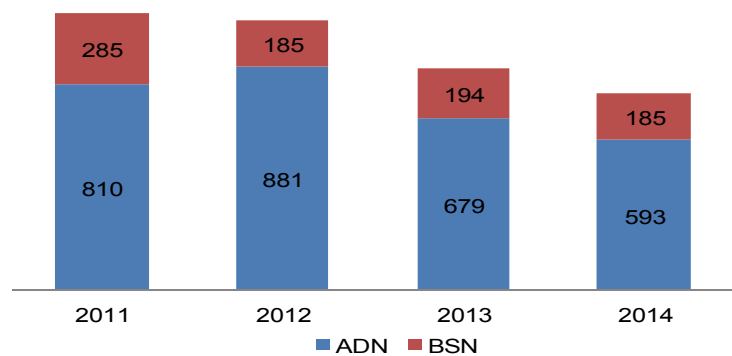
Highest Degree Earned by New Mexico RNs, 2014
(N=9,971)



Source: NM Board of Nursing

The New Mexico Nursing Education Consortium is a collaborative effort to streamline nurse education programs and increase the number of nurses with bachelor-level nursing degrees (BSNs). NMNEC has focused on placing a common nursing curriculum in all state-funded ADN and BSN pre-licensure programs in the state, and partnering with community college nursing programs with a university nursing program to offer the BSN on community college campuses. The common curriculum was approved in 2012, and implementation began in 2013. In 2012, the only state-funded nursing programs that offered a BSN were UNM and NMSU. As of 2015, six state-funded schools: UNM, NMSU, Santa Fe Community College, New Mexico Junior College, and Central New Mexico Community College (CNM) will offer BSNs. The first CNM/UNM cohort will graduate in August 2015. By 2018, BSNs will be offered in 17 stage-funded nursing programs in New Mexico. Full implementation of NMNEC should enable New Mexico to train more BSNs, who serve a critical role in providing primary care and provide a pipeline for advanced practice nurse preparation.

Total Number of New RN Licenses Issued by Exam



Source: NM Board of Nursing

Licensed Advanced-Practice Nurses in New Mexico

	2012	2014
Nurse Practitioners	522	581
Certified Nurse Specialists	81	64

Source: NM Board of Nursing

Advanced Practice Nurses. The 2013 evaluation recommended New Mexico train more advanced practice professionals, including physician’s assistance (PAs) and nurse practitioners (NPs) as force multipliers to help address healthcare needs. NPs and PAs can perform the majority of procedures typically performed by doctor’s, and NPs can practice independently, without physician supervision. Between 2012 and 2014, the number of NPs in New Mexico increased from 522 to 581. Additionally, the Legislature made appropriations to UNM and NMSU in FY15 and FY16 to expand training programs for advanced practice nurses.

Nurse Expansion Appropriations. The 2013 evaluation noted, between FY04 and FY13, \$28.7 million was allocated through line-item appropriations to New Mexico institutions for nursing program expansion.

Supplemental Appropriations for Nursing Expansion, FY14-FY16

Institution	Campus	FY14	FY15	FY16
UNM	Gallup	\$150.0	\$209.2	\$209.2
	Taos		\$243.9	\$243.9
	Valencia		\$169.8	\$169.8
	HSC Undergrad		\$1,103.2	\$1,103.3
	HSC Nurse Practi-		\$1,650.7	\$1,650.7
NMSU	DACC		\$210.9	\$210.9
	Carlsbad	\$53.2	\$118.7	\$118.7
	Alamogordo		\$65.3	\$0.0
	Main	\$441.5	\$697.7	\$763.1
	Main Mental		\$401.7	\$701.1
NMHU			\$65.9	\$65.9
NNMC			\$253.8	\$253.8
ENMU	Roswell	\$33.3	\$74.6	\$74.6
	Main Graduate		\$257.4	\$357.4
	Ruidoso	\$180.0		
WNMU		\$802.6	\$881.9	\$881.9
CNM			\$195.8	\$195.9
CCC			\$297.3	\$297.4
LCC		\$31.8	\$290.4	\$291.0
NMJC			\$308.2	\$308.2
SJC		\$72.9	\$216.2	\$216.2
SFCC		\$40.9	\$276.7	\$276.7
Total		\$1,806.2	\$7,989.3	\$8,389.7

Source: LFC Files

However, during this period the number of nurses graduating in New Mexico did not increase. At the time of the initial evaluation, nursing education programs reported this trend occurred in part because funds were used to increase faculty salaries to address faculty retention concerns and did not expand nursing education slots.

In response to the evaluation, the Legislature appropriated \$8 million in FY15 and \$8.3 million in FY16 to expand the number of slots in nursing programs across the state.

The number of nursing degrees awarded has increased from 932 in 2011 to 1,062 in 2014. Included in the appropriation increases are funds to expand the number of nurses enrolled in graduate-level programs at UNM, NMSU, and ENMU. These efforts are intended to increase the number of advanced-practice nurses trained in New Mexico. Additional evaluation work is needed in 2016 to fully assess whether investments in expanding nurse education is working as intended.

State-Supported Residencies at UNM HSC

Expanding Medical Residencies. The 2013 evaluation noted Graduate Medical Education (GME) residency caps severely limit the numbers of doctors produced in New Mexico. Graduate Medical Education is primarily supported through Medicare funds, and the total number of funded residency slots was capped by the Balanced Budget Act of 1997. Physicians tend to begin practicing in close geographic proximity to their residency placements, and primary care physicians are particularly likely to practice in locations near their residency programs. As a result, the 2013 evaluation found strategic investments in residency positions are an effective way to recruit physicians in high-need disciplines or areas. In 2012, 470 GME FTE slots were funded, and 31 percent were devoted to primary care.

	FY15 Cohort 1	FY20 Anticipated Total Funded Slots
Internal Medicine/Family Practice	6	18
Psychiatrists	2	8
General Surgeon	1	5
Cost (in thousands)	\$902.40	\$3,243.60

Source: LFC Files

Appropriations for Newly-Created Residency Slots, FY15 and FY16 (in thousands)

		FY15	FY16
UNM HSC	Internal Medicine	\$533.3	\$1,068.5
	General Surgery/Family Medicine	\$167.5	\$335.5
	Psychiatry	\$201.4	\$403.4
HSD	Primary Care Residency Slots	\$199.5	\$200.0
Total		\$1,101.7	\$2,007.4

Source: LFC Files

In response to this recommendation, the Legislature has worked collaboratively with the University of New Mexico Health Sciences Center (UNM HSC) to expand residency slots devoted to primary care, including internal medicine, general surgery, and psychiatry,, through general fund appropriations. Each year, UNM HSC plans to add 9 residency slots each year over seven years until reaching 31 slots, at an annual cost of \$3.2 million. At this point, UNM HSC will be near the total number of primary care residencies the hospital believes it can support. When the new primary care cohorts are fully funded, the number of primary care residencies in New Mexico will have increased

New Mexico still needs to shift funding away from making student loans to helping repay loans for individuals working in high need areas to get better value for taxpayers.

78 percent over 2012 levels. Increasing the number of primary care residents practicing in New Mexico will require continued Legislative investments.

Additionally, the Legislature appropriated \$199.5 thousand in FY15 and \$200 thousand in FY16 to the Human Services Department to support primary care residencies at Hidalgo Medical Services, a federally qualified health center (FQHC) operated in southwestern New Mexico. Loan repayment and other financial assistance programs provide incentives to encourage healthcare professionals to work in underserved areas and in primary care. Participants in state and federal programs, including the HED loan-repayment and loan-for-service programs, the New Mexico Health Service Corps, and the National Health Service Corps, encourage clinicians to work in designated medical shortage areas.

Investment in Healthcare Workforce Financial Aid

The 2013 evaluation noted healthcare professional loan-repayment programs operated by the Department of Health seem to provide a better return on investment than do loan-for-service programs. Loan-for-service programs offer students loans in exchange for future service in medical shortage areas, while loan-repayment programs help graduates pay back student loans after completing two years of work in designated medical shortage areas. In 2013, HED reported loan-repayment program participants were less likely to default than loan-for-service recipients, and 98 percent of loan-repayment recipients completed their service obligations. The 2013 evaluation noted demand for loan-repayment programs exceeded available funds, and 89 percent of applicants did not receive loan-repayment funds.

The 2013 evaluation recommended the Legislature increase state appropriations for healthcare loan-repayment programs, and the Legislature has made significant appropriations since FY14. In part, however, these appropriations have supplanted roughly \$400 thousand in federal funds the state previously received from the U.S. Department of Health and Human Services. In FY16, the Legislature appropriated a total of \$5.2 million from the general fund to HED for financial aid programs for health care professionals, an increase of 55 percent over FY14 levels. These appropriations include an increase for the Western Interstate Commission for Higher Education (WICHE) exchange program, which supports the education of New Mexico's future dentists. WICHE allows dental students to attend participating out-of-state dental schools at a subsidized rate in exchange for three years of service in New Mexico. Partnering institutions reserve a specific number of slots for New Mexico. In FY14, HED made 41 dental WICHE awards, and 45 in FY15 at an annual cost almost \$1 million.








General Fund Financial Aid Appropriations to the Higher Education Department

	FY14	FY15	FY16
Nursing Loan Forgiveness	\$153.5	\$864.9	\$867.3
Medical Loan Forgiveness	\$2.6	\$421.8	\$450.0
WICHE Dental/Veterinary	\$2,131.6	\$1,149.8	\$2,267.5
Health Professionals Loan Forgiveness	\$1,080.9	\$1,073.2	\$1,061.9
Allied Health Loan Forgiveness	\$0.0	\$304.0	\$420.0
Primary Care Physicians Waiver	\$0.0	\$149.6	\$150.0
Total	\$3,368.6	\$3,963.3	\$5,216.7

Source: LFC Files

Mid-level Dental Providers in New Mexico.

The 2013 evaluation recommended exploring the possibility of a mid-level dental provider or dental therapist, to address shortages in dental care clinicians, particularly in certain communities. The federal government has designated all or part of 32 counties in New Mexico as Dental Health Professional Shortage Areas, and the 2012 New Mexico Behavioral Several states, including Alaska, Maine, and Minnesota, have established the practice of dental therapy to address the need for skilled dental care in urban, rural, frontier, and tribal areas. According to the Department of Health, the purpose of the dental therapist is to provide increased access to dental care, particularly in rural and frontier communities. For the previous four legislative sessions, dental therapist bills were introduced and failed. During the 2015 legislative session, Senate Memorial 136 was passed, which directs the Legislative Council (LCS) to convene a 16 member task force during the 2015 interim to prepare legislation establishing the licensure and practice of dental therapists. The memorial also requires LCS to hire an impartial facilitator to provide administrative support for the task force.

Recommendation	Status			Comments
	No Action	Progressing	Complete	
The Legislature consider passing legislation to expand state-funded family medicine residencies				In 2015, the Legislature began funding new internal medicine, psychiatry, and general surgery residency slots and added an additional cohort in FY16. When fully funded, These slots will ensure a total of 31 additional primary care residents are practicing in New Mexico at a cost of \$3.2 million annually.
The Legislature should expand WICHE funding and revisit the concept of dental therapists.				However, SM 136, passed during the 2015 legislative session, establishes a dental therapy task force to prepare legislation establishing the practice of dental therapists. Additionally, the Legislature increased appropriations to WICHE by 97 percent between FY15 and FY16.
The Legislature should increase appropriations to loan repayment programs, as opposed to loan for service programs.				Since FY14, the Legislature has prioritized investments in loan repayment programs and increased general fund appropriations to health care worker financial aid programs by 55 percent..
The Legislature should work with UNM Health Science Center to ensure adequate base funding for the New Mexico Center for Health Workforce Analysis at UNM				
New Mexico's public universities should report on the feasibility of creating additional master's-level (MSN) clinical nursing programs.				Since the evaluation, Eastern New Mexico University has developed a MSN program, UNM and NMSU have expanded their MSN programs.
The Medical Board should revisit the scope of practice for physicians assistants and consider expanding their ability to practice independently.				
New Mexico's healthcare licensing boards should conduct a comprehensive review of all healthcare professional practice acts to judiciously reduce barriers to workforce expansion.				No comprehensive review by the state's licensing boards has occurred.