



To Whom it May Concern:

The addition of the Burrell College of Osteopathic Medicine (BCOM) has been one of the most significant economic developments for Dona Ana County and, one could argue, for our state. Not only in terms of the direct and indirect jobs created by the college but especially the creation of future physicians who will significantly impact the overall economic and wellbeing of our state.

This letter summarizes the economic impact of BCOM utilizing MVEDA's Regional Project Assessment System by Applied Economics (Exhibit A). This letter also summarizes the data provided by BCOM as it pertains to cost savings to the state by not having to fund BCOM (Exhibit B) and the economic benefits of BCOM's graduates to the state of New Mexico (Exhibit C).

Here is the summary of the positive impacts to the State of New Mexico:

A. Overall Impact of the College (2015 – 2022): \$119,325,530.

Overall Impact for only 2022: \$21,121,228

This number does not include the impact of BCOM's graduating physicians and their impact to the state as shown in paragraph C below. The number does include jobs, payroll, output and tax revenues of companies assisted by the Mesilla Valley EDA as well as secondary impacts at other local businesses. Please see Exhibit A.

B. Cost Savings to New Mexico by not having to fund BCOM: \$88,281,252

This annual number is based on data from HB2 FY22 I&G budget. Please see Exhibit B.

C. Economic Impact for every 100 BCOM graduates who remain in New Mexico to practice: \$141,795,800. Please see Exhibit C.

We are fortunate to have BCOM within our community and state and thanks to their presence our states healthcare infrastructure will be enhanced.

Sincerely,

Davin Lopez

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EXHIBIT A

Economic Impact (2015 – 2022)

Burrell College of Osteopathic Medicine

Prepared by: Mesilla Valley Economic Development Alliance.

Mesilla Valley EDA Project Assessment System - Project Summary		
For the Fiscal Years: 2015-2022		
Jobs and Payroll		
New direct jobs created		124
New direct payroll		\$12,003,993
Average payroll per employee		\$96,806
Benefits		\$2,160,227
Capital Investment		
Value of new construction		\$31,404,222
Value of new equipment purchases		\$8,879,851
Economic Impact*		
Total value of economic impact		\$119,325,530
Total new jobs supported		132
Total new labor income supported		\$69,715,244
Household spending supported		\$49,860,232
Construction Impact		
Total value construction impact		\$35,243,333
Total new jobs supported		269
Total new labor income supported		\$11,631,644
New Tax Revenue (direct and indirect)*		
County and Local Taxes		
Property		\$3,513,350
Gross Receipts		\$6,476,947
State Taxes		
Property		\$152,725
Gross Receipts		\$10,413,915

* Includes jobs, payroll, output and tax revenues of companies assisted by the Mesilla Valley EDA as well as secondary impacts at other local businesses. Report includes only impacts created in the fiscal years from 2015-2022. Additional impacts will be generated in future years.

Mesilla Valley EDA Regional Project Assessment System - Economic Impact by Type
Operation Impact of BCOM- Total Impact 2022 in Las Cruces Metro

Impact Type	Year	Employment	Labor Income	Output
Consumer	2015	0	\$14,592	\$71,819
	2016	2	\$94,822	\$466,700
	2017	4	\$151,056	\$743,473
	2018	4	\$160,191	\$788,433
	2019	5	\$180,354	\$887,671
	2020	5	\$198,132	\$975,169
	2021	5	\$216,656	\$1,066,341
	2022	5	\$218,473	\$1,075,287
	Total:		\$1,234,276	\$6,074,893
Total	2015	13	\$824,188	\$1,410,691
	2016	70	\$5,355,828	\$9,167,106
	2017	89	\$8,532,072	\$14,603,606
	2018	106	\$9,048,032	\$15,486,730
	2019	116	\$10,186,879	\$17,435,997
	2020	128	\$11,191,003	\$19,154,668
	2021	121	\$12,237,289	\$20,945,505
	2022	132	\$12,339,954	\$21,121,228
	Total:		\$69,715,244	\$119,325,530

EXHIBIT B

Addition of New Medical School - BCOM & Cost Savings to the State of New Mexico Data Provided by BCOM per NM State Budget

Annual Cost to the State of New Mexico for UNM Medical School:

- The State of New Mexico funded the UNM Health Science Center's Medical School I&G (including BA/MD program) for FY22 HB2: \$62,880,000.
- Per AAMC, UNM had 453 medical students enrolled for the 2021/2022 academic year.
- The payment per student to UNM by the State of NM for I&G totaled \$138,807 (62,880,000 / 453 med students).

Cost Avoidance to the State if BCOM was a state funded Medical School:

- Per AACOM, BCOM had a total enrollment of 636 medical students.
- Using the same per student I&G funding ratio amount as UNM (\$138,807), the State of New Mexico would have funded **\$88,281,252** (\$138,807 x 636 med students) in I&G for BCOM in FY22.

NOTE: *This comparison is used to show the incremental cost to the state of NM and not to imply the I&G is too high. UNM's I&G is based on a model benchmarked with comparable publicly funded medical schools.*

EXHIBIT C

Economic Impact to New Mexico Physician Graduates from BCOM Data Provided by BCOM per AMA, AAMC, AACOM Data

Retention of BCOM Graduates:

- Per the most recent data from the AAMC State Physician Workforce Report, in 2020, 38% of medical students who attended medical school in New Mexico were actively practicing in the New Mexico (note: this only included UNM graduates as BCOM graduates will not complete residencies until July 2023).
- Retention rates were higher among physicians who completed both medical school and their residency (GME) in the same state. More than two-thirds (68%) of the physicians who completed medical school and GME in New Mexico remained in New Mexico to practice.

Based on the above historical data and considering BCOM's 430 graduates from its first three classes (2020, 2021 and 2022), the expectation, at a minimum, is 163 or 54 physicians per year retained in New Mexico to practice medicine. Given that approximately 21 BCOM graduates are currently in GME programs in New Mexico, the number would increase to 184 or 60 per year given the higher retention rate for GME completion in New Mexico. As more BCOM graduates are placed into NM residencies, the higher the retention rate.

Economic Impact of BCOM Graduates Retained in New Mexico:

- The average physician supported **17.07 jobs in the economy**, including their own (IQVIA National Impact of Physicians Report for the AMA – 2019).
- Each physician supported an average of **\$1,417,958 of annual wages and benefits** (IQVIA National Impact of Physicians Report for the AMA – 2019).

For everyone one hundred (100) new physicians graduating and remaining in New Mexico to practice, the annual economic contribution to the State of New Mexico would be: \$141,795,800