

# TOBACCO SETTLEMENT REVENUE OVERSIGHT COMMITTEE

Co-Chaired by:

Senator Cisco McSorley

Representative Elizabeth "Liz" Thompson



**Richard S. Larson, MD, PhD**

Executive Vice Chancellor

Vice Chancellor for Research

August 28, 2013



**UNM Health Sciences Center**  
plays a **critical role** in delivering  
**healthcare services, training** of  
health professionals, fostering  
**innovation** and contributing  
to New Mexico's **economy.**

Employs over **9,079** individuals

# UNM HSC: Critical Needs Programs for New Mexico



## Patient Care

Delivery of **comprehensive** and **unique** patient care

## Education

Growing the **next generation** of Health Care Professionals Workforce



## Research

Creating new **knowledge** to increase the **quality of life** for New Mexicans



# Tobacco Settlement Statute

- Supports **Clinical Care, Education, and Research** into tobacco related illnesses
- Support of **Biomedical Research** with tobacco settlement funds
- Funded **other needed** health-related programs



# Tobacco Related Illnesses

## Cancer

- Lung Cancer
- Esophagus Cancer
- Laryngeal Cancer
- Kidney Cancer
- Cervical Cancer
- Colorectal Cancer
- Leukemia/Lymphoma

## Brain & Behavioral Illnesses

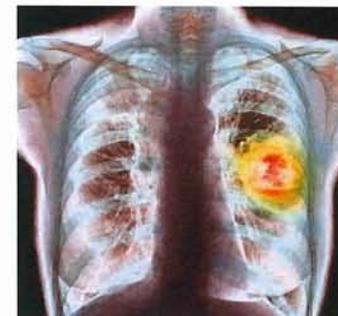
- Addiction
- Fertility in Women
- Impotence in Men
- SIDS
- Toxic Exposures

## Infectious Disease and Immunity

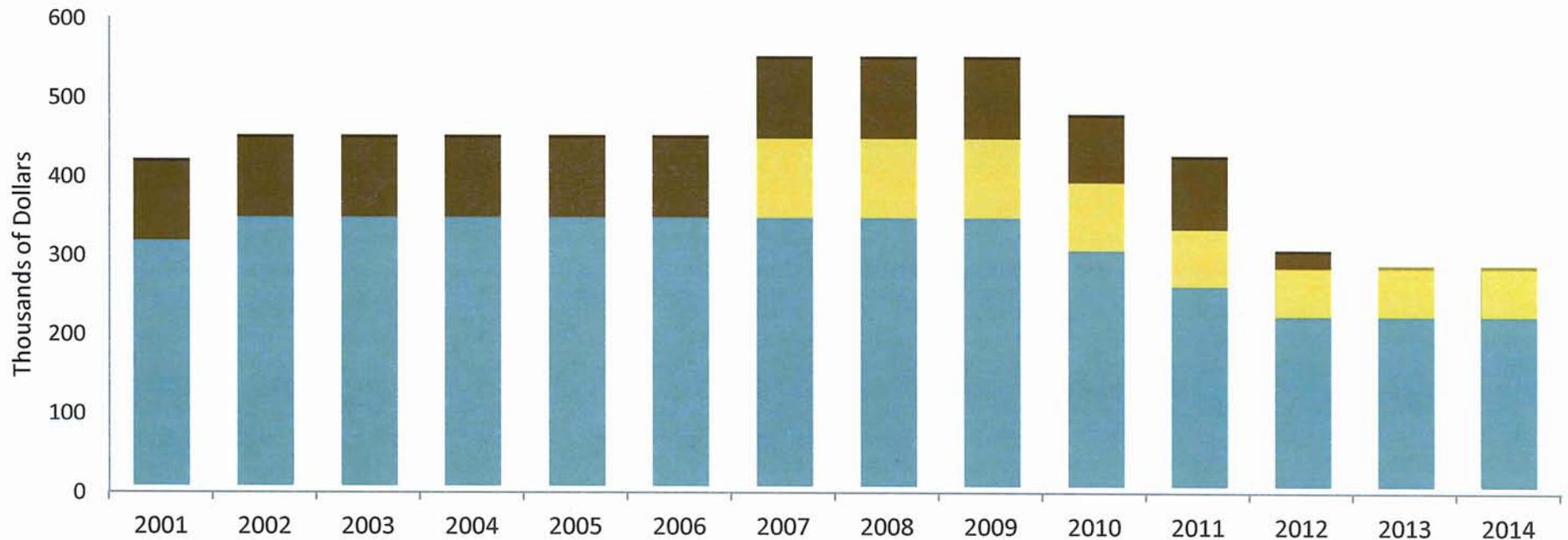
- Osteoporosis
- Delayed wound bleeding
- Palmoplantar pustulosis
- Psoriasis
- Increased incidence of back injury and broken bones

## Diabetes and Vascular Diseases

- Coronary Heart Disease
- High Cholesterol
- Stroke
- Diabetes
- Emphysema
- Asthma
- Atherosclerosis



# Changes Over the Last Decade



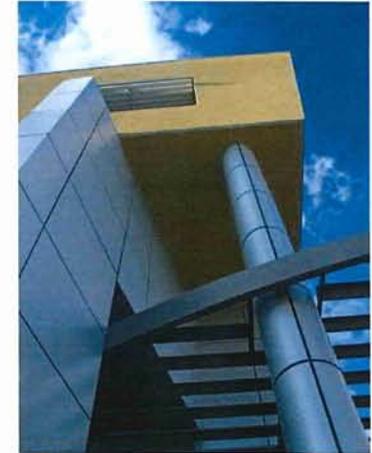
- Core Programs started in 2001
- LRRI received funding in 2001
- Instruction & General funding in 2007

# Efficiencies and Modifications

- Managed **increased** workload with reduced staff
- **Consolidated** and **merged** management oversight



# Effect of Continued Cuts on Core Programs



## FY10 & FY11

Core Programs **absorbed** progressive reductions in funding  
Adapted and modified to **gain efficiencies**



## FY12

No additional **efficiencies** possible.  
Through the single appropriation, the HSC was granted **flexibility** to allocate among historic Tobacco Settlement Programs.

## FY13

No additional flexibility granted to HSC.

# Programs Supported by Tobacco Settlement Funds

## Core Projects

- NM Poison & Drug Informatics Center
- UNM HSC Biomedical Research (Genomics, Biocomputing & Environmental Health Research)
- Pediatric Oncology Program



## Instruction & General (I&G) Funds

- Specialty Education Trauma
- Specialty Education Pediatrics
- Instruction and General Line Item (added in 2007)

# Benefit of Sustained Programs

	Benefit	Use of Funds
NM Poison & Drug Information Center	<ul style="list-style-type: none"> <li>The only poison center in New Mexico</li> <li>Improves the health of citizens by reducing morbidity &amp; mortality associated with poisoning and by encouraging proper use of medications</li> </ul>	<ul style="list-style-type: none"> <li>Provides outreach to New Mexicans</li> <li>Saved ~\$18.2 M in FY11-12 in health care costs</li> <li>Receives ~42,000 calls per year</li> <li>Provides professional education to rural hospitals</li> </ul>
Biomedical Research	<ul style="list-style-type: none"> <li>Supports novel medical research &amp; healthcare innovations that will benefit New Mexicans so that they will have access to state-of-the-art medical technologies &amp; care</li> </ul>	<ul style="list-style-type: none"> <li>Pilot and seed funding is leveraged to bring in \$7-\$20 from federal government or private industry for every \$1 the state invests</li> <li>Core facilities</li> </ul>
Pediatric Oncology Center	<ul style="list-style-type: none"> <li>The only provider of care for children with cancer in New Mexico</li> <li>The program evaluates &amp; provides multidisciplinary treatment for blood or solid tumor malignancies in children &amp; adolescents up to age 18</li> </ul>	<ul style="list-style-type: none"> <li>Provides support to the patient and their family via counseling</li> <li>Faculty positions are supported as well</li> </ul>

## I&G Programs

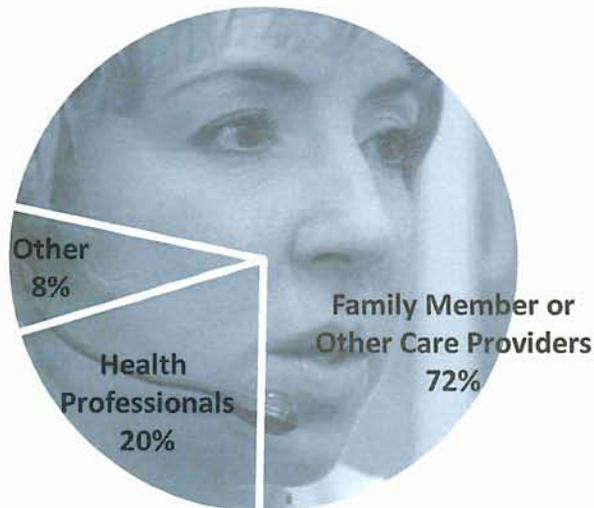
Specialty Education in Pediatrics	<ul style="list-style-type: none"> <li>Supports additional faculty positions in pediatric emergency medicine, pediatric surgery and pediatric anesthesiology</li> </ul>
Specialty Education in Trauma	<ul style="list-style-type: none"> <li>Supports additional faculty position in trauma medicine</li> <li>Only Level I Trauma Center &amp; Teaching hospital in New Mexico</li> </ul>



# NM Poison & Drug Information Center

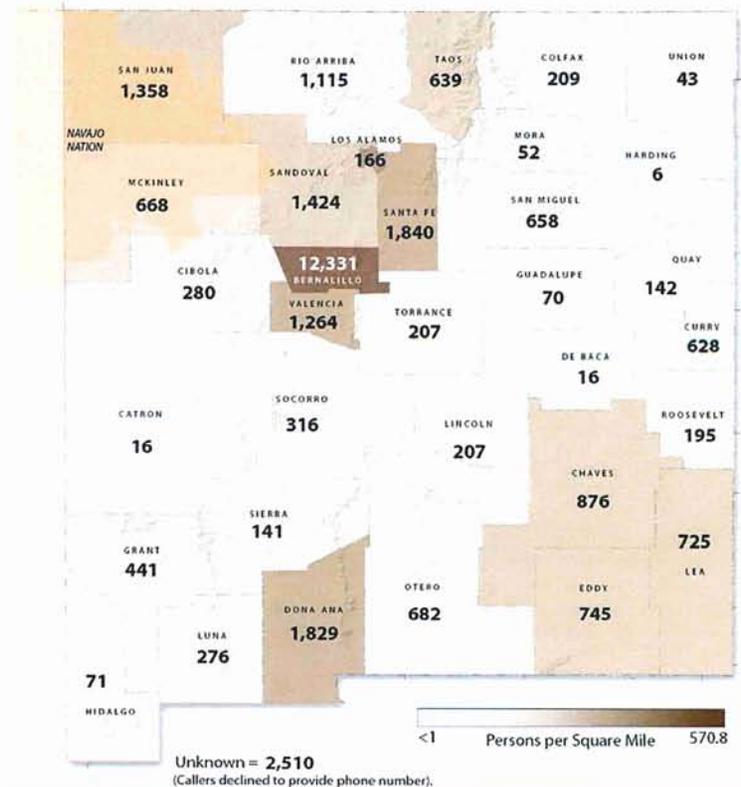
Thank you for bringing this vital state-run center back from crisis!

Percentage of Calls by Relationship to Patient



**Health Professional**= Registered Nurse, Medical Doctor, DVM, RPh, OHP  
**Family Member of Other Care Provider**= Spouse, Parent, Grandparent, Other Relative, Babysitter, Same Address

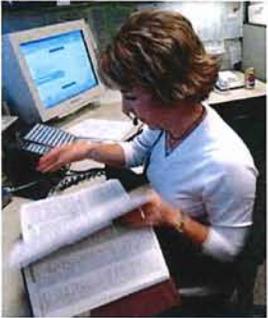
Number of calls by county, FY12



# NM Poison & Drug Information Center

## Improves the health of citizens of New Mexico by

- Reducing morbidity and mortality associated with poisoning
- Reduces healthcare costs by treating 67% of poisoning at home for a **cost savings of \$18.2M** in FY11-FY12
- Encouraging proper use of medications
- Operates 24 hours a day, 7 days a week, 365 days a year



## Effect of FY09-11 Reductions

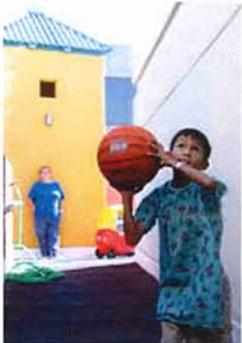
- Threatened the survival of this vital state-run center
- Funding did not cover true operational expenses
- **Tobacco Settlement Funds had been appropriated to NMPDIC in lieu of increased General Fund**



# Pediatric Oncology Program

## Benefit

- The center of excellence for diagnosis & care of children with cancer
- Only provider of care for children with cancer in New Mexico
- Over 300 active patients with 6,300 combined inpatient and outpatient visits every year



## Effect of FY09-11 Reductions

- Significantly impacted level of patient care (this funding provided salary support for the clinical staff)
- Lead to staff cuts that jeopardized the care we provide to the fragile population of New Mexican children diagnosed with cancer
- Loss of 1.8 physician FTE
- Unable to hire needed RN's and Nurse Practitioners



# History of I&G Funding from Tobacco Settlement Funds

- Began in 2002
- Legislature funded HSC I&G General Fund requests from TSF
- Supports trauma care, primary care, and faculty retention



With faculty compensation rates below the national average, the School of Medicine (SOM) is having difficulty retaining faculty physicians due to salary compaction. The SOM must be able to hire and retain quality faculty physicians as they are the key to educating our medical students, while simultaneously providing care to New Mexicans.

# Funds Committed to I&G Supplement

## Programs

- Specialty Education in Pediatrics
- Specialty Education in Trauma HSC
- I&G Support for Education and Retention



## Benefit

- Support additional faculty positions in pediatrics and trauma medicine
- Ensure that faculty members have sufficient time to continue teaching despite and ever-increasing clinical patient load

# UNM HSC Biomedical Research

## Benefit

- Novel medical research & healthcare innovations
- Access to state-of-the-art medical technologies & care
- Accelerating the translation of scientific discovery into improved human health



## Effect of FY09-11 Reductions

- Loss of \$7 for every \$1 of reduced allocation, translates to a LOSS of \$960,000 in matching federal funding
- Reduction of one full time Ph.D. level staff member to half time
- Reduction of student training with biostatisticians (In July, 6 students were unable to obtain assistance)
- Endangered community research programs, putting current & future victims of tobacco addiction at further risk
- Caused the cancellation of equipment service contracts resulting in the operating of equipment without insurance & without the ability to repair

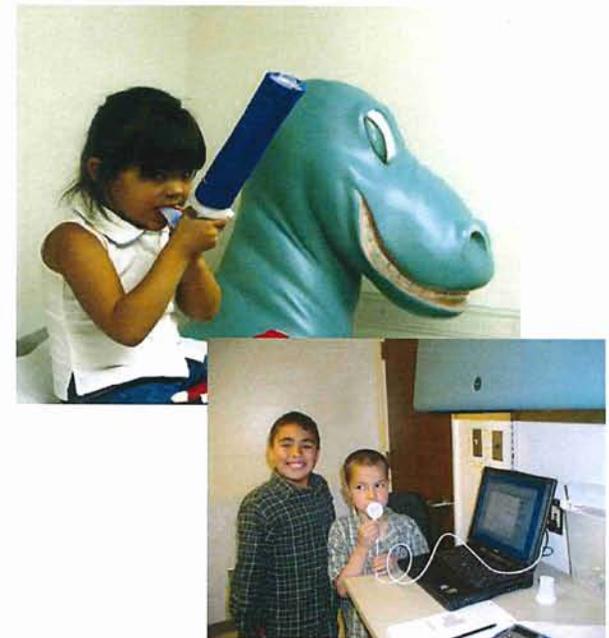
(Now known as UNM Comprehensive Program for Clinical and Basic Research, and Prevention of Tobacco-Related Illnesses in New Mexico)

# Clinical and Intervention Trials

- Brings latest treatments and technologies to New Mexico
- **If trial not available, treatment not available in New Mexico**
- Each trial provides new treatment at no cost to patient
- Tobacco settlement funding has provided infrastructure support to 181 trials and 93 investigators

## Examples in Clinical Trials Center

- 12 studies involving cystic fibrosis
- 24 studies involving heart/cardiovascular
- 35 studies involving diabetes
- 11 studies involving infectious disease
- 14 studies involving asthma
- 2 studies involving vitamins and their role in cardiovascular disease



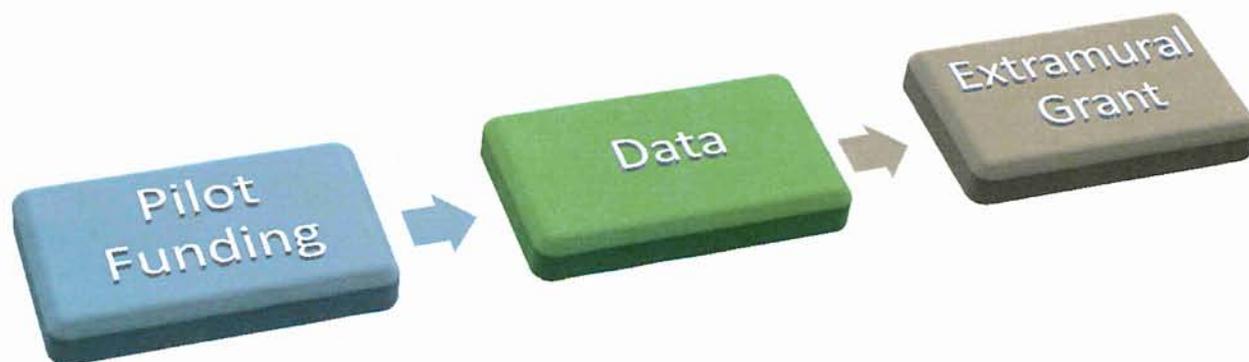
# Core Facilities

- Shared facilities that provide service to entire HSC community (genomics, bioinformatics, epidemiology, laboratory science)
- Provide access to equipment that is otherwise unavailable
  - **Research that would otherwise be impossible**



# Pilot Funding

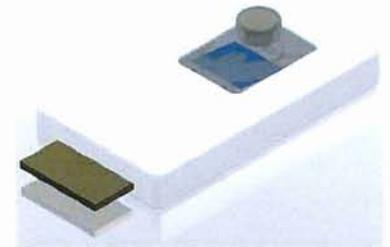
- Pilot funding is the primary mechanism for obtaining federal support



- Pilot funding returns \$8-\$20 per \$1 invested.

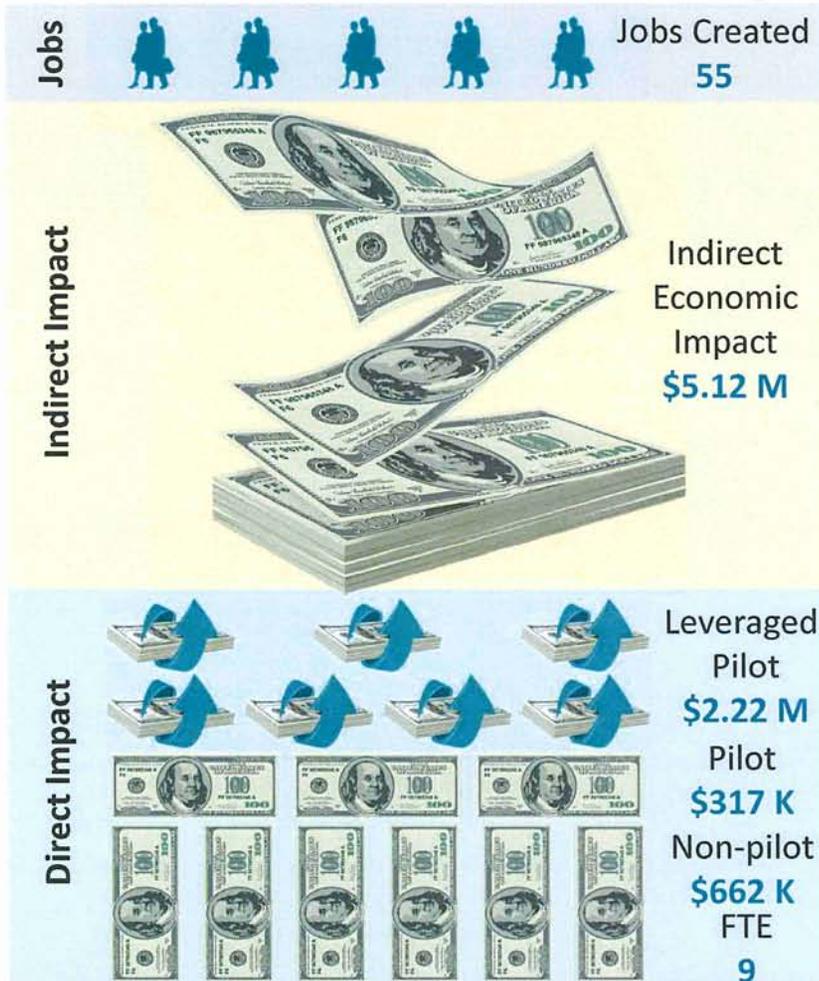
# Example of Pilot Funding

- **Idea**
  - Can we develop handheld device to rapidly diagnose infection or other diseases
- **Required Investment**
  - Invested \$50,000 of pilot funds (2003)
  - Used core facilities that are annually supported by Tobacco Settlement
- **Result**
  - Obtained some initial data
  - Applied for grant (\$1.3M X 8 years; supports 10 jobs per year)
- **2009**
  - Adapted for detection of 2009 H1N1 flu, Hepatitis B and C, HIV
  - Partnership with private company (more jobs)
  - Testing in Albuquerque, Washington DC and Atlanta
  - Potential to save tens of thousands of lives

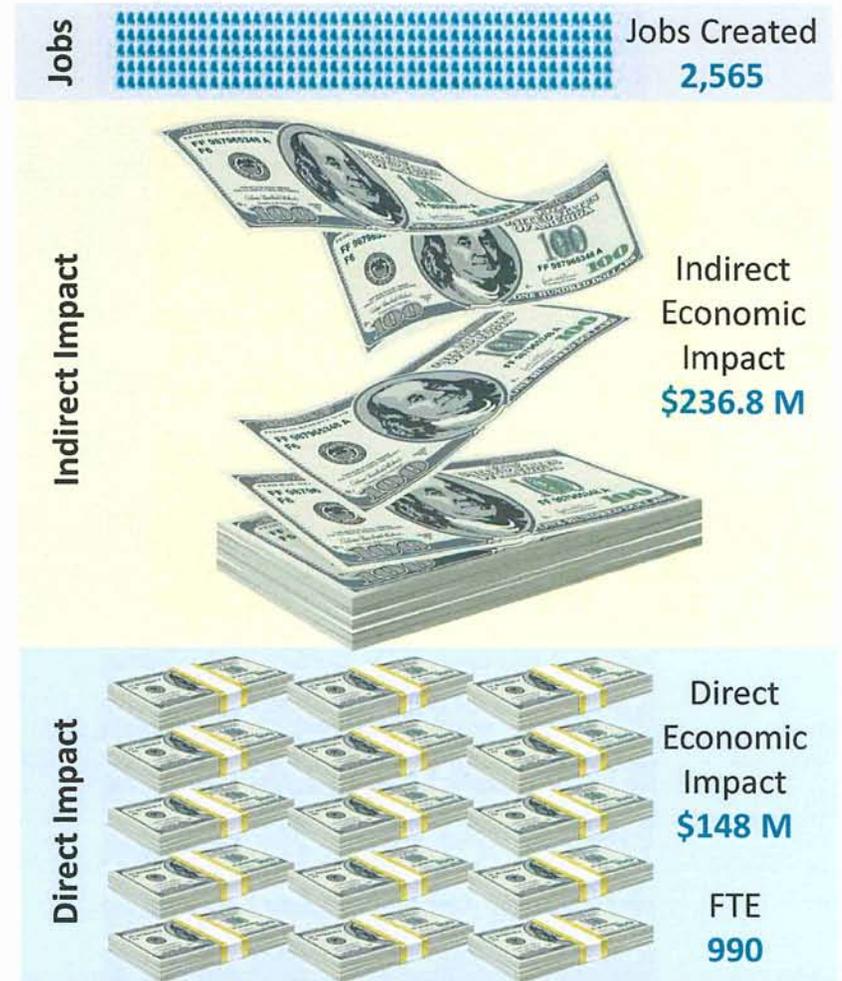


# Economic Impact

## Tobacco Settlement Funding

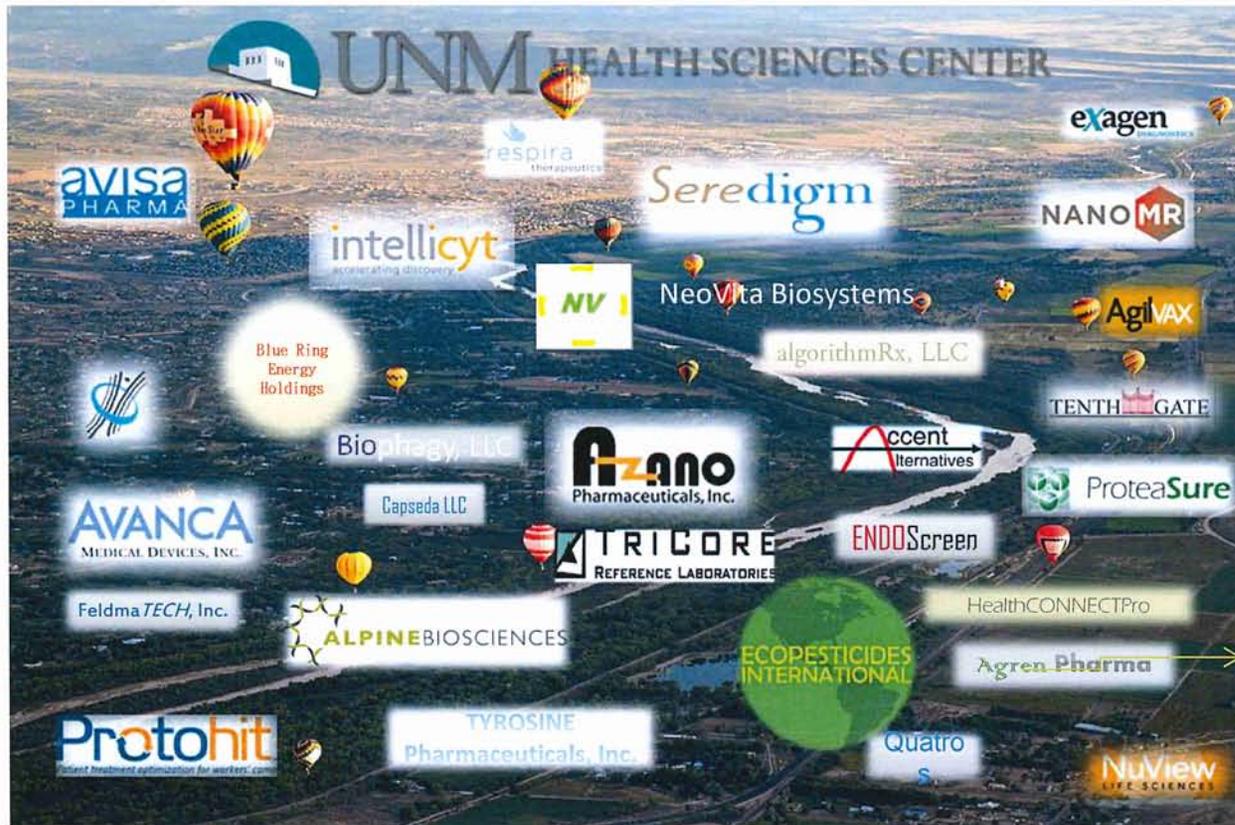


## Total Research Funding

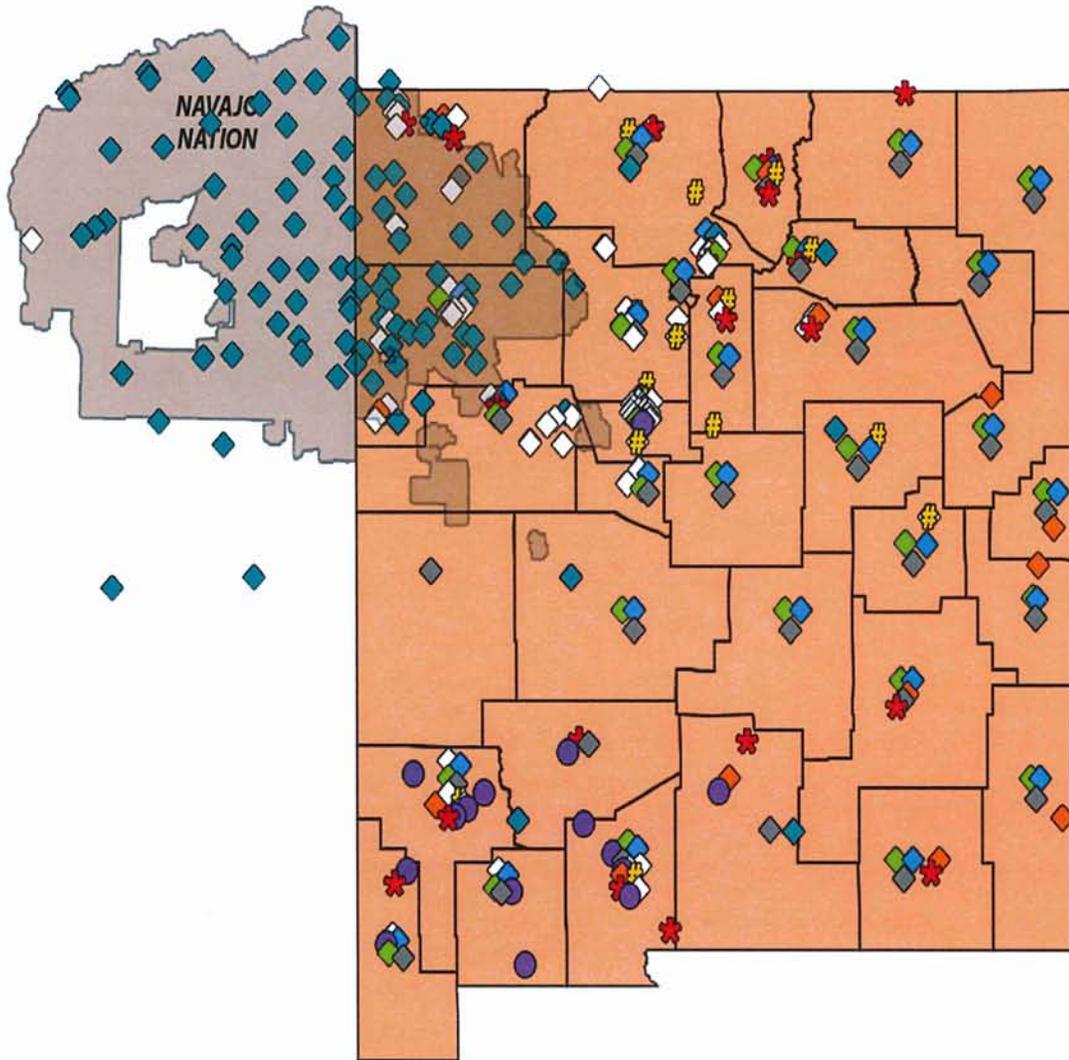


# Commercialization

- Since 2004, 30 new private companies were either spun off from the university or used university technology to start up.



# Research in New Mexico Counties



- # Health Extension Rural Offices
  - Practice-Based Research Network
  - \* Project ECHO
- Investigator-Led Community-Based Programs:**
- ◇ Programs with <10 Locations
- Programs with >10 Locations:*
- ◆ A Prospective Birth Cohort Study Involving Uranium Exposure in the Navajo Nation
  - ◆ Project for New Mexico Children and Youth Who Are Deaf-Blind
  - ◆ IHS Center for Telehealth Excellence Project
  - ◆ Children's Medical Services Outreach Clinics Project
  - ◆ New Mexico Youth Risk and Resiliency Survey (NM-YRRS)

# Why is Tobacco Settlement Funding Important to New Mexico?

- Risk of pending litigation
- Patient care services
- Technology to provide services and conduct research
- Jobs (leveraged)
- Economic activity
- Re-instatement of funding assists

