

**MINUTES  
of the  
THIRD MEETING  
of the  
TOBACCO SETTLEMENT REVENUE OVERSIGHT COMMITTEE**

**August 5, 2016  
Barbara Hubbard Room  
New Mexico State University  
Las Cruces**

The third meeting of the Tobacco Settlement Revenue Oversight Committee was called to order by Representative John L. Zimmerman, co-chair, on August 5, 2016 at 9:15 a.m. at the Barbara Hubbard Room at New Mexico State University (NMSU) in Las Cruces.

**Present**

Sen. Cisco McSorley, Co-Chair  
Rep. John L. Zimmerman, Co-Chair  
Sen. John C. Ryan  
Sen. John Arthur Smith

**Absent**

Rep. Gail Chasey  
Rep. Monica Youngblood

**Advisory Members**

Sen. Mary Kay Papen  
Rep. Patricio Ruiloba  
Rep. Jim R. Trujillo

Sen. Linda M. Lopez  
Rep. Don L. Tripp

**Staff**

Celia Ludi, Staff Attorney, Legislative Council Service (LCS)  
Jeff Eaton, Research and Fiscal Policy Analyst, LCS  
Anna Martin, Intern, LCS

**Guests**

The guest list is in the meeting file.

**Handouts**

Handouts and other written testimony are on the website and in the meeting file.

**Friday, August 5**

**Welcome and Introductions**

Representative Zimmerman welcomed everyone and asked members and staff to introduce themselves.

## **Welcoming Remarks**

Dr. Garrey Carruthers, chancellor, NMSU, referring to his handout at Item (1), summarized the current issues facing NMSU:

- the national trend in college enrollment is down;
- the population of New Mexico is declining;
- New Mexico high school graduation rates are declining;
- oil and gas and other state revenues are substantially lower than in previous years; and
- legislative appropriations to higher education have been cut.

In light of this, NMSU contracted with Deloitte Consulting Services to undertake a comprehensive review of its operations and make recommendations to increase quality and efficiency, reduce costs and increase and diversify revenues. Dr. Carruthers said Deloitte's primary finding was that NMSU was not necessarily overstaffed, but was poorly organized, with many administrative functions overlapping, creating confusing and sometimes conflicting redundancy. In response, NMSU sought wide input from members of the campus and community and has restructured its administrative organization across all colleges to better integrate administrative functions and reduce staff, primarily by attrition but also by eliminating positions.

NMSU is also reviewing facility operations across all colleges to eliminate unnecessary expenses; actions taken include formulating a multiphase vehicle-reduction plan and closing two of 12 agricultural experiment stations.

NMSU has also developed a strategic enrollment initiative targeting student recruitment and retention and the expansion of online and distance learning offerings and apprenticeship and internship programs.

The final initiative, Dr. Carruthers said, is development of the university's real estate and water assets for commercial use to provide an ongoing revenue stream. A highlighted development project is the planned construction of a Courtyard Marriott hotel west of the convention center located on the northwest corner of campus. The university is planning to partner with the hotel to provide internship opportunities for students enrolled in the hospitality and tourism program.

In response to the current fiscal crisis in the state, NMSU has cut \$12.1 million from its budget to date, and it is working on additional cuts. In response to questions from committee members, Dr. Carruthers said that NMSU is willing to keep any sports program that raises its own money, as the equestrian team did when faced with elimination of funding.

## **Approval of Minutes**

The committee approved the minutes of the July 1, 2016 meeting with no amendments.

## **NMSU Health Care Programs for Prevention or Treatment of Disease or Illness**

Dr. Donna Wagner, dean, College of Health and Social Services (CHSS), NMSU, informed the committee that the CHSS has 230 faculty and staff and 1,445 students (1,100 undergraduate and 345 graduate students) enrolled. The CHSS has three schools: the School of Nursing, the School of Social Work and the Department of Public Health Sciences; all schools are accredited by independent accrediting bodies.

The School of Social Work offers bachelor of arts and master of social work degrees, with classes in Las Cruces and Albuquerque; it is starting an online program as well. Dr. Wagner commented that social work is an important part of integrative health and there are not enough social workers in New Mexico to address the need.

Public health is another area facing a workforce shortage. NMSU is trying to address the need through its educational programs, but half of the professors in the Department of Public Health Sciences will retire in the next five years; the school is developing a plan to ensure continuation of the program, but it is impacted by the current fiscal situation.

Dr. Wagner said that Kathleen Huttlinger, Ph.D., R.N., professor and interim associate dean and director, School of Nursing, NMSU, will speak about the School of Nursing in more detail.

Dr. Wagner noted that all three departments require internships, which have an imputed economic value in the Las Cruces area of \$720,000 in the spring 2016 semester alone.

Next, Dr. Huttlinger observed that because of the shortage of health care providers, especially in rural areas, many patients are very sick when they present at a hospital and their cases are more complex, which require health care providers with a higher level of training. She said that the School of Nursing has 399 students starting the fall 2016 semester, and there are an estimated 800 to 900 pre-nursing students enrolled at NMSU. The School of Nursing only admits about 100 students per year to its four-year bachelor of science in nursing (B.S.N.) program, and retention once admitted is high because of the careful admission process. She referred to her handout at Item (2) for more details on enrollment and retention.

Dr. Huttlinger noted that many nursing graduates stay in New Mexico, especially if they are from New Mexico or become licensed in New Mexico. Salary is an issue for nursing graduates because they can often make substantially more money in surrounding states than in New Mexico. In addition, the availability of good jobs for spouses of nurses impacts nurses' decisions of whether to stay in New Mexico or relocate. New Mexico belongs to the Nurse Licensure Compact, which allows reciprocity between member states. In response to a committee member's question, Dr. Huttlinger said annual salary ranges for nurse practitioners and doctorate-level nurses is approximately \$90,000 to \$120,000; B.S.N./registered nurse (R.N.) salaries range from \$55,000 to \$80,000 depending on the facility; and licensed practical nurse (L.P.N.) salaries are just above minimum wage. She noted that Banner Health is moving into El

Paso, Texas, and is offering a \$20,000 signing bonus to nurses, as well as excellent salaries; the School of Nursing just lost a faculty member to Banner Health.

Scholarships that require staying in New Mexico for three years after graduation help with retention but are not sufficient to address the long-term need. She said there is a critical need for nurse practitioners with psychiatric/mental health and family specializations, and the School of Nursing offers programs for both, but there are, at present, only four faculty for those programs; the school needs two to four more faculty. Answering a committee member's question, Dr. Huttlinger said that an associate degree, which is required for L.P.N.s, is offered by Dona Ana Community College (DACC). She added that DACC graduates often apply for the B.S.N./R.N. program at the School of Nursing at NMSU.

### **NMSU Research to Improve the Health and Wellness of New Mexicans**

Dr. Vimal Chaitanya, vice president for research, NMSU, introduced four members of the NMSU faculty who are conducting research on health-related issues.

Brook Milligan, Ph.D., professor, Department of Biology, NMSU, referring to his handout at Item (3), observed that New Mexico has many health disparities; current trends in precision medicine depend on massive economies of scale that are not available in New Mexico, creating barriers to health care access. The lack of access to precisely targeted treatment only increases health disparities. He described his project to develop genomic diagnostic technology that is low-cost to operate, requires little clinical investment, demands little technical expertise and is accessible throughout the state. Dr. Milligan's solution is a hand-held machine that provides validated DNA sequencing and that can be used by people who do not have extensive and expensive training. The machine also has much broader implications for applications; in addition to precision targeting of treatment for health conditions, for instance, he said, it could be used to screen incoming produce at borders of countries. He said that this project will reduce the disparities in health outcomes and also contribute to economic growth in the state.

Giancarlo Lopez-Martinez, Ph.D., assistant professor, Department of Biology, NMSU, referring to his handout at Item (3), explained his research on using nicotine to improve cancer patient outcomes by reducing the side effects of radiotherapy.

Son Coa Tran, Ph.D., professor, Computer Science Department, NMSU, and Jay Misra, Ph.D., associate professor, Computer Science Department, NMSU, referring to their handout at Item (3), explained their team's development of a protocol for asthma management assistance and prediction using a small sensor that can be attached to clothing. The sensor monitors the environment for asthma triggers, such as smoke and air pollution, and uses the collected information to predict the user's individual asthma response.

Immo Hansen, Ph.D., associate professor, Department of Biology, NMSU, referring to his team's handout at Item (3), described his team's development of a technique to render mosquitoes sterile to prevent the spread of mosquito-borne viruses. Sterilizing mosquitoes is better than

using insecticide because the mosquitoes do not develop resistance to the sterilization technique as they do to the insecticide and, because over time, the mosquito population decreases through this technique. He noted that the team's principal investigator, Kathryn A. Hanley, Ph.D., professor, Department of Biology, and director of the Hanley Laboratory (The Emerging RNA Viruses Laboratory) at NMSU, is a world-renowned authority on mosquito-borne viruses who is currently consulting on responses to the Zika virus.

### **NMSU Academic and Public Service Programs That Address Health and Prevention of Disease and Illness**

Dr. Dan Howard, provost, NMSU, introduced four NMSU faculty members with proposals for limited-duration research projects in public health.

Debra Darmata, operations manager, Wellness, Alcohol and Violence Education (WAVE) program, NMSU, referring to her handout at Item (4), described the WAVE program to reduce the initiation of tobacco use by providing social norming and awareness education campaigns.

Christopher Brown, Ph.D., associate professor, Department of Geography, NMSU, referring to his handout at Item (4), presented a proposal to encourage people to get active to build a healthier lifestyle by creating a mobility capability network for Dona Ana County.

Sonja Koukel, Ph.D., community and environmental health specialist, Cooperative Extension Service, NMSU, referring to her handout at Item (4), described the NM HEART (Health Extension Ambassadors in Rural Towns) Program to increase the quality of life for all New Mexicans through a volunteer program that enhances the Cooperative Extension Service's capacity to deliver health-related educational programming in rural areas.

Young Ho Park, Ph.D., associate professor, Department of Mechanical and Aerospace Engineering, NMSU, referring to his handout at Item (4), described the development of a portable assisted mobility device that helps increase the activity level of patients with chronic obstructive pulmonary disease and acts as an effective management strategy for long-term health improvement.

### **Update on DACC Nursing Program and Addressing Health Care Workforce Needs**

Tracy Lopez, M.S.N., R.N., director, Nursing Program, NMSU DACC, referring to her handout at Item (5), provided an update on the DACC nursing program and health care workforce needs. The DACC nursing program offers an associate degree that is the basic qualification for L.P.N. and R.N. certifications. In 2012, the DACC nursing program lost its accreditation, in large part due to faculty issues, particularly the mix of full-time and part-time faculty and inadequate faculty credentialing. The program has now regained its accreditation. Since 2012, the mix of full-time and part-time faculty has been reversed, and now 73 to 75 percent of the faculty is full-time. In addition, 100 percent of the faculty has been retained for two years or more, and the faculty is now fully compliant with credentialing requirements. After

accreditation was lost, enrollment dropped from 102 students to 22. Enrollment is currently at 54, which is the maximum capacity for the number of current faculty. The school will offer 16 student seats each in fall 2016 and spring 2017. Applications have increased, and the quality of students applying is higher.

Ms. Lopez noted that forecasted growth for L.P.N.s is somewhat higher than for R.N.s. L.P.N.s have a narrower scope of practice than R.N.s, practicing primarily in community settings and, especially, in home health care and patient education. Answering a committee member's question, she said that although social workers can also provide some kinds of patient education, nurses are more versatile because they can also administer medication, change dressings and provide other similar medical care. There is an expected shortage of at least 86,000 R.N.s nationwide by 2025, and this number may double or even triple because of the increased access to health care under the federal Patient Protection and Affordable Care Act.

In response to a committee member's question, Ms. Lopez said that the University of Texas at El Paso (UTEP) and El Paso Community College (EPCC) also have nursing programs, but there is not much crossover of students between the New Mexico and Texas programs; the El Paso programs are serving the El Paso area, and the DACC program is serving Las Cruces and the surrounding area. She added that there are approximately 75 to 80 students in attendance at EPCC and 75 to 80 at UTEP. Some Mexican citizens also apply for admission to both the Texas and New Mexico schools, but most of them do not meet the minimum qualifications.

### **Comprehensive Health Workforce Development in New Mexico**

Charles Alfero, executive director, Southwest Center for Health Innovation (SWCHI), and director, New Mexico Primary Care Training Consortium (NMPCTC), introduced John Andazola, M.D., board chair, NMPCTC, and program director, Memorial Medical Center Southern New Mexico Family Medicine Residency, and Miriam Kellerman, director, FORWARD New Mexico program.

Mr. Alfero briefly recounted the history of SWCHI, starting with the establishment in 1995 of Hidalgo Medical Services (HMS) in Lordsburg. At the time, Hidalgo County was the only county in New Mexico that lacked access to basic health care services. HMS now serves more than 70 percent of the residents of Hidalgo and Grant counties, New Mexico's two southwestern-most counties with one of the state's most isolated, frontier and traditionally underrepresented majority/minority populations. HMS's growth required expanding, adapting and developing programs and policies to create the environment necessary for services to thrive and for people to be served. In 2011, HMS created the Center for Health Innovation (CHI), a non-clinical division of HMS to provide planning, resource, program and policy development, which was, at the time, a very unusual step for a community health services provider. In 2015, the center was spun off as a stand-alone, nonprofit organization and renamed "Southwest Center for Health Innovation" to reflect its local, regional and national approach to creating innovative strategies to improve health care in rural communities.

Mr. Alfero reported that health care currently represents around 17 percent of the national economy, and by 2025, one out of five total dollars in the national economy will be spent on health care, which means, among other things, that health care is already and will continue to be a major employer. The impact of health care revenues on rural economies is even greater, often representing the major nongovernmental employer and resources; as such, health care is a fundamental part of rural infrastructure, providing both well-paying jobs and health care for members of the community. Economic development efforts may be ineffective in the absence of a good health care system in the community because, along with schools, availability of health care is one of the most important components of a decision to start, relocate or expand a business in a particular community. Not only is there a current shortage of between 200 to 400 family practice physicians in New Mexico, 30 percent of family practice physicians currently practicing in the state are over 60 years old, which is the oldest state physician-cohort in the country. The medical school at the University of New Mexico does not graduate enough physicians to alleviate the shortage, even if all of the 120 yearly graduates stayed in the state. As a result, New Mexico has to recruit physicians from outside the state, competing with other states and communities with much greater resources. Mr. Alfero noted that 80 percent of all physicians in the United States are trained in schools located between Washington, D.C., and Boston; studies show that more than 60 percent of physicians practice within 180 miles of where they got their training. According to Mr. Alfero, studies also show that rural, poor and minority students are more likely to enter into primary care practice and are more likely to serve in communities and populations similar to their own. At present, only 10 percent to 20 percent of doctors are training as primary care or family practice physicians.

Referring to his handout at Item (7), *FWD-PCTC Workforce Development Summer 2016*, Mr. Alfero described the SWCHI's workforce development strategy to address access to and the shortage of health care providers, particularly in rural areas. A core program developed by HMS/CHI and now operated by the SWCHI is FORWARD New Mexico Pathways to Health Careers, which is tasked with enhancing access to quality health care, particularly primary and preventive care, by improving the supply and distribution of health care professionals through community and academic educational partnerships. FORWARD New Mexico has created a variety of health care workforce development programs that create a "pipeline" beginning in middle and high school and continuing through family practice residency programs in southwestern New Mexico to help rural New Mexico communities to "grow their own" health care providers, allowing rural children the opportunity to live and serve in the communities in which they were raised. FORWARD New Mexico's Stage 3 program (expanding graduate and resident experiences for many health career disciplines in rural and underserved areas) has generated great interest in family practice residency opportunities among medical students; last year, there were 1,100 applicants for two positions. HMS only has capacity to train two to four residents a year, but FORWARD New Mexico shares the process with other residency programs in New Mexico to capture as many qualified applicants as possible. Currently, 10 HMS health care providers, including one certified nurse practitioner, one family nurse practitioner, three physician assistants and five physicians, have passed through the FORWARD New Mexico pipeline.

Ms. Kellerman began as an intern in the program, she said. She briefly described her intern experience. In response to committee members' questions, she said that academies were started five years ago to support local children in training for health care careers. It takes 11 years to go through high school, college and medical school, with crucial support needed at each step. She expressed appreciation for Western New Mexico University, which underwrites the academies, providing housing and meals for attendees and classroom space.

Mr. Alfero said that the FORWARD New Mexico program provides a scalable model for health care workforce development across the state, but it is in danger of being discontinued because the Department of Health abruptly withdrew its funding halfway through fiscal year 2016. The department determined that FORWARD New Mexico is not a "core program" because it does not serve the entire state, Ms. Kellerman said. If the funding is not restored, the academies cannot continue next year. Answering questions from committee members, Mr. Alfero referred to his handout at Item (7), *FORWARD NM Legislative Budget 5-1--16*, and explained that the total budget is \$259,098, \$200,000 of which was funded by the Department of Health and the remainder funded by small private grants and federal funds. He asserted that the revenue generated by one physician in one year would more than pay the cost of the program.

Mr. Alfero explained that FORWARD New Mexico's experience in its Stage 3 program, as well as studies that show that training and experience in primary care settings and primary care residency programs located in rural areas impact a person's decision to practice in rural areas, eventually led to the creation of the NMPCTC. One of the reasons for the shortage of health care providers in rural areas is the lack of training experiences available outside urban areas. The NMPCTC partners with the University of New Mexico Family Medicine Residency Program and health care providers in Albuquerque, Farmington, Las Cruces, Roswell, Santa Fe and Silver City to provide family practice residencies to increase the number of health care professionals working in New Mexico. The NMPCTC is also working with the new Burrell College of Osteopathic Medicine (BCOM) to provide residency opportunities in New Mexico for its graduates.

Dr. Andazola told the committee that it is important to understand that primary care residency programs directly address the shortage of primary care physicians in New Mexico. Providing residency opportunities in New Mexico increases the likelihood that a health care professional will stay and practice in New Mexico after completing residency, so it is urgent to continue to expand the NMPCTC's efforts, which are working. For example, in the case of the Memorial Medical Center Family Medicine Residency Program in Las Cruces, 67 percent of residents over the last 20 years have stayed in New Mexico. Mr. Alfero added that studies show that when there is a shortage of family practice physicians in an area, there are more referrals by lower-level health care providers such as nurse practitioners to physicians with other sub-specialties, increasing overall costs to the system and often resulting in a lack of care because of transportation and expense issues. Many rural patients do not have transportation to access specialists in urban areas, and it is expensive for them to travel, he said. Dr. Andazola said that modern health care is provided by teams with behavioral health care specialists and social



workers working alongside physicians and nurses. The team model is more efficient, making sure that all of the patient's needs are addressed by the person best trained to do so. Patient education for optimal health and prevention of illness is a vital component of the model, and most patient education is provided by non-physicians.

Answering questions by the committee, Mr. Alfero explained that expanding the number of residency opportunities is a long process because each program must be accredited before it can recruit and accept applicants, and part of the accreditation process is meeting the supervision requirements. Because the process is so involved, the NMPCTC is applying for accreditation so that participating medical practices do not have to undergo the process individually. Dr. Andazola said that the NMPCTC does not work much with the Texas Tech University's School of Medicine in El Paso despite the school's proximity to southern New Mexico because of cross-state licensing issues. Physicians from New Mexico can do their residencies in Texas, he said, but the relationship is not reciprocal, although the NMPCTC is working on reciprocity.

Mr. Alfero affirmed that the NMPCTC is also supporting dental students because dental care is an essential component of overall health. There is a looming shortage of dentists in rural areas, Mr. Alfero said, because, 30 years ago, the number of dental school admissions was reduced to lessen competition, and now those dentists are retiring with not enough new dentists to replace them.

### **Update on the BCOM**

George Mychaskiw, II, D.O., F.A.A.P., F.A.C.O.P., chief academic officer and founding dean, BCOM, informed the committee that the BCOM, which will welcome its first class of 162 students the following week, is the newest and most technologically advanced medical school in the country. It opened on time and under budget, and it will eventually offer 108 new residency programs, including family practice and orthopedic surgery. Dr. Mychaskiw said that the school received more than 5,000 applications for its inaugural class, and it has already received more than 2,000 applications for the class entering in 2017. He said the school carefully selected its students, giving particular preference to students who express a commitment to public service. Twenty-three percent of the inaugural class is Native American, he said. The BCOM's partnership with NMSU includes an osteopathic medicine pathway that allows a high school student to apply concurrently to NMSU and the BCOM; if accepted, the student will complete a pre-med program at NMSU and then move to the BCOM after graduation from the pre-med program. There are 10 students in the NMSU/BCOM pathway program now, and the capacity is 25. Dr. Mychaskiw described the education of a doctor of osteopathy as essentially similar to that of a medical doctor, with additional training on osteopathic manipulation. He said that the majority of osteopathic doctors practice in primary care in areas with underserved populations and in the military, but they can specialize; for example, he is a doctor of osteopathy who is also a board-certified pediatric anesthesiologist. Although it is a private school, the BCOM is not a for-profit school, and its tuition is within \$100 of tuition for the University of New Mexico School of Medicine. Dr. Mychaskiw welcomed the committee to tour the school after the meeting.

**Public Comment**

Natalie Pena, director of programs, American Lung Association in New Mexico, briefly informed the committee about the association's multi-use housing non-smoking initiative. The association is working with the largest property management company in New Mexico to transition all of its properties to certified smoke-free housing, which will begin in Farmington, Las Cruces, Clovis and Albuquerque.

Javier Garcia, tobacco prevention specialist, Families and Youth Inc. and SHOUT (Students Helping Others Understand Tobacco), advocated increasing the tax on cigarettes. He was joined by Roman Garcia, Lupita Torres, Diego Perez and Jose Martinez, who are members of SHOUT, and asked the committee and the legislature to keep the funding for tobacco cessation programs in place.

**Adjournment**

There being no further business before the committee, the third meeting of the Tobacco Settlement Revenue Oversight Committee for the 2016 interim adjourned at 3:06 p.m.