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FISCAL IMPACT REPORT

ORIGINAL DATE 1-28-06

SPONSOR Varela LAST UPDATED _____ HB 221/aHCPAC

SHORT TITLE Expand Medical Residency Programs SB _____

ANALYST Collard

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$300.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 215 and its duplicate SB 163

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Health Policy Commission (HPC)

Higher Education Department (HED)

SUMMARY

Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee amendment to House Bill 221 transfers the funding from DOH to the board of regents at the University of New Mexico to fund the UNM School of Medicine's medical residency programs.

Synopsis of Original Bill

House Bill 221 appropriates \$300 thousand from the general fund to DOH for the purpose of funding medical residency programs in Las Cruces, Roswell and Santa Fe to increase the options and opportunities for residency placement and enhance recruitment and retention of residents completing medical programs.

FISCAL IMPLICATIONS

The appropriation of \$300 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 shall revert to the general fund.

SIGNIFICANT ISSUES

HPC notes physicians are central to the delivery of healthcare in New Mexico. This bill expands an innovative program within the Family Practice Department at the University Of New Mexico School Of Medicine that has had success in teaching residents who ultimately practice in underserved areas of the state. HPC research shows this “1+2” program has established sites in Las Cruces, Roswell and Santa Fe. The program’s retention record compared to rest of the School of Medicine is positive. This bill expands the residency slots within these programs.

RELATIONSHIP

House Bill 221 relates to House Bill 215 and its duplicate Senate Bill 163 (UNM School of Medicine Combined Degrees) which makes an appropriation of \$800 thousand to expand enrollment in the school of medicine’s combined bachelor's degree and medical degree program to increase the number of physicians practicing in the state.

TECHNICAL ISSUES

DOH notes there is conflict between the proposed recipient of funds and the proposed purpose. DOH is not involved with medical residency programs. The state universities and other independent medical training programs are the responsible entities. However, DOH is involved with the recruitment and retention of health professionals specific to the primary care clinics in underserved areas of the state.

OTHER SUBSTANTIVE ISSUES

HPC indicates New Mexico has a serious physician shortage in all counties except Bernalillo and Los Alamos. All counties but these two are designated Health Professional Shortage Areas by the federal government. Within Bernalillo County there is a shortage of physicians in selected specialties. The *Physician Supply in New Mexico* study published in May 2003 by HPC confirmed the shortage in that the state has 169 physicians per 100,000 population compared with a Health Resources Services Administration recommended number of 240 per 100,000 population. Every New Mexico county has a type of Primary Care Health Professional Shortage Area classification, of which 16 have whole county designation and four have low income designations. (NMHPC *Quickfacts 2006*). The shortage is particularly acute in the rural areas of New Mexico.

The UNM Health Sciences Center annually publishes its *Location Report* providing information about the University Of New Mexico School Of Medicine’s graduates and residents. According to the *2005 Location Report*:

- 1,355 physicians who received their MD and/or completed their residencies at the UNM School of Medicine are licensed to practice in New Mexico. This represents 25 percent of the school’s total number of MD recipients and former residents.

- MD recipients who are also former UNM School of Medicine residents are twice as likely to remain in New Mexico (50 percent) as MD recipients who train elsewhere (23 percent) or former UNM School of Medicine residents who graduated from another institution (20 percent).

HPC also notes the retention rate of the Family Practice Department at 50 percent is much higher than the 25 percent the school has overall.

This bill proposes to expand an existing program within the Family Practice Department called the “1+2” program. The “1+2” programs in Las Cruces, Roswell, and Santa Fe evolved in the mid-1990’s to decentralize training of physicians from tertiary care sites in Albuquerque into community settings like those in which they will be practicing. Current 1+2 Training Programs are in place in Santa Fe and Roswell. Las Cruces and UNM offer complete three-year programs.

HPC states the Santa Fe One-Plus-Two Program is designed as a longitudinal- and block-based experience in the second and third years. Jointly sponsored by the University of New Mexico, St. Vincent Hospital, and La Familia Medical Center, training occurs at the community health center, St. Vincent Hospital, Indian Health Services, the offices of local physicians, and in rural settings. According to information from the program “over 80 percent of the Santa Fe program graduates choose to remain in New Mexico after graduation. Of those who have left New Mexico, all have worked in under-served settings.”

The Roswell One-Plus-Two Program trains its second- and third-year family practice residents at Eastern New Mexico Medical Center, its sponsoring hospital, and in office-based experiences similar to those of practicing family physicians.

Sponsored by Memorial Medical Center, the Las Cruces Family Practice Residency Program is community-based and offers an innovative, non-rotational curriculum in the second and third year.

HED gives an example of the southern New Mexico family medicine residency’s mission: to train highly skilled family physicians who will practice in the underserved areas of southern New Mexico; to provide the peoples of southern New Mexico compassionate, competent care regardless of their resources; to improve the health of the communities we serve through effective public health activities; and to enhance the health and well-being of ourselves and our colleagues.

ALTERNATIVES

DOH suggests appropriating the funds to the Higher Education Department or to the UNM School of Medicine.

KBC/nt