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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/03/11

SPONSOR Chavez, Eleanor LAST UPDATED 02/25/11 HB 103/aHEC

SHORT TITLE Develop Statewide Nursing Program SB \_\_\_\_\_

ANALYST Aguilar/Haug

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		*Indeterminate				

(Parenthesis ( ) Indicate Expenditure Decreases)

\*See Fiscal Implications

Relates to HJM 14

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

University of New Mexico Health Sciences Center (HSC)

Higher Education Department (HED)

Department of Health (DOH)

Public Education Department (PED)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee Amendment specifies that nursing programs offered by post-secondary educational institutions be associates, bachelors or advanced degree nursing programs.

#### Synopsis of Original Bill

House Bill 103 provides for the Higher Education Department to develop a statewide nursing program to be used by all public post-secondary New Mexico schools of nursing. The program would: share a common curriculum between all institutions; share faculty; articulate a dual credit among post-secondary educational institutions and secondary and post-secondary educational institutions; allocate credits, tuition, and financial aid when students attend more than one school; promote early entry into advanced nursing programs; improve faculty compensation; support transparency in funding allocations and revenue sources; and implement a comprehensive data collection and analysis for all the institutions.

The program would be implemented by 2013.

## **FISCAL IMPLICATIONS**

Although the bill does not contain an appropriation, it is unclear if the Higher Education Department will be able to complete the duties outlined in the bill with existing staffing resources.

## **SIGNIFICANT ISSUES**

House Bill 103 (HB103) is a result of a memorial passed in 2010 House Memorial 50 (HM50) to address the nursing shortage in New Mexico.

Data from 2010's HM 50 Final Report includes the following:

- New Mexico ranks 49 out of 51 states in the number of registered nurses per 100,000 people.
- New Mexico will need approximately 5,000 additional registered nurses (over the 2008 workforce) by 2020 (New Mexico Center for Nursing Excellence, January 2009). This estimate does not reflect the impact of health care reform legislation.
- For the 2009/2010 academic year, New Mexico nursing programs were unable to admit 20% of the qualified applicants.

It was estimated that an additional 469 students (over 2009/2010 academic year enrollment) will be needed statewide each year to meet the estimated workforce needs for 2020.

The New Mexico Nursing Education Consortium (NMNEC) was established by the nurse educators of New Mexico in the fall of 2009. The intent was to develop a statewide plan for pre-licensure baccalaureate nursing education through community college/university partnerships, and sharing faculty/clinical resources. Two primary goals for NMNEC are to increase the number of pre-licensure BSN graduates throughout the state, and increase numbers of students entering graduate nursing education programs.

NMNEC is already well along in this work. This group has been actively working now for 13 months. The NMNEC has held 10 meetings and has made substantial progress. A vision and mission statement for the new statewide plan was approved by NMNEC in Summer, 2010 and the decision for a pre-licensure BSN program using a concept-based curriculum was approved in the Fall, 2010. Currently six committees are working on various aspects of the curriculum development:

- Pre-requisite committee
- Admissions committee
- Concept/competency committee
- Clinical education committee
- Program evaluation committee
- Faculty Development committee

UNM-HSC reports that HB 103 could significantly help NMNEC by creating an alliance with HEC to address or remove many of the institutional barriers that exist. NMNEC is capable of designing a quality-based plan, but lacks the power to address some issues such as:

- A seamless transfer of credits across institutions;
- Dual enrollment within institutions;

- Credit, tuition, and resource allocation;
- Development of a learning technology structure that would include regional simulation centers for efficiency and consistency;
- Sharing faculty – essentially establish a state of New Mexico nursing faculty.

Many of the items in HB 103 have institutional fiscal implications that are yet to be understood. The implications may result in dramatic changes in the way schools receive funding, and the way faculty are compensated.

To date, NMNEC has been funded in part by the NM State Board of Nursing and one-time Foundational grants from Robert Wood Johnson Foundation and Blue Cross and Blue Shield. Ongoing funding will be needed in the future to continue the work of NMNEC. Funding has paid for costs associated with travel for meeting attendance, phone conferencing, supplies, website, and administrative support. A federal grant has been written with hopes of funding for a portion of this work and other sources of funding are being explored. Without consistent funding stream, work will progress slowly and many institutions will face challenges finding human resource support for this work.

There is no indication within HB 103 the type of statewide education program requested. It is critical to the long-term healthcare needs of the state for the statewide plan to focus on pre-licensure BSN education.

A full year of cooperative planning among nursing directors and faculty from across the state has already occurred with significant progress achieved. HB 103 has the potential to foster further cooperative efforts without duplicating the efforts already in place and progress made.

While it recommended that the NMNEC take the lead in developing the state plan, the Task Force also recommended the following role for NMHED -Within the next 18 months, the New Mexico Higher Education Department will develop policies and infrastructure that address administrative issues to include, but not limited to:

- Faculty workload and reimbursement when engaged with students from multiple schools;
- Funding - through the funding formula and other potential sources, to include a process of funding allocation transparency;
- The need for simulation support as simulation is expensive in terms of equipment, faculty, and support;
- Students - the allocation of credit hours, tuition when taking classes from multiple schools; and
- Student financial aid, how will that work with students potentially taking classes from multiple sources.

## **PERFORMANCE IMPLICATIONS**

HB103 does not provide performance measures; however, if passed, the New Mexico Nursing Education Consortium should develop performance measures in coordination with the NMHED, the New Mexico Center for Nursing Excellence, and the New Mexico Board of Nursing.

**ADMINISTRATIVE IMPLICATIONS**

HED reports that it would work in coordination with the New Mexico Nursing Education Consortium, the New Mexico Center for Nursing Excellence and the New Mexico Board of Nursing to fulfill the mandate of HB103. There would be an administrative impact on NMHED, including the need for additional staff support. It is not clear how significant the impact would be.

HJA/svb:bym