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## FISCAL IMPACT REPORT

SPONSOR Padilla ORIGINAL DATE 1/19/19  
 LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE UNM Healthcare Outcomes Program SB 209

ANALYST Valenzuela

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$1,100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 211, which provides a \$2 million appropriation for Project ECHO.  
 Relates to Appropriation in the General Appropriation Act which provides \$2.2 million appropriation for Project ECHO.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Higher Education Department (HED)

University of New Mexico (UNM) Health Sciences Center (HSC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 209 appropriates \$1.1 million from the general fund to University of New Mexico's Health Science Center to increase funding for Project ECHO (Extension for Community Healthcare Outcomes) Health Program.

### FISCAL IMPLICATIONS

According to HED, Project ECHO's annual operating budget is \$18 million, which includes \$2,046,100 from state general fund appropriations. The requested funding in SB209 will allow Project ECHO to continue to address its mission, which is improve health outcomes for rural and underserved New Mexicans.

Project ECHO is a program within the UNM HSC School of Medicine. The FY20 LFC recommendation increases the budget for Project ECHO by 7.3 percent.

The appropriation of \$1.1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

**SIGNIFICANT ISSUES**

Since its inception in 2003, Project ECHO has grown substantially. Initially, this program worked with hepatitis C patients throughout the state. The model incorporates a virtual mentoring platform which increases access to specialty treatment in rural and underserved areas by providing local clinicians with the knowledge and support they need to manage patients with complex conditions such as: hepatitis C, HIV, tuberculosis, chronic pain, endocrinology, behavioral health disorders, and many others. The model allows for local clinicians the ability to engage in a continuous learning system by partnering them with specialist mentors at an academic medical center or hub.

**PERFORMANCE IMPLICATIONS**

SB209 does not contain performance measures.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Senate Bill 211 also makes an appropriation to Project ECHO for \$2 million. SB209 would add \$2 million to the existing operating budget for Project ECHO.

	<u>FY2019</u>	<u>LFC FY20 Rec</u>
Project Echo Budget:	\$2,046,100	\$2,196,100
Senate Bill 209 Adds		\$1,100,000
Senate Bill 211 Adds		\$2,000,000

**TECHNICAL ISSUES**

SB209 contains reversion language, where unexpended balances from the appropriation revert to the general fund. Higher education institutions, which includes UNM HSC Project ECHO, do not revert unexpended balances.

**OTHER SUBSTANTIVE ISSUES**

Every year, HED and LFC staff conduct hearings with research and public service projects (RPSPs) to receive the next fiscal year funding requests. Project ECHO did not submit a request for additional funding. The LFC FY20 budget recommendation increased the request by \$150,000 over the FY19 level. The FY20 Executive recommendation for Project ECHO is \$2,046,100 (flat with FY19).