

**2024 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: Senate
Number: 47

Category: Bill
Type: Introduced

Date (of THIS analysis): 1/19/2024
Sponsor(s): Siah Correa Hemphill and Gerald Ortiz y Pino
Short Title: Health Care Personnel Recruitment

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 24	FY 25		
\$	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 24	FY 25	FY 26		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 24	FY 25	FY 26	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$153,212	\$153,212	\$153,212	\$459,636	Recurring	General

Pay Band 65 - \$29.12/hr. x 2080 hours x 0.4395 = \$87,190 + Office Setup \$6,022 + Rent \$60,000 = \$153,212

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

Senate Bill 47 (SB 47) will create a new section of the Rural Primary Health Care Act, Section, 24-1A-4.1 NMSA 1978 to create a non-reverting health care recruitment and retention fund in the state treasury to provide for programs that recruit and retain health care personnel in health care underserved areas.

Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

New Mexico has a significant shortage of health care professionals, which include not only doctors, but all health care professionals such as nurses, physician assistants, dentists, dental hygienists, psychiatrists, pharmacists, administrative staff, etc. The New Mexico Healthcare Workforce Committee 2022 Annual Report documents the shortage of physicians in New Mexico and offers recommendations for recruitment, retention, and increasing the health care workforce

(https://digitalrepository.unm.edu/cgi/viewcontent.cgi?article=1009&context=nmhc_workforce). Thirty-two of New Mexico's 33 counties contain health provider shortage areas as designated by the federal Health Resources and Services Administration (2020-2022 New Mexico State Health Improvement Plan, page 4:

<https://www.nmhealth.org/publication/view/plan/5311>). It identifies places/sub-populations with shortages of primary medical care physicians, dentists, and mental health professionals. These areas and sub-populations are estimated to have less than half the supply of professionals needed by the target population.

Additionally, under current healthcare reimbursement systems, communities with a large proportion of low-income residents and rural communities may not generate sufficient paying demand to assure that providers will practice in these locations (2020-2022 New Mexico State Health Improvement Plan, page 11:

<https://www.nmhealth.org/publication/view/plan/5311>). The rural to urban migration of health professionals inevitably leaves poor, rural, and remote areas underserved and disadvantaged. Skilled health professionals are increasingly taking job opportunities in the labor market in high-income areas as the demand for their expertise rises.

Through the Primary Care Provider Recruitment and Retention Clearinghouse (hereinafter referred to as Clearinghouse), under the Rural Primary Health Care Act (RPHCA) Program, on average each fiscal year, 65 health professionals are placed in different rural communities throughout New Mexico. This includes placements of medical, dental, and behavioral health

clinicians. In FY 2023, **86 health care providers were recruited and placed** into New Mexico's 19 counties place in 28 different communities. Currently, **at mid-year of FY 2024, 60 health care providers have already been recruited and placed**. In the period FY 2018-FY 2023, the Clearinghouse made 386 permanent placements, more than 60% of which were in rural areas. The balance of placements went to community-based health centers in underserved urban areas (Data from the Clearinghouse's Monthly Level of Operations Reports).

RPHCA General Fund support for the core primary care purpose of the Clearinghouse has declined over the last several fiscal years and funding has not met both inflation and demand for recruitment. The proposed appropriation in SB 47 would increase the number of health care professionals, including expanding behavioral health clinicians, and would encourage more health care professionals to stay and continue to provide services to NMDOH stakeholders and customers in rural and underserved areas of the state.

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes No

If the funding in SB 47 is appropriated, existing DOH staff would be required to develop, process, monitor and evaluate contractual services related to the proposed SB 47 resulting in increased administrative tasks for staff.

- Is this proposal related to the NMDOH Strategic Plan? Yes No

Goal 1: We expand equitable access to services for all New Mexicans

Goal 2: We ensure safety in New Mexico healthcare environments

Goal 3: We improve health status for all New Mexicans

Goal 4: We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?

Yes No N/A

- If there is an appropriation, is it included in the LFC Budget Request?

Yes No N/A

- Does this bill have a fiscal impact on NMDOH? Yes No

If the funding in SB 47 is appropriated, existing DOH staff would be required to develop, process, monitor and evaluate contractual services related to the proposed SB 47 resulting in increased administrative tasks for staff.

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

If the funding in SB 47 is appropriated, existing DOH staff would be required to develop, process, monitor and evaluate contractual services related to the proposed SB 47 resulting in increased administrative tasks for staff.

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes No

8. DISPARITIES ISSUES

The population served would be New Mexico's rural and underserved communities as current and new health professionals could be providing needed health care services. The New Mexico Rural Health Plan (page 53/C-2, <https://www.nmhealth.org/publication/view/report/5676/>) includes recommendations to support rural health services support statewide.

9. HEALTH IMPACT(S)

The appropriation in SB 47 could encourage current and new health care providers to practice full-time and provide needed health care services in rural and underserved areas of New Mexico.

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If SB 47 is not enacted, there will not be appropriations under the Rural Primary Health Care Act, Section, 24-1A-4.1 NMSA 1978 to recruit and retain the health care workforce in underserved areas throughout the state.

12. AMENDMENTS

None