

**LFC Requester:**

**Isaiah Torres**

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**AgencyAnalysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Check all that apply:

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date** 1/22/24

**Bill No:** SB113

**Sponsor:** Sen. Gonzales  
**Short** Taos Medical Facility  
**Title:** \_\_\_\_\_

**Agency Name and Code** HSD-630  
**Number:** \_\_\_\_\_  
**Person Writing** Carlos Ulibarri  
**Phone:** 505-709-5499 **Email** Carlos.Ulibarri@hsd.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	\$0.0	\$120.2	\$120.2	\$140.4	R	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: SB113-630 appropriates fifteen million dollars from the general fund to the local government division of the department of finance and administration to plan, design, construct and equip a medical facility in Taos in Taos County.

**FISCAL IMPLICATIONS**

The FY2025 appropriation to the local division of the Department of Finance and Administration represents an important and worthwhile investment in capital infrastructure. Nonetheless, the capital investment would not have a direct fiscal impact on the Health Care Authority until the facility enters operational phase.

The division of health improvement (DHI) would have the initial expense of licensure and survey for a new healthcare facility, Initial costs \$120,200 for licensing and survey team.

# of FTE	Division	Title	Range	Hourly rate	Annual Salaries	Insurance Rate \$/weekly	520300	521100 Group Insurance	521200 PERA	521300 RICA	521700 RHC	Total Benefits	TOTAL Cost	FFP*	GF Need	FF Need	Notes
0.25		BUS OPS SPEC-A	60	25.01	13,100.00	190.95		1,300	2,500	1,000	300	5,100.00	18,200	50%	9,100	9,100	
1		HEALTHCARE SURVYR-O	65	29.12	60,800.00	163.67		4,300	11,700	4,700	1,200	21,900.00	82,700	50%	41,350	41,350	
1.25	TOTAL Personnel / Benefits				73,900	354.62	5,600	14,200	5,700	1,500	27,000	100,900		50,450	50,450	-	
		<b>Other Operating Costs:</b>	<b>per person</b>	<b>1 fte</b>	<b>GF</b>	<b>FE</b>											
		542100 - Instate M & F	200	300	150	150											
		542200 - Instate M & L	400	500	250	250											
		544100 - Office Supplies	8,000	10,000	5,000	5,000											
		544900 - Invent Exempt	4,000	5,000	2,500	2,500											
		546600 - Telecomm	2,800	3,500	1,750	1,750											
			<b>15,400</b>	<b>19,300</b>	<b>9,650</b>	<b>9,650</b>											
		<b>TOTAL</b>	<b>120,200</b>	<b>60,100</b>	<b>60,100</b>												
		<b>INSURANCE - PRES SINGLE</b>															
		< \$50K			218.22												
		\$50K to \$59999			190.95												
		\$60K >			163.67												

**SIGNIFICANT ISSUES**

Upon completion of the facility, the operational phase would impact the Health Care Authority and the operating budget of the Medicaid program. The operation of the proposed facility would provide increased access to healthcare in Taos County, to the benefit of around 35,000 residents of Taos County including 14,500 Medicaid members.

Medicaid beneficiaries would receive services paid by the Medicaid program. For each dollar of revenue accruing to providers as reimbursement for services, approximately 20% would derive from the General Fund and 80% from Federal match dollars. However, it remains to be determined what the exact federal financial participation will be, given that the timing of the operational phase of the facility is unknown.

Direct economic activity in Taos County would expand during the construction phase of the facility and its subsequent operations. Consequently, both income and gross receipts taxes would increase from short-term employment during the construction phase and long-term employment of healthcare practitioners and supporting service labor during the operational phase.

Furthermore, indirect economic impacts would result from both construction and the operations of the healthcare facility by way of increased general economic activity across supporting industries. Consequently, the \$15,000,000 General Fund appropriation would provide an important capital investment in Taos County, expanding employment opportunities, inducing general economic growth, and improving general welfare from enhanced access to healthcare services.

#### **PERFORMANCE IMPLICATIONS**

**None.**

The division of health improvement would process the initial application for a new health facility and conduct initial and ongoing compliance surveys.

#### **ADMINISTRATIVE IMPLICATIONS**

None.

No IT impact

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

#### **TECHNICAL ISSUES**

None.

#### **OTHER SUBSTANTIVE ISSUES**

**None.**

#### **ALTERNATIVES**

**None.**

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Failure to enact SB113-630 would result in greater limitations to healthcare options in Taos County, as the resident population expands through natural growth and migration.

#### **AMENDMENTS**