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FISCAL IMPACT REPORT

SPONSOR Ortiz y Pino **ORIGINAL DATE** 1/19/2016
LAST UPDATED _____ **HB** _____

SHORT TITLE Additional School Health Center Services **SB** 26

ANALYST Chenier

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		
	\$550.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$550.0	\$550.0	\$1,100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health

Public Education Department

SUMMARY

Synopsis of Bill

Senate Bill 26 appropriates \$550 thousand from the general fund to the Department of Health for the Office of School and Adolescent Health to expand access to behavioral health, primary care, and reproductive health services through school-based health centers.

FISCAL IMPLICATIONS

The appropriation of \$550 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY17 shall revert to the general fund.

Most of the services provided by SBHC should be reimbursable by insurance. DOH should analyze how best to recover costs reducing the impact on the general fund.

SIGNIFICANT ISSUES

The Department of Health and the Public Education Department provided similar analysis included in the following:

The New Mexico Department of Health (DOH) funds SBHCs at 55 school campuses in 26 counties. Over 37,000 New Mexico adolescents have access to SBHCs with more than 17,500 visited during the 2014-2015 school year. There were over 49,000 visits during the 2014-2015 year and among these 69% were for primary care, 30% were for behavioral health, and 1% were for dental care. Services provided by SBHCs include: sports physicals, immunizations, health promotion/education, lab tests, reproductive health services, and oral health care.

Because SBHCs are located where children spend a significant amount of their time, scheduling and transportation barriers are reduced or eliminated. Of the 55 SBHCs 53 are located in federally designated health professional shortage Areas and 33 are located in frontier or rural designated areas of the state. SBHCs also address financial barriers enrolling eligible students in Medicaid offering no cost services for uninsured students.

SBHCs improve adolescent mental health status, resiliency factors, and contraceptive use. Additionally, students who use SBHCs have high satisfaction with their health status and have healthier behaviors, such as more physical activity and greater consumption of healthier foods.

SBHCs have also been shown to improve academic success. Students who use SBHCs are 71.9% more likely to complete high school and show an average increase in their grade point average of 4.7%. Additionally, schools with a SBHCs show increases in grade promotion of 8.4% - 14.6%.

In addition to providing services for individual students, SBHCs can provide prevention, early identification, and harm-reduction services for the entire community through provisions described by the Division of Adolescent and School Health and School Health of the Centers for Disease Control and Prevention. A review revealed that students in a school with a SBHC have greater satisfaction with their learning environment, and that health promotion interventions used by the SBHC improved health attitudes and behaviors and academic performance.

Finally, an analysis of school based health centers in New Mexico in school year 2012-2013 revealed a projected savings of \$20.1 million compared to the total SBHC budget of \$3.3 million, a return on investment of \$6.07 for every dollar expended (Ginn and Associates, 2013). Some of the savings include:

- A projected annual net hospitalization savings of \$207 thousand for asthmatic students,
- A projected annual net savings of \$692 thousand from early detection and treatment of gonorrhea and Chlamydia,
- A projected lifetime net savings of \$1 million due to mental health services provided at SBHCs, and
- A projected annual net savings of \$690.5 thousand due to a projected decrease in prescription drug costs. (Ginn and Associates, 2013)

SB 26 does not specify how SBHC services are to be expanded. It is unclear whether expansion would enable new SBHCs at additional campuses or an increase in the ability to provide services at the existing SBHCs.

PERFORMANCE IMPLICATIONS

SB 26 relates to the DOH Performance Measure “Percent of students using school-based health centers that receive a comprehensive well exam.”

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