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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/2020

SPONSOR Padilla LAST UPDATED _____ HB _____

SHORT TITLE Diabetes Education Funding SB 16

ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
\$250.	\$250.	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY20	FY21	FY22	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Indeterminate	Indeterminate	Indeterminate	Indeterminate	Recurring	All medical care payers, including Medicaid.

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Joint Memorial 1

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Medical Board (MB)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 16, Diabetes Education Funding, appropriates \$250 thousand from the general fund to the Department of Health for the purpose of educating physicians and patients on means of prevention of and alternatives to amputation in diabetes patients.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2021 shall revert to the general fund.

It is difficult to assess the costs and monetary benefits of education in diabetes-associated peripheral artery disease, both in terms of screening and of the prevention of amputation. Because the National Diabetes Association estimates total cost for diabetes in the U. S. as \$2 billion per year, the potential stakes are high.

SIGNIFICANT ISSUES

According to a 2013 Centers for Disease Control study, 10.7 percent of New Mexicans 18 years of age or older were diagnosed as having diabetes, with 170 thousand New Mexicans carrying that diagnosis at that time. By 2018, according to the Department of Health, that number was 250 thousand. The prevalence of diabetes is increasing throughout the US, undoubtedly related to the increasing rate of obesity in the U. S. population as a whole, but the 2017 prevalence in New Mexico was higher than the national prevalence, 10.7 percent compared with 9.4 percent. DOH estimates the annual costs for New Mexico adults with diabetes exceeds \$2 billion annually.

Because of the deposit of fatty material in the peripheral arteries of diabetic patients, they are prone to the development of nerve damage, especially in the feet and lower extremities. According to CDC data, as much as 89 percent of diabetes-related amputation could be prevented both through screening of diabetics for peripheral nerve damage and through treatment alternatives to amputation. Amputation results in a considerably decreased quality of life for those for whom it is necessary. Probably due to greater awareness on the part of both the public and of medical care providers and better care, the national rate of lower extremity amputations decreased from 11.2 per 1,000 persons with diagnosed diabetes in 1996 to 3.9 (a decrease of 65 percent) in 2008. (https://www.cdc.gov/media/releases/2012/p0124_lower_limb.html). The rate likely could be decreased further with screening for peripheral artery disease and frequent foot examination of diabetic patients. As noted by DOH, “An ADA task force created the Comprehensive Foot Examination and Risk Assessment. In addition, the ADA’s *Standards of Medical Care in Diabetes-2016* recommend an annual comprehensive foot examination to identify risk factors predictive of foot abnormalities, ulcerations, and amputations to decrease morbidity and mortality (<https://clinical.diabetesjournals.org/content/35/1/55>).”

DOH continues:

In a recent study on diabetes-related non-traumatic lower-extremity amputation by the Centers for Disease Control and Prevention (CDC) (<https://doi.org/10.2337/dc18-1380>), the authors recommend improving preventive foot care, optimally managing glycemic control and cardiovascular risk factors, and diabetes self-management education. In regards to the latter, in addition to the clinical management of diabetes (including foot exams), diabetes can be self-managed and complications prevented or delayed through evidence-based programs such as diabetes self-management education (DSME). DSME programs are formally recognized or accredited by the American Diabetes Association and American Association of Diabetes Educators. In addition, the community-based Diabetes Self-Management Education Programs (DSMEP) have been proven to improve

quality of life and help adults better manage their health. These programs are effective in improving health outcomes and reducing the costs of diabetes (State FY20 Diabetes Prevention and Control Legislative Fact Sheet)...

It is recommended that contracts for high risk populations be considered to adequately address the significant disparities affecting the American Indian populations regarding extremity amputations.

However, in accordance with the State-Tribal Collaboration Act section 11-18-3 Collaboration with Indian nations, tribes or pueblos (C), additional consideration must be given to the procurement process for developing, monitoring, evaluating contracts within the high priority areas, which may include our tribal communities.

The Medical Board comments, “SB16 is requesting funding for an unspecified program of education in the area of medical education. To make sense, the request should specify at least an outline of the course material, who is going to teach the material to patients and practitioners (not just physicians), and how is the result to be measured. This is as much a research project as it is a medical subject for a seminar or a course.”

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB16 is related to Senate Joint Memorial 1, which would establish an (unfunded) task force to study the results (in terms of amputations performed and financial expenditures) of educational campaigns for medical providers and communities about diabetes-related peripheral vascular disease and for providers on billing for peripheral artery disease screening, requiring a report to the governor and the legislature on its findings.

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