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FISCAL IMPACT REPORT

SPONSOR Stefanics **ORIGINAL DATE** 1/28/22
LAST UPDATED 2/11/22 **HB** _____
SHORT TITLE Expand School-Based Health Clinics **SB** 67
ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY22	FY23	FY24		
	\$600.0	\$600.0	Recurring	Administrative claim agreement with HSD

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	Up to \$600.0	\$0.0	Up to \$600.0	Nonrecurring	Federal Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)
 Public Education Department (PED)
 Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 67, Expand School-Based Health Clinics, appropriates \$2 million from the general fund to the Department of Health for the purpose of expanding school-based health clinics.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature; the funding is intended for use in Fiscal Year 2023 (beginning July 1, 2022) and in subsequent years.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2023 shall not revert to the general fund.

DOH indicates that “Two additional FTE (\$75 thousand annually) would be needed to assist with the added administrative requirements, including contracting, invoicing and site visitation, as well as the training needs for new school-based health center operations,” and specifies further that the \$2 million appropriation would also bring in \$600 thousand of matching funds through the Human Services Department.”

HSD corroborates this figure, stating “HSD currently leverages approximately \$2 million in federal funds to support SBHCs from the existing DOH General Fund appropriation. Because the bill does not specify how the funding would be used, HSD is unable to calculate the exact amount of federal Medicaid funds that could be leveraged through SB67. The current FY23 federal financial participation administrative match 50% FFP. Using the current Medicaid eligibility rate the entire \$2 million would not be eligible for a 50% match therefore the \$2 million appropriation would generate up to \$0.6 million in federal funds.”

“HSD provides federal Medicaid matching funds for 54 Medicaid-certified SBHCs in 33 counties across New Mexico. The primary vehicle for accessing these federal Medicaid funds is through a Governmental Services Agreement (GSA) between HSD and DOH. This contract provides additional federal matching funds for DOH’s administration of the program and for the 54 individual SBHC administration of medical and behavioral health services provided to the Medicaid eligible population.”

SIGNIFICANT ISSUES

According to HSD, “SBHCs are comprehensive primary health care centers that are housed in elementary, middle and high schools, that provide physical, behavioral and in some cases, oral health care services. Most SBHCs are managed by Federally Qualified Health Centers through agreements with local school districts. SBHCs are uniquely positioned to meet the needs of adolescents and are an important way in which students can access age-appropriate health care. Additionally, some SBHC have provided communities with additional resources for COVID-19 testing and vaccinations.”

Currently there are 47 New Mexico communities that have one or more school-based health centers (SBHCs). Among these, Albuquerque has 15, Santa Fe has two, Las Cruces has seven, but communities as diverse as Los Alamos and Anthony, Lordsburg and Clovis also have SBHCs, according to the New Mexico Alliance for School-Based Health Care (NMASBHC). HSD gives slightly different figures, stating that the department provides Medicaid matching

funds for 54 SBHCs in all 33 counties. But these resources are meager compared with the number of public schools in New Mexico: Albuquerque has 175, Santa Fe has 30, and Las Cruces has 40. SBHCs tend to be situated in schools whose student population have high degrees of unmet need.

As noted by PED, the cost-effective care given at SBHCs, is “located on or near a school campus.” In New Mexico, more than 70 SBHCs provide a variety of health care and behavioral health services (see Table 1), which students may not have access to otherwise. Additionally, SBHCs help reduce the time students are away from school due to health reasons.

List of Health Services SBHCs in New Mexico May Provide

Health Care Services	Behavioral Health Services
<ul style="list-style-type: none"> • physical and sports exams • diagnosis and treatment of acute and chronic illnesses • vision, dental, and blood pressure evaluations • immunizations • asthma management • diabetes management • reproductive health 	<ul style="list-style-type: none"> • grief therapy • help with peer pressure and bullying • substance abuse • suicide prevention

PED indicates that the 70 current SBHCs provide varied services, tailored to a community’s needs.

NMASBHC promotes SBHCs’ “delivery of medical and behavioral health services at school for students when they need it, thereby catching health problems, like asthma, diabetes and depression, early and preventing bigger problems later” and in providing comprehensive health services to students at school so they can avoid health-related absences and receive support to succeed in school.” The organization estimates that each dollar invested in school-based health centers results in a seven dollar savings, with fewer child absences and parents missing work to go to appointments obtained elsewhere.

DOH comments on the importance and usefulness of school-based health centers:

The Community Preventive Services Task Force recommends the implementation and maintenance of school-based health centers (SBHCs) based on evidence from a review of 46 studies of SBHC. SBHC reach low-income, racial and ethnic minority populations, and marginalized groups such as sexual minority youth. SBHCs are an effective strategy to improve education, health outcomes, and health equity. (<https://www.thecommunityguide.org/findings/promoting-health-equity-through-education-programs-and-policies-school-based-health-centers>). Improved health outcomes that are associated with SBHCs include decreasing asthma related hospitalizations by 70 percent, reducing non-asthma related emergency department visits by 14 percent, and reduction in unintended pregnancies in SBHC users by 40 percent. SBHCs are also linked to improved educational outcomes. Student SBHC users’ rate of high school completion increased by 29 percent. They are also more likely to be on pace to graduate and have a nearly 5 percent increase in GPA (https://www.thecommunityguide.org/sites/default/files/assets/Health-Equity-School-Based-Health-Centers_1.pdf).

SBHCs address many of the barriers to health care access for school-aged children. Because SBHCs are located where children spend a significant amount of their time,

scheduling and transportation barriers are minimized. SBHCs are also a good economic investment. A 2013 analysis of New Mexico SBHCs determined they yielded a return on investment of \$6.07 for every dollar spent (Ginn and Associates, 2013). SBHCs financially benefit the healthcare and education systems by reducing productivity costs related to missed school time, travel, lost parental wages and improved graduation rates; and averting healthcare costs, related to emergency department visits, hospitalizations, and management of chronic conditions (https://www.thecommunityguide.org/sites/default/files/assets/Health-Equity-School-Based-Health-Centers_1.pdf).

Currently, SBHCs are in thirty-two of the thirty-three New Mexico counties and all NMDOH funded SBHCs (54) are in federally designated health professional shortage areas (HPSA) (<https://data.hrsa.gov/maps/map-tool/>). NMDOH funded SBHCs are operated by Federally Qualified Health Centers (FQHCs), University Medical Groups, hospitals or community private medical practices. This affiliation connects students and families in underserved areas to larger medical organizations which can serve as medical homes and improve continuity of and access to integrated care. Even during school-year 2020-2021, when most New Mexico schools were physically closed, SBHC providers connected with 8,771 patients statewide to deliver primary care and behavioral health services (NMDOH, Office of School and Adolescent Health 2020-2021 annual report).

The provisions in SB67 would allow for increased hours of operation at existing SBHCs, opening of new SBHCs, and implementation of alternative methods to get healthcare services to rural communities which will improve access to healthcare and health and educational outcomes for youth in New Mexico's rural and underserved communities, and additionally, help support recovery from the Covid-19 pandemic.

RELATIONSHIP

Relates to Senate Bill 58, which would increase school nurses, though not specifying that they would be functioning in school-based health centers, which are usually staffed by nurse practitioners or physician assistants.

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