

LFC Requestor: KLUNDT, Kelly

**2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: Senate

Category: Bill

Number: 261

Type: Introduced

Date (of THIS analysis): 2/4/2025

Sponsor(s): Pete Campos

Short Title: Hub and Spoke Health Care Pilot Project

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$0	\$1,750	Recurring	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

The appropriation is recurring through \$1,750,000 for expenditure in fiscal years 2026 to 2030

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 261(SB261) proposes a general fund appropriation of \$1,750,000 each year for fiscal year 2026 through fiscal year 2030 for creation of a hub-and-spoke pilot project in the Department of Health to deliver preventive healthcare services at public schools in the Northeast Region of New Mexico. SB261 specifies the funds shall be provided to a Federally Qualified Health Center in San Miguel County and the spokes shall be include at least 5 school districts. Additionally, the bill requires the department to:

- Contract for services with an FQHC
- Collect and compile data regarding student health and academic outcomes and public health implications related to the project
- Require PED to assist NMDOH with measuring student academic outcomes
- Require periodic reports to the interim Legislative Health and Human Services Committee, with a final report due to the governor and legislature by 11/1/2030

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

The New Mexico Department of Health (NMDOH) currently contracts with 19 medical organizations across the state operating School Based Health Centers (SBHCs). Thirteen of those are HRSA-designated FQHCs or FQHC look-alikes. SBHC services in the county are overseen by two medical organizations- one is a FQHC, and the other is an HRSA-designated FQHC look-alike. Under the current language, only the FQHC located in San Miguel County would be eligible for funding.

There are four school districts in San Miguel County: City of Las Vegas School District, West Las Vegas Schools, Pecos Independent School District, and Santa Rosa Consolidated Schools. Currently, 15 schools in San Miguel County have SBHC services either through an on-campus clinic or via telehealth. This appropriation would allow for additional school

district sites to be served throughout the northeast region of New Mexico during the period of the pilot.

The requirements outlined in SB261 would be feasible for NMDOH as all SBHCs contracted with the department are required to provide a comprehensive data report annually to evaluate program effectiveness. This data includes diagnostic codes to better understand SBHC utilization and community needs. The NMDOH SBHC program has also recently partnered with the New Mexico Public Education Department to match student academic data with SBHC utilization data to assess the impact of SBHCs on academic success. Periodic reports from all data sources can be shared with the Legislative Health and Human Services Committee annually or upon request.

Telehealth as a component of health care can be instrumental in enhancing access and quality of rural health care ([Telehealth Interventions and Outcomes Across Rural Communities in the United States: Narrative Review - PMC](#)). Telehealth may be a key strategy for connecting children and families in rural areas to primary and specialty care ([Specific Rural Populations that May Benefit from Telehealth - RHihub Toolkit](#)). School based telehealth (included in a hub and spoke model) is an efficient and effective method for delivery of care that can overcome barriers to care for many families.

Ensuring a successful program requires dedicated planning, development, and implementation. Applying a standardized framework to program development may contribute to reaching established goals and outcomes. Developing a strong collaborative interprofessional network focused on achieving the same goals may not only improve patient outcomes but also contribute to improved health equity for children (<https://www.sciencedirect.com/science/article/pii/S1555415520307200>).

A variety of possible limiting factors to implementing this initiative include technical issues such as internet connectivity or software glitches, lack of in-person interactions, privacy concerns, and difficulty evaluating complex needs that require hands on-evaluation. This issues should be carefully considered during the planning process. ([Evaluating the Educational Impact of Telehealth on Adolescent Medicine Trainees: a Qualitative Approach - PMC](#))

2. PERFORMANCE IMPLICATIONS

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

Yes No

If yes, describe how.

- 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

DOH would receive a \$1,750,000 general fund appropriation each fiscal year from 2026 through fiscal year 2030.

4. ADMINISTRATIVE IMPLICATIONS

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

A request for application (RFA) would be released to appropriate funds to implement this pilot project.

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

New Mexico currently ranks 50th in child well-being as measured by indicators of economic well-being, education, health, and family and community ([Interactive 2024 Data Book - The Annie E. Casey Foundation - The Annie E. Casey Foundation](#)).

New Mexico also has extreme shortages in nearly every county for primary care, mental health and dental providers ([Health workforce shortage designations - Rural Health Information Hub](#)). Health care workers are listed as the number one occupational need in 28 out of 33 New Mexico counties ([ALFC 061124 Item 14 Hearing Brief - Medicaid Behavioral Health Physical Health Workforce .pdf](#)). Reports from New Mexico Department of Workforce Solutions and the U.S. Health Resources and Services Administration also indicate a need for additional healthcare workers in New Mexico ([ALFC 061124 Item 14 Hearing Brief - Medicaid Behavioral Health Physical Health Workforce .pdf](#)).

9. HEALTH IMPACT(S)

Rural communities may have increased access to care if SB261 is adopted.

10. ALTERNATIVES

None.

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

If SB 261 is not enacted, there will be no appropriation made for a hub and spoke pilot program operated by an FQHC in San Miguel County for school districts in northeast New Mexico.

12. AMENDMENTS

None.