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FISCAL IMPACT REPORT

SPONSOR <u>Lopez/Pinto/Sedillo Lopez/Hickey</u> SHORT TITLE <u>Federally Qualified Health Center Operations</u>	LAST UPDATED _____ ORIGINAL DATE <u>02/05/2025</u> BILL NUMBER <u>Senate Bill 270</u> ANALYST <u>Chilton</u>
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APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$500,000.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
 Department of Health (DOH)
 Health Care Authority (HCA)

SUMMARY

Synopsis of Senate Bill 270

Senate Bill 270, Federally Qualified Health Center Operations, appropriates \$500 million from the general fund to the Department of Health (DOH) for the purpose of supporting the operations of federally qualified health centers (FQHCs) in New Mexico.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The appropriation of \$500 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund.

SIGNIFICANT ISSUES

Federally Qualified Healthcare Centers are among the most important safety-net medical providers in New Mexico and in the United States as a whole. Usually located in underserved

areas, such as those in 32 of the 33 New Mexico counties, they disproportionately serve the poor and the uninsured.

According to US Health Resources and Services Administration (HRSA), there are 20 organizations qualified as FQHCs in New Mexico, many of which have multiple clinics (for example, Presbyterian Medical Services, headquartered in Santa Fe, lists 76 offices throughout the state, First Choice Health Centers in Albuquerque has seven clinics in three central New Mexico counties, and El Centro Family Health has 12 in northern New Mexico). The clinics serve a varied clientele, tending toward those most in need of care and those who lack health care coverage. The New Mexico Primary Care Association provides a breakdown of the more than 1.5 million visits recorded by these clinics in 2023:

Visit Type	Number of Visits
Medical visits	815,488
Dental visits	218,046
Behavioral health and substance use	400,163
Health education/case management	101,897
Behavioral/substance abuse	400,163
Health education/case management	101,897
Vision and other	14,112

The New Mexico Primary Care Association also gives the following breakdown of New Mexico health centers’ population by poverty level and insurance type, comparing it with the national average and the state’s population as a whole, indicating that the health centers’ population skews heavily toward the poor. It is unclear where this population would receive health care if the FQHCs ceased to exist.

*2023 Data	State Population	National Average	NM Health Center Population
Percent Medicaid	45%	18%	39%
Percent Uninsured	3%	9%	20%
Percent at or under 100% of poverty	18%	12%	39%
Percent under 200% of poverty	41%	28%	89%

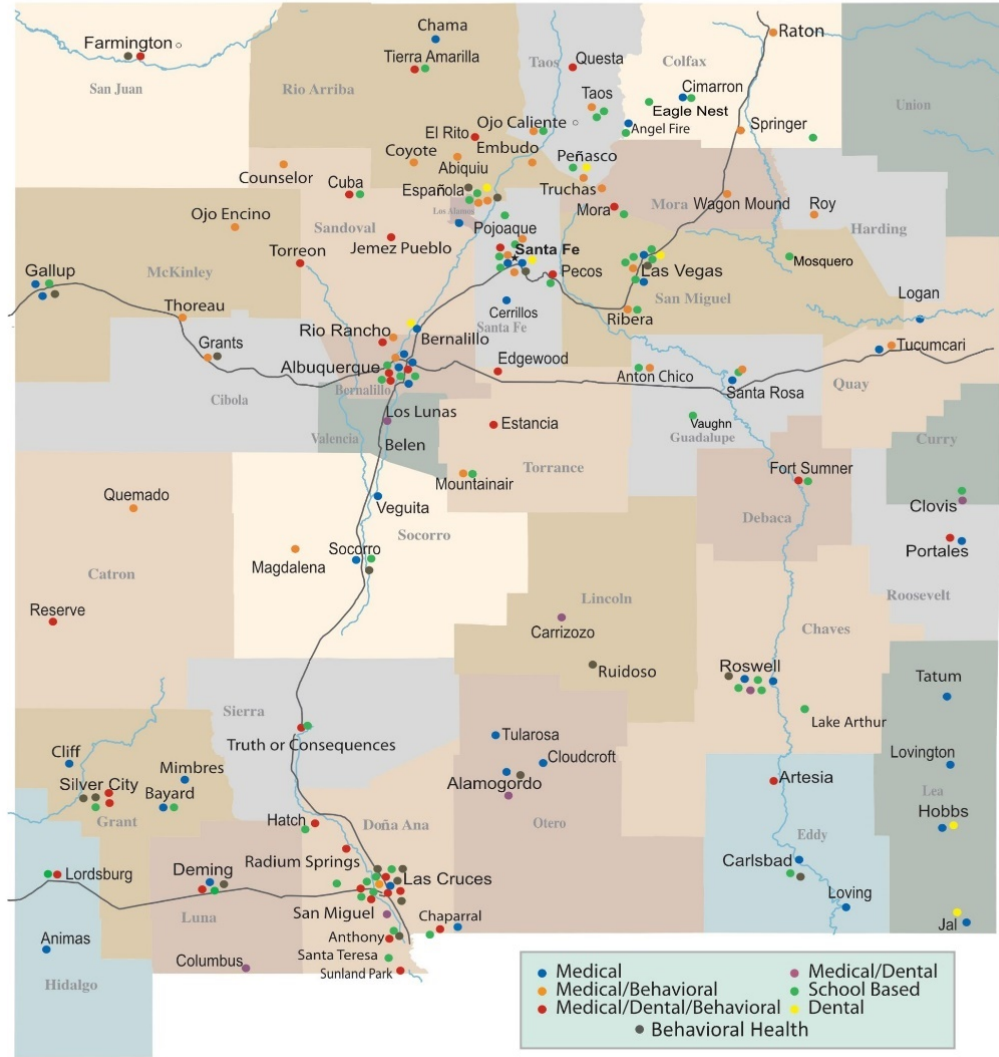
Locations of the primary health care sites are shown on Attachment 1 below, which comes from the New Mexico Primary Care Association.

Attachments:

1. Map of New Mexico Federally Qualified Health Centers

Attachment 1.

New Mexico's Community Primary Health Care Sites



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