

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 01/26/04 HB _____

SHORT TITLE Increase Capacity of Primary Care Clinics SB 1

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$1,200.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	Indeterminate	Indeterminate	Recurring	Federal Funds

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Human Services Department (HSD)

New Mexico Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 1 appropriates \$1.2 million from the general fund to DOH for the purpose of increasing the capacity of contracted primary care clinics to provide increased access to medical, dental and behavioral health services.

Significant Issues

DOH states the appropriation would permit leveraging of additional federal grant funds from the

President's Community Health Center Initiative to meet critical primary health care needs of the underserved and uninsured. This appropriation would supplement the current appropriation of \$8.17 million in FY04 and proposed by the department at \$7.55 million in FY05. The additional appropriation would serve approximately 10,000 eligible individuals. The appropriation would restore funding levels to FY04 and provide additional funds eligible for federal match.

The current network established under the Rural Primary Health Care Act provides basic services to more than 230,000 patients each year through 75 clinics. Most of the patients at community-based primary health care clinics are indigent or Medicaid eligible. The Presidents' Community Health Center Initiative aims to double clinics by 2006. DOH estimates this appropriation would result in 5-10 applications for new clinics.

HPC cites the New Mexico Primary Care Association that the major users of these clinics are migrant workers, homeless persons, uninsured and underinsured, and 78 percent of patients are at or below 200 percent of the federal poverty level.

FISCAL IMPLICATIONS

The appropriation of \$1.2 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 2005 shall revert to the general fund. The amount of federal dollars to be leveraged is indeterminate.

ADMINISTRATIVE IMPLICATIONS

DOH would have to administer additional procurements and contracts with current staff.

POSSIBLE QUESTIONS

1. Why did DOH request a reduction for this program in the FY05 appropriation request?
2. How are costs recouped from Medicaid clients?
3. What areas have priority for new clinics and why?
4. What are the criteria for eligibility to access these clinics?

RLG/njw:yr