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## FISCAL IMPACT REPORT

SPONSOR Picraux DATE TYPED 01/26/04 HB 89

SHORT TITLE Diabetes Education and Prevention SB \_\_\_\_\_

ANALYST Chabot

### APPROPRIATION

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

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

House Bill 89 appropriates \$200 thousand from the general fund to DOH for the purpose of contracting with a non-profit organization to provide diabetes practice guidelines for health care professionals, develop materials about diabetes care for lay persons, participate in health fairs, and distribute diabetes education materials and develop and distribute quarterly publications and materials to individuals with limited literacy skills.

#### Significant Issues

According to the American Diabetes Association, diabetes is increasing at an alarming rate. It is estimated that six percent of the populace have diabetes and about one-third of these are undiagnosed. More than 20 percent of those over 65 have diabetes. DOH states approximately 17 percent of New Mexicans over 40 years of age have diabetes and Hispanics and Native Americans are 2 to 3 time more likely than non-Hispanic whites to develop the disease. Complications resulting from diabetes can be circulatory problems, heart disease, heart attacks, loss of feeling in arms and legs, amputations, blindness, and death. In New Mexico during 2001, 552 individuals

died from diabetic complications, 307 had amputations, 128 lost their vision, and 18,000 hospitalizations related to diabetes. Yet, in many cases, on-set diabetes can be prevented or the complications minimized by life style-changes such as weight loss, proper diet, exercise, and medication. Better awareness and education can be effective in identifying and treating diabetic conditions.

DOH states the bill would allow expansion of education, prevention, and intervention services to help manage the disease and prevent or delay life threatening complications. It would provide health care professionals with standardized Diabetes Practice Guidelines, and provide publications targeted to populations with limited literacy skills especially non-English speaking Hispanics and Native Americans.

While DOH supports this bill, the agency requested a reduction of \$53.2 thousand in the FY05 appropriation budget request compared to the FY04 operating budget.

### **FISCAL IMPLICATIONS**

The appropriation of \$200 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 2005 shall revert to the general fund.

### **OTHER SUBSTANTIVE ISSUES**

This bill would require a contract to a non-profit to obtain these services. DOH has a full-time diabetic educator on staff that may be able to obtain and distribute the desired information without paying the additional costs associated with a contract. The department should be given the flexibility to use the appropriation to obtain the maximum outreach with the available funding by using what they determine to be the most appropriate method.

### **POSSIBLE QUESTIONS**

1. While did DOH request a reduction in diabetes outreach contracts in the FY05 appropriation request?
2. What is the first priority in diabetic outreach efforts?

GAC/yr