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FISCAL IMPACT REPORT

SPONSOR Beam DATE TYPED 02/02/04 HB HJM 32

SHORT TITLE Expand UNM Care & Care One Model Statewide SB _____

ANALYST Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)
 Health Policy Commission (HPC)
 Human Services Department (HSD)

SUMMARY

Synopsis of Bill

House Joint Memorial 32 requires the Human Services Department, in cooperation with the University of New Mexico Hospital, to conduct a study to explore ways to expand UNM Care and Care One statewide. The study includes analysis of the experience of the University of New Mexico Hospital with respect to potential benefits of care coordination, a comprehensive team approach, optimal, individualized care for patients, and payment policies of these programs. The study would also explore the ability of other hospitals to implement such programs. Findings of this study would be reported to the interim legislative health and human services committee at its October 2004 meeting.

According to the HSD, the University of New Mexico Hospital operates a health care program called UNM Care for adults who are not Medicaid eligible but have incomes lower than 235% of

federal poverty level. This program provides minimal health care services for this population and includes co-pays and premiums, depending on income. UNM has also started a pilot project to target high-risk clients in this program to facilitate improved health outcomes. This pilot project is called Care One.

Significant Issues

New Mexico has 412,000 persons without health insurance; one of the highest rates in the United States. In addition most primary care physicians and specialists are located in urban areas creating a severe health provider shortage statewide. Community hospital emergency rooms are often the only option for health care resulting in financial hardships on hospitals, providers, and patients.

HJM32 directs the Department of Human Services, in conjunction with the University of New Mexico (UNM) to study the UNM Care and Care One model for possible replication statewide. HJM32 indicates the University of New Mexico is already conducting a study to evaluate the effectiveness of the Care One program including financial impact, utilization of services, quality of care and patient satisfaction, and to test the workability of this model of care. It is anticipated the study directed by HJM32 would build upon the University findings, and not be a duplication of efforts.

Absent from the legislative language is any mention that the Department of Health or organizations representing the other New Mexico hospitals who should participate in this study.

OTHER SUBSTANTIVE ISSUES

A limitation of this program, HPC says, is that patients must have a social security number. The Care One program appropriately targets high cost conditions. Often however, these conditions occur in populations with restricted access to health care because of their undocumented immigrant status. They often do not have access to preventive care.

HPC reports that the UNM model programs serve residents with incomes below incomes of 235% of federal poverty. A family of one could have an annual income of up to \$21,103, or a family of four could have an annual income up to \$43,240.

AMENDMENTS

On Page 3, line 5, after “hospital” insert “and with the involvement of the Department of Health”.

Because the population served is not Medicaid eligible, this joint memorial might be amended to designate the Department of Health to conduct the study.

BD/dm:njw