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FISCAL IMPACT REPORT

SPONSOR Altamirano DATE TYPED 1/31/04 HB _____

SHORT TITLE Smart Moves Smoking Cessation Program Funding SB 192

ANALYST Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$2,000.0			Non-Recurring	General Fund Cash Balances

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	(\$2,000.0)		Non-Recurring	General Fund Cash Balances

Relates to Senate Bill 115 which requested an allocation from the Tobacco Settlement Program Fund for the same program.

SOURCES OF INFORMATION

LFC Files

Responses Received From

SUMMARY

Department of Health (DOH)
 Department of Finance & Administration (DFA)
 Health Policy Commission (HPC)

Synopsis of Bill

Senate Bill 192 appropriates \$ 2 million from the cash balances of the Prevention and Health Promotion Program of the Public Health Division of the Department of Health (PA1). The bill proposes to continue funding provided for the implementation of the evidence-based program, SMART Moves, to New Mexico youth.

Significant Issues

SB192 refers to the SMART Moves program as a smoking cessation program. It is important to note that SMART Moves is a prevention approach and it is not a smoking cessation program. It offers a full continuum of programming to include life skills development, prevention approaches and information related to alcohol, tobacco and other drugs, not only tobacco; it is a comprehensive prevention program using multiple strategies.

The SMART Moves program has been proven to be effective in preventing alcohol, tobacco, and other drugs (ATODs) when implemented with fidelity by trained staff.

Cigarette smoking is a leading cause of premature death in New Mexico. Each year, over 2,100 New Mexicans die from smoking caused illnesses. In any given year more individuals die from tobacco than from AIDS, alcohol, all illegal drugs, car crashes, fires, suicides and homicides combined.

Youth smoking rates in New Mexico appear to have decreased from 1990's to the present, which parallels trends seen at the national level. However in 2000, New Mexico led the nation in alcohol related deaths followed by Alaska and Wyoming. An approach such as SMART Moves can help mitigate ATODs.

New Mexico ranks as one of the leading states for per capita alcohol consumption and is also one of the leading states for alcohol related problems such as alcohol involved fatal crashes, cirrhosis, and alcohol-related deaths. While cessation is important, prevention is critical as it can reduce the future need for cessation and other treatment approaches.

FISCAL IMPLICATIONS

For FY05, both DFA and LFC have recommended \$700.0 for the program. If the bill is passed, the program would receive \$2.7 million in FY05, nearly tripling the size of the program.

SB192 appropriates \$2 million from estimated general fund cash balances from PA1. According to DOH, based on estimated potential reversions, the Public Health Division may revert \$67,252. Therefore, \$2 million would not be available from estimated cash balances from Public Health Division, and funding most likely not be available for the purposes of the bill.

Various funding sources have different requirements and already fund other critical public health services including Injury Prevention and Emergency Medical Services, and programs out of the County Health Offices.

This bill would greatly affect the Department of Health's ability to provide prevention services to more communities in New Mexico should these funds be taken from other programming currently contracted. With the rising costs of treatment, it is vital that more effort be placed in prevention. Future treatment needs are reduced when sound prevention approaches are employed.

ADMINISTRATIVE IMPLICATIONS

SB192 does not take into account the administrative costs related to program oversight and contract compliance issues. Numerous compliance and quality issues should be included, such as program evaluation, review of program data and reports, provision of technical assistance, the writing and amending of the contract, management of program files, report writing, site evaluations and other program visits. DOH recommends an additional two FTEs for program and contract management.

TECHNICAL ISSUES

DOH states that there are also other evidence-based approaches, which can meet the needs of New Mexicans and this bill limits prevention to one model program and one organization, which causes concern for adherence to the State's procurement process. Evidence based approaches are designed complete with evaluation protocols and have been tested in multiple communities and have been proven to be effective in reducing risk factors and increasing protective factors.

This bill would be improved by not limiting the choice of programs to SMART Moves. DOH indicates there are over 50 Best Practices from which to choose. Giving New Mexicans the option to choose an approach provides for stronger community support and for more tailored efforts.

DOH acknowledges that the SMART Moves program is not a cessation program but a full-scale evidence-based approach to prevention of use of smoking, alcohol and all other drugs.

OTHER SUBSTANTIVE ISSUES

In 2000, New Mexico had the highest death rate in the United States from drugs. Drug related deaths have been steadily increasing since 1990 and the peak death rate was seen in 2002 with Hispanics being hit the hardest of all racial/ethnic groups. Evidence-based prevention services are vitally important against such devastating trends. The \$2 million expenditure for prevention services with some of the funding dedicated towards administrative FTEs could help reverse the devastation.

AMENDMENTS

The bill would be improved by requiring evidence-based approaches as opposed to the selection of one program, namely, SMART Moves.

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