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## FISCAL IMPACT REPORT

SPONSOR Park DATE TYPED 01/31/05 HB 212

SHORT TITLE UNM Young Children's Medical Center SB \_\_\_\_\_

ANALYST Woods

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.

### SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Health (DOH)

No Response From

Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

House Bill 212 – Making an Appropriation to the University of New Mexico for a Young Children's Medical Center – appropriates \$100,000 from the general fund to the Board of Regents of the University of New Mexico for expenditure in FY06 to operate a young children's medical center in the southeast heights of Albuquerque. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

### Significant Issues

DOH notes that the Young Children's Health Center (YCHC) is a nationally recognized, best practice program for comprehensive community-based health care. It is an example of the Medical Home Model, addressing critical issues of poverty, the immigrant population, multiculturalism, and the *Children and Youth with Special Health Care Needs* population. DOH indicates that although YCHC has been level-funded for the past eight years, it has increased the scope of its services during five of those years, relying on Medicaid billings, and federal and private grants to meet operational expenses.

DOH adds that retention of skilled medical staff has been accomplished through minimal salary increases, and that a one-time allocation of \$75,000 was provided last year to help relieve the ongoing deficit. DOH indicates the following overview of patient services:

- over 10,000 child visits per year (50 percent under the age of five)
- 85 percent of the center's patients Medicaid recipients (this produces one-third of the center's revenue)
- 10 percent of patients have no insurance (the number is steadily increasing)

### **FISCAL IMPLICATIONS**

The appropriation of \$100,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

The CHE *2005-2006 Higher Education Funding Recommendation* recommends a \$281,100 appropriation for YCHC. This represents an 11.6 percent (or \$29,500) increase over YCHC's FY05 appropriation.

### **ADMINISTRATIVE IMPLICATIONS**

The University of New Mexico would retain oversight of this program.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.

### **OTHER SUBSTANTIVE ISSUES**

DOH indicates that YCHC provides a number of valuable services to the children of New Mexico including:

- the only Deaf Access Program in the state, serving over 70 children who are either hearing impaired or the children of deaf parents;
- immunizations;
- a nationally recognized effort in working with the *Children and Youth with Special*

- Health Care Needs* population, including transition issues; and
- an integrated behavioral health and primary care system that includes a child psychiatrist.

DOH additionally suggests that YCHC looks at the family in a social context and is partnering with the community with respect to addressing such issues as school health, violence and gang prevention.

**BFW/lg**