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FISCAL IMPACT REPORT

SPONSOR Robinson DATE TYPED 02-28-05 HB _____

SHORT TITLE UNM Young Children's Health Center SB 925

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$300.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.
Relates to HB212

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
Department of Health (DOH)

No Response Received From

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 925 – Making an Appropriation for the Operation of the Young Children's Health Center at the University of New Mexico – appropriates \$300,000 from the general fund to the Board of Regents of the University of New Mexico for expenditure in FY06 to support the operation of the Young Children's Health Center. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

DOH indicates that the Young Children's Health Center (YCHC) is a nationally recognized, successful model program for comprehensive community-based health care. It is an example of a medical home model, addressing critical issues of poverty, the immigrant population, multiculturalism, and the Children and Youth with Special Health Care Needs (CYSHCN) population. The center has been level-funded for the past eight years. It provides training for many University of New Mexico medical school professionals and has relied on Medicaid billing, federal and private grants for funding.

PED notes that YCHC was founded in 1981 and is a community-based pediatric clinic that provides comprehensive health services to families residing in the southeast heights of Albuquerque, an impoverished area with a multicultural and multiethnic background. Special components to this clinic include home visitation, behavioral health services, case management, outreach activities to schools and the local community center and several other neighboring activities.

Although YCHC is a department of UNM Children's Hospital, the center is not financially supported by the university and is responsible for independent budgeting and financing. Due to changes in Medicaid and losses in grant funds, as well as mandated salary increases for pediatricians and the nursing shortage, which has driven salary costs up, the clinic faces a significant deficit in FY06 and will be forced to discontinue the Deaf Access Program, among other cuts. In 2004, YCHC served 2,765 pediatric patients with 9,709 encounters and 7,085 immunizations.

This program was not included in the CHE's *2005-2006 Higher Education Funding Recommendation*.

PERFORMANCE IMPLICATIONS

DOH notes that the legislation is consistent with the department's strategic plan: Program Area 1, *Improving the Health of New Mexicans*, and Program Area 2, *Improving Access to Health Services*.

FISCAL IMPLICATIONS

The appropriation of \$300,000 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.

ADMINISTRATIVE IMPLICATIONS

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

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

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

Relates to HB212 in that HB212 seeks to appropriate \$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

SUBSTANTIVE ISSUES

As general background, DOH indicates that although the Young Children's Health Center has been level-funded for the past eight years, the center has managed to increase the scope of its services during the past five of those years without any measurable increase in funding. A one-time allocation of \$75,000 was provided last year to help relieve the ongoing deficit. The center receives over 10,000 child visits per year; of which 50 percent are under the age of five. Eighty-five percent of the center's patients are on Medicaid – producing one-third of the center's revenue – while another 10 percent of the patients have no insurance, a number that has been steadily increasing. Most of the center's patients are Hispanic, and all of the center's staff are bilingual.

DOH adds that the Young Children's Health Center provides a number of valuable services to the children of New Mexico. These include 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. The center looks at the family in a social context and is partnering with the community in addressing such issues such as school health, violence prevention, gang prevention and other forms of community networking.

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