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FISCAL IMPACT REPORT

SPONSOR Begaye DATE TYPED 2-11-05 HB 552

SHORT TITLE School-Based Health Clinic Support SB _____

ANALYST Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$2,000.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$600.0			Federal (Medicaid)

(Parenthesis () Indicate Revenue Decreases)

Duplicates SB 761

SOURCES OF INFORMATION

LFC Files

Responses Received From

- Department of Health (DOH)
- Public Education Department (PED)
- Commission on Higher Education (CHE)
- Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 552 appropriates \$2 million from the general fund to DOH for the purpose of supporting existing school-based health clinics statewide.

Significant Issues

DOH states the National Assembly on School-Based Health Care estimates for school-based health centers (SBHC) funding ranges from \$150 thousand to \$200 thousand per year for operational expenses while state funding in New Mexico for SBHCs is \$20 thousand to \$50 thousand per year.

PED notes more than one-fifth of New Mexico's children have no health insurance. New Mexico has the nation's highest rate of uninsured children. PED indicates half of SBHCs serve urban communities, half serve rural communities and half serve only high school students. The SBHCs provide an accessible location in schools where students can receive a wide variety of medical and behavioral health and prevention care services. SBHCs provide trained, licensed professional health care providers. PED notes, through SBHCs, students learn how to use medical services in a non-threatening environment, with referrals made to appropriate community providers. They do not miss school to receive health care.

DFA notes each SBHCs offers three different levels of service. Level one (basic) provides a minimum of four hours of primary care and four hours of behavioral health services per week. Level two provides a minimum of sixteen hours of primary care and sixteen hours of behavioral health services per week. Level three (comprehensive) provides a minimum of forty hours each of primary and behavioral health care. Of the 34 existing SBHCs, 15 centers provide level one care, seven provide level two care and two provide level three care.

Most of the visits students make to SBHCs are for primary care. About one quarter of the visits are for family planning or sexually transmitted diseases. Another 15 percent to 20 percent are for mental health services. Most of the students who visit a SBHC might not receive health care services otherwise.

FISCAL IMPLICATIONS

The appropriation of \$2 million 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.

DOH notes the Human Services Department (HSD) would be able to draw down federal Medicaid matching funds based on the percentage of Medicaid-eligible children served by the existing SBHCs. It is estimated that the federal match would be approximately \$600 thousand (based on a 30 percent Medicaid-eligibility rate). HSD would require that DOH use these funds to improve and expand SBHC staffing and support.

DFA notes existing sites currently operate on a combined annual budget of \$500 thousand from the general fund. Some of the existing sites receive federal or foundation support from other sources. An additional \$2 million could potentially elevate all 34 existing sites to level three facilities. According to DOH analysis, \$1 million will elevate each existing site by one level. For instance, \$75 thousand for the SBHC at Taos High School would add one mental health provider and one clinic coordinator who can cover Medicaid billing. These added services would change the currently level of the Taos SBHC from level one to level two.

The executive recommendation includes \$3 million to PED for support of new school-based health clinics.

ADMINISTRATIVE IMPLICATIONS

DOH indicates a joint powers agreement would need to exist between DOH and HSD. DOH would be charged with the procurement process, contract monitoring, program oversight and providing technical assistance to the funded SBHCs. HSD would be responsible for obtaining federal Medicaid match and to ensure compliance with Medicaid requirements.

DUPLICATION

House Bill 552 duplicates Senate Bill 761.

TECHNICAL ISSUES

CHE suggests the bill be clarified to state whether these school-based health clinics are K-12 or whether or not this appropriation would include health clinics at the state funded higher education institutions.

OTHER SUBSTANTIVE ISSUES

DOH notes SBHCs provide a mechanism for the delivery of needed health services to school-aged children and become the focus for tackling some of the health challenges faced by New Mexicans: teen pregnancy, youth suicide, obesity, substance abuse. They are a proven intervention to improve preventive care for the adolescent population who do not normally seek care in the community health care system. SBHCs emphasize early detection, prevention of physical and mental health problems, and reduce the inappropriate use of emergency room services.

KBC/njw