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FISCAL IMPACT REPORT

ORIGINAL DATE 1-20-06

SPONSOR Moore LAST UPDATED _____ HB 75

SHORT TITLE Quay and Union County Kidney Dialysis Units SB _____

ANALYST Collard

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$400.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Health Policy Commission (HPC)

SUMMARY

House Bill 75 appropriates \$400 thousand from the general fund to the Department of Health for the purpose of funding kidney dialysis units in Quay and Union counties.

FISCAL IMPLICATIONS

The appropriation of \$400 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 shall revert to the general fund.

SIGNIFICANT ISSUES

DOH indicates this bill attempts to address a need for dialysis patients in Quay and Union counties who currently have to travel 85 or more miles 2-3 times per week to urban centers in New Mexico or Texas to receive appropriate treatment.

HPC research indicates the following about end state renal disease: according to DOH, approximately 1 in 11 adults in New Mexico has diabetes. Diabetes is the leading cause of end-stage

renal disease (ESRD), or kidney failure. In 2004, diabetes accounted for about 60 percent of new cases of ESRD. There were 354 new cases of ESRD among New Mexicans with diabetes. A total of 1,358 patients with diabetes were in dialysis.

Regarding lack of kidney dialysis units, HPC notes due to the lack of kidney dialysis units certain residents of Quay and Union counties who require kidney dialysis must travel far distances in order to receive treatment. There are approximately eight persons from Union County who require kidney dialysis and must travel in order to receive treatment. The number of persons from Quay County who require kidney dialysis and must travel to receive treatment is not available at this time.

Possible barriers to new kidney dialysis units, according to HPC, are certain dialysis equipment, such as a dialysis machine, is needed to perform kidney dialysis, and persons with the necessary skills to operate the equipment are needed. Certain qualifications are required of technicians performing kidney dialysis. There may be a lack of persons qualified to perform kidney dialysis in Quay and Union counties.

ADMINISTRATIVE IMPLICATIONS

DOH notes there may be administrative implications associated with procurement and state licensing and regulation. There would be administrative implications associated with the need for specially trained staff and a clinic site designated for each of the units.

POSSIBLE QUESTIONS

- 1) Does the equipment needed to carry out the provisions of this bill currently exist?
- 2) Is the funding intended for capital outlay purchases or is it intended for operational expenses, i.e – salaries, travel, etc?
- 3) Will DOH require additional FTE to carry out the provisions of this bill?

KBC/mt