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FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/2007

SPONSOR MJ Garcia LAST UPDATED _____ HB _____

SHORT TITLE Dental Hygiene Program Development SB 35

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$1,530.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 242.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Health Policy Commission (HPC)
Higher Education Department (NMHED)

SUMMARY

Synopsis of Bill

Senate Bill 35 appropriates \$1.53 million from the General Fund for expenditure in FY08 and FY09 for dental hygiene program start-up funding in the following amounts:

- \$525.0 thousand to the Board of Regents of New Mexico State University for Dona Ana Community College;
- \$525.0 thousand to the Board of Regents of Eastern New Mexico University for the Roswell branch campus;
- \$350.0 thousand for Luna Community College; and
- \$130.0 thousand to the Higher Education Department for a new interactive distance education program for dental hygiene and dental assistance degree programs.

FISCAL IMPLICATIONS

The appropriation of \$1.53 million contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the General Fund.

SIGNIFICANT ISSUES

The NMHED analysis notes that \$499,600 was appropriated in FY07, under HB2 Ch.109 and SB415 Ch.110, for the start-up of distance education programs for dental hygiene and the development of dental hygiene programs as follows:

- FY07 SB415 Chapter 110 appropriated \$100,000 to the New Mexico Higher Education Department (NMHED) to contract with the statewide association of community colleges to develop and implement an interactive distance learning program to teach dental hygiene and dental assisting statewide.
- FY07 HB2 Chapter 109 appropriated \$50,000 to Luna Community College for the start-up of a dental hygiene program administered through the New Mexico Higher Education Department.
- FY07 HB2 Chapter 109 appropriated \$169,800 to New Mexico State University Dona Ana Branch Community College for the start-up of a dental hygiene program.
- FY07 HB2 Chapter 109 appropriated \$139,800 to Eastern New Mexico University Roswell branch campus for the start-up of a dental hygiene program.

According to HED, there is a current Memo of Understanding in place with New Mexico Association of Community Colleges in the amount of \$140,000. The Roswell's program is operational and the proposed appropriation will help to sustain the dental hygiene program. The Dona Ana Community College appropriation funded the purchase dental hygiene equipment and helped sustain the program until the FTE funds become available.

ENMU-Roswell is requesting \$126,500 (FY 2008) for an expansion of the collaborative dental hygiene program with the University of New Mexico. Luna Community College conducted an FY 2007 dental hygienist self-study in preparation for a dental hygiene program and has a special FY 2008 request for \$335,200 for equipment and staff. Dona Ana Community College has been granting dental assistant certificates since 2002-03 and is requesting \$100,000 in FY08 for the dental hygiene program.

NMHED has recommended funding in the amount of \$500,000 in FY08 for the continuation of dental hygiene programs as established in FY07.

The Legislative Finance Committee budget recommendation includes \$500,000 for “dental hygiene initiatives.”

PERFORMANCE IMPLICATIONS

The bill does not specifically place an emphasis on linking the initiative to the state’s strategic plans for health, economic development or higher education and does not address performance accountability components, such as outcomes-oriented performance measures.

RELATIONSHIP

Senate Bill 35 is directly related to House Bill 242 (DENTAL HYGIENIST STUDENT LOAN FOR SERVICE ACT) which also proposes to increase the number of dental hygienists.

OTHER SUBSTANTIVE ISSUES

The Health Policy Commission and the Higher Education Department note that New Mexico ranks near the bottom of the fifty states in dental hygienists per 100,000 populations. The national average of hygienists per 100,000 populations is 52, with New Mexico at 39:100,000. The New Mexico Health Policy Commission estimates New Mexico needs 228 new hygienists per year to meet the national guidelines.

When community colleges and universities add new programs, the programs must be funded from the institutional budgets for two years before the institutions can request state formula funds. Two-year dental hygiene programs, in particular, are extremely expensive to set up and operate and there is a need for up-front, operating appropriations

ALTERNATIVES

Laws of 1993, Chapter 389 (Senate Bill 370) established the higher education program development enhancement fund to address critical state issues, including work force and professional training, instructional program enhancements and development of mission-specific instructional programs. This program development enhancement fund is intended to provide a planning and prioritization framework as well as start-up funding for type of initiative.

Higher education institutions receive indirect cost revenues from federal contracts and grants. Further, this money is unrestricted in the sense that the governing board of the institution has the flexibility to choose which projects are supported with these funds. One of the purposes of retaining these funds is to provide seed money and matching funds for projects such as those proposed in this bill.

POSSIBLE QUESTIONS

1. How many dental hygienists would enter the New Mexico labor market per year as Result of this funding proposal?
2. What performance accountability would be required?

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