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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/08

SPONSOR Foley LAST UPDATED _____ HB 536

SHORT TITLE Indigent Cancer Patient Services SB _____

ANALYST Geisler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$60.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to several bills (see below)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 536 would appropriate \$60,000 to the Department of Health (DOH) from the general fund in Fiscal Year 2009 to provide services to indigent cancer patients in Chaves, Eddy, Lea and Lincoln counties. Services would include home health, medications, transportation and other direct services related to cancer care. Any unexpended balance remaining at the end of FY09 shall revert to the general fund.

FISCAL IMPLICATIONS

DOH notes that funding for services for indigent cancer patients is included in both the Legislative and Executive base budget recommendations. Specifically, the funding is \$92,000 to provide services to indigent cancer patients in Chaves, Eddy, Lea and Lincoln counties, including home health services, medications, and transportation (SB 611 - Laws 2007, Chapter 21, Section 26, Item 8). Also, the current Senate Finance Committee substitute for SB 165 provides \$50 thousand for this purpose.

SIGNIFICANT ISSUES

As a largely rural state, some New Mexico citizens must travel long distances to reach healthcare facilities. Many New Mexicans are unable to access care due to a lack of transportation. Some areas of the state have programs that provide limited transportation assistance for patients traveling to and from treatment. Service delivery to cancer patients by government and non-government agencies is impeded by factors such as competing health needs, insufficient funding and limited accessibility. Many remote areas are faced with underdeveloped primary healthcare infrastructure, as well as limited financial, equipment, and human resources to serve their catchment areas.

Access to cancer care is facilitated by insurance coverage and/or the user's ability to pay for care. In 2005, more than 23 percent of New Mexicans under age 65 were uninsured, compared to 17.9 percent for the U.S. (NM Health Policy Commission, January 2007). Given that New Mexico's population is ranked among the poorest in the nation, it is not surprising that many New Mexicans, especially those who are un- or under-insured, face financial barriers when trying to access cancer care. For the working poor, leaving work for medical care adds to their financial burden. Low-income families are sometimes unable to afford private health insurance, yet they may still be ineligible for government healthcare programs.

ADMINISTRATIVE IMPLICATIONS

DOH currently contracts with the Community Foundation of Chaves County to provide the services in the four counties included in HB536. Distribution of this appropriation would require application and/or Request for Proposal (RFP) processes. The increase in administrative workload could be accommodated by existing staff.

DUPLICATION AND RELATIONSHIP

SB 165 contains \$50 thousand for the same purpose as HB 536. HB 536 relates to HB35, which would appropriate \$500,000 from the general fund to DOH to fund screening and treatment of breast and cervical cancer. HB 536 also relates to HB 98, which would appropriate \$25,000 from the general fund to DOH to provide for volunteer-led clinics to help cancer patients or caregivers navigate legal, insurance and paperwork issues, and to supply cancer patients or caregivers with a cancer treatment organizer tool. HB 536 relates to HB 381, which would enact a newly created section to the New Mexico Drug, Device and Cosmetic Act to allow for unused and unadulterated prescription cancer medications to be donated by a cancer patient or the patient's family to a healthcare facility or to a pharmacy that elects to participate in the program.

HB 536 also relates to SB 199, which would appropriate \$1,500,000 to DOH to develop and implement a statewide voucher program to provide baseline mammograms to women in low-income households.

GG/bb