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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/12
 LAST UPDATED 02/06/12 **HB** 199/HHGAC

SPONSOR HHGAC

SHORT TITLE UNM Nurse-Midwifery Program **SB** _____

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
\$640.0		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

*See Fiscal Impact discussion below.

Relates to Appropriation in the General Appropriation Act, Section 4, J Higher Education, University of New Mexico Health Sciences Center.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Higher Education Department (HED)

University of New Mexico (UNM) Health Sciences Center (HSC)

N.M. Board of Nursing (Board)

SUMMARY

Synopsis of HHGAC Substitute

The House Health and Government Affairs Committee substitute for House Bill 199 appropriates \$230 thousand in fiscal year 2013 and \$410 thousand in fiscal year 2014 from the general fund to the board of regents of UNM for the family nurse practitioner program in the college of nursing at the UNM HSC. This committee substitute changes the purpose of the original bill and appropriates the same total general fund amount, but over two fiscal years instead of the original bill's single fiscal year.

FISCAL IMPLICATIONS

The appropriation of \$230 thousand for fiscal year 2013 and \$410 thousand for fiscal year 2014 are recurring expenses to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

The bill would allow the HSC's family nurse practitioner program to fund the institutional costs of adding 10 new students to the two-year program. Institutional costs would include the additional faculty, faculty travel, and a portion of student travel costs. The HSC recognizes that students have limited funds available for the program's required travel to rural areas in New Mexico, and the higher appropriation level for fiscal year 2014 represents needed travel assistance.

The HED noted that this bill to support an expansion of the family nurse practitioner program was not presented by the UNM HSC as part of the department's annual review of existing and new research and public service projects in October 2011, and the department did not recommend such an expansion as part of its FY13 general fund budget request.

While the HSC requested an additional \$730 thousand, or a 100 percent increase over its fiscal year 2012 general fund level, to support its bachelors of science in nursing program, neither the HED or Executive supported this increase in its fiscal year 2013. The House Appropriations and Finance Committee (HAFC) included a \$100 thousand increase for the HSC nursing education program over fiscal year 2012 levels in the committee substitute for House Bill 2.

SIGNIFICANT ISSUES

According to the HED and HSC, the family nurse practitioner program is a 6 semester, sequential, full-time graduate program culminating in the degree of master of science in nursing (MSN). The focus of the family nurse practitioner specialty is on primary care, especially for rural and under-served populations. Graduates are eligible for national nurse practitioner certification and licensure in New Mexico and all other U.S. states after successful completion of national certification exams. The attached map reports the number of nurse practitioners by county (2012, UNM HSC data).

While the HED and the HSC note a concern that this bill would not support the additional operational costs past fiscal year 2014, the HSC college of nursing recognizes that a one-time increase of 10 family nurse practitioners would still have a positive impact on the availability of primary care services to areas of rural New Mexico, many of which are chronically medically underserved.

PERFORMANCE IMPLICATIONS

The HSC maintains annual performance measures to comply with the Accountability in Government Act, and many measures record pass rates on national nursing licensing examinations. Should this bill pass, additional measures may be developed to monitor the number of additional students enrolled in the family nurse practitioner program and where the individuals are placed upon graduation.

TECHNICAL ISSUES

Recognizing the program's structure and apparent requirement for additional funding in the second year of the program, the Legislature may consider appropriating the entire appropriation amount in fiscal year 2013 and providing budget flexibility to the HSC, HED, and DFA over two fiscal years. If this approach is considered, the time to expend funds should be through fiscal year 2014 with any unexpended balance remaining at the end of fiscal 2014 reverting to the

general fund.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The HSC's college of nursing will continue to receive the fiscal year 2012 general fund level for the family nurse practitioner program as part of the HSC's instruction and general funding for FY13. The HSC reports that approximately \$586 thousand was spent in fiscal year 2011 for family nurse practitioner program faculty and staff salaries and fringe benefits.

THT/amm

Nurse Practitioners by County 2012

