F I S C A L I M P A C T R E P O R T

SPONSOR Lundstrom **ORIGINAL DATE** 02/22/13 **LAST UPDATED** **HM** 48

SHORT TITLE Create NM Liver Transplantation Institute **SB**

ANALYST Esquibel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	**FY14**		
NFI	NFI	NFI	NFI

(Parenthesis ( ) Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
University of New Mexico Health Sciences Center (UNMHSC)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Memorial 48 (HM 48) requests the Department of Health (DOH) and the University of New Mexico Hospital (UNMH) conduct a feasibility study and develop a Memorandum of Understanding with other health providers to create a liver transplantation institute in New Mexico.

FISCAL IMPLICATIONS

The memorial contains no appropriation.

The University of New Mexico Health Sciences Center indicates a liver transplant can cost between $250 thousand to $300 thousand per patient. The hospital stay can last between 4-10 weeks or 28-70 patient days. Using the current kidney transplantation rate at UNM Hospital, 30 patients were transplanted in the last 12 months. With Hepatitis C on the rise and other social risk factors that can increase the incidence of chronic liver disease, it would be expected that more than 30 patients would need or require liver transplantation annually. At a modest estimate of 30 transplants, these would cost the organization $7.5 million and $9 million.

Additionally, transplantation programs require intensive regulatory review, compliance efforts and staff support for both the outpatient and inpatient (including operating room) environments. These factors could add additional costs of approximately $3 million.

SIGNIFICANT ISSUES

The UNMHSC indicates liver transplantation can become the best treatment for some forms of severe chronic liver disease. A strict and nationally observed system for organ allocation governs priority in part because there are more people in need of liver transplantation than there are available livers. A patient's position on the "transplant list" is determined by the severity of their disease.

Since New Mexico has no liver transplant program, the UNM liver clinic coordinates care of these patients in collaboration with transplant centers in Arizona, Colorado and Texas among others. A full time nurse-coordinator is crucial to both the process of evaluating for transplantation potential as well as post-operative management and working closely with members of the UNMH Gastroenterology and Hepatology Division.

PERFORMANCE IMPLICATIONS

Despite the emergence of hepatitis C as an important cause of chronic liver disease (CLD) death during the period 1981-2004, excessive alcohol consumption remained the leading cause of CLD death in both New Mexico and the United States throughout this period, with the majority of CLD deaths (roughly 60% in New Mexico, more than 50% in the United States) remaining alcohol related. Moreover, while total and alcohol related CLD death rates declined significantly in the United States, New Mexico's total and alcohol-related CLD death rates increased significantly during this period. (Roeber, New Mexico Epidemiology, September 7, 2007) In 2011, 461 deaths were attributable to chronic liver disease and cirrhosis in New Mexico. In that same year, 873 hospitalizations were related to chronic liver disease and cirrhosis. (http://ibis.health.state.nm.us).

ADMINISTRATIVE IMPLICATIONS

If HM 48 is enacted, DOH would participate in the feasibility study for a liver transplantation institute; however DOH would defer to the UNMH and other medical providers to implement the requirements of HM 48.

OTHER SUBSTANTIVE ISSUES

The DOH Hepatitis Prevention Program is engaged in several activities to increase the awareness and prevention of viral hepatitis among high-risk populations. The Hepatitis Program offers free hepatitis A and B immunization to the following high risk adults:

- Persons who are current injection drug users and their sexual contacts;
- Men who have sex with men and their sexual contacts;
- Persons living with hepatitis C;
- Persons living with HIV/AIDS;
- Persons living with chronic hepatitis B;
- Persons from endemic areas;
- Heterosexuals with more than one sex partner in the last six months;

- Persons diagnosed with a sexually transmitted disease; and
- Household and sexual contacts of people infected with hepatitis B.

The DOH Harm Reduction Program works to reduce drug-related harm while enhancing individual, family, and community wellness, primarily through the provision of linguistically appropriate and culturally competent services to injection drug users. To achieve this, the DOH Harm Reduction Program works to:

- Reduce the transmission of bloodborne infections, including hepatitis & HIV, to limit the frequency of physical injury from abscesses & vein damage, and to minimize other diseases such as endocarditic & septicemia;
- Educate participants on ways to reduce the potential for harm associated with their substance use and other high-risk activities;
- Facilitate access to other health-related services including traditional preventive and primary medical care, as well as alternative healthcare resources;
- Act as a conduit for referring participants to substance use treatment when requested;
- Refer clients to behavioral health and other social services such as housing, benefits programs and other supportive services; and
- Support participants within the parameters of providing professional services.

RAE/blm