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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/24/13  
 SPONSOR Kernan LAST UPDATED 02/28/13 HB \_\_\_\_\_  
 SHORT TITLE UNM Health Center Autopsy Transport SB 123  
 ANALYST Hartzler-Toon

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$565.1	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>			\$565.1	\$565.1	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act, University of New Mexico, Health Sciences Center, Office of Medical Investigator.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

University of New Mexico Health Sciences Center (UNM HSC)

Office of Medical Investigator (OMI)

### SUMMARY

#### Synopsis of Bill

Senate Bill 123 makes a \$565.1 thousand general fund appropriation to the UNM HSC to pay for the return transport of autopsy subjects and to pay for utilities at the office of the state medical investigator.

## FISCAL IMPLICATIONS

The appropriation of \$565.1 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund.

The OMI, under the UNM HSC, receives a recurring general fund appropriation in the General Appropriation Act. As part of the HED's process for considering FY14 budget expansions, the OMI requested an expansion of the office's general fund appropriation, totaling \$565.1 thousand, to reinstate state payment to transport decedents back to one's home community and pay for increased utility costs associated with moving to the New Mexico Scientific Laboratory.

House Bill 2 includes a \$250 thousand increase to the OMI's general fund appropriation to cover back transport costs and an additional \$65.5 thousand to cover the employer 1.5 percent retirement swap and 0.75 percent retirement increase. House Bill 2 does not include the \$302 thousand in general fund appropriations requested for utilities or \$13.1 thousand for estimated balance for back transport costs. If HB 2, as passed by the House, and SB 123 are enacted, the OMI would receive a total general fund appropriation of \$5,326.3 thousand, an \$880 thousand or 20 percent increase over FY13 general fund levels.

## SIGNIFICANT ISSUES

The OMI summarized the following issues in the office's FY14 budget expansion request:

### **1. Reinstate funding for back transport of decedents -- \$263.1 thousand**

Prior to the economic downturn in NM, OMI paid for the transportation of decedents to OMI and back to the decedent's home community. Due to several years of appropriations reductions, OMI ceased paying transporters for the back transport in FY12. The back transport cost is now borne by the funeral homes, who generally pass the cost to the family, causing financial hardship for families who live a great distance from the OMI. With the request fully funded the OMI will be able to reinstate paying for back transport. This will accomplish two objectives:

- a) relieve individual families from the financial burden of having their loved one transported back home, and
- b) control and predict the cost of this service via the existing transport contracts OMI has negotiated with transport service providers.

### **2. Increase appropriations to cover increased cost of utilities - \$302 thousand**

In FY11, the OMI moved from an 18,000 sq ft facility with inadequate ventilation systems and very limited equipment to an approximately 60,000 sq. ft. facility that provides room for growth and significantly enhanced safety for staff and the public.

The number of autopsy tables has gone from six to 16, including four separate isolation rooms for autopsy and one isolation room for anthropology. The new facility includes the containment lab autopsy suite, which is designed as a BioSafety Level 3 (BSL-3) facility. The facility attained this classification because (1) the autopsy suite itself is under complete and progressive negative pressure, (2) there are multiple air exchanges-per-hour that go through HEPA filters before being released outside the building, (3) all effluent from the autopsy tables is processed through a decontamination system before

being released to the sewers, (4) two large walk-in autoclaves (sterilizers) decontaminate medical waste before being removed from the autopsy suite, and (5) a high-pressure decontaminating gurney washer is used to clean contaminated body trays.

In addition, the OMI added two new energy-using pieces of diagnostic equipment, the wide-bore 16-slice CT scanner and the 1.5T MRI scanner. All the upgraded safety features and imaging equipment use a significant amount of power and water to operate.

Though the building is LEED silver certified facility, the utilities expense is more than double the cost at the older, inadequate facility.

### **PERFORMANCE IMPLICATIONS**

The OMI reports performance measures under the Accountability in Government Act, though none address the expenditures described above.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

The OMI receives a general fund appropriation under the UNM HSC in the General Appropriation Act. HB11 includes the LFC's FY14 budget recommendation, or the \$250 thousand increase over FY13 general fund levels to cover back transport costs. If HB11 is adopted directly or as part of the House Appropriations and Finance Committee's HB2 substitute, the OMI could receive an additional \$250 thousand should SB123 also be enacted.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If SB123 is not enacted, the families will continue to pay for back transport of decedents as they have since FY12. The OMI's utility costs cannot be reduced sufficiently to eliminate the \$302 thousand increase in costs, and resources would have to be reallocated to satisfy these expenses.

THT/svb:blm