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FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/13

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE Veterans Medical Center Transportation SB 322

ANALYST Esquibel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$75.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Veterans' Services Department (VSD)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Bill 322 (SB 322) appropriates \$75 thousand in general fund revenue to the Department of Health (DOH) to contract for the transportation of veterans from a central location in Las Vegas to the Veterans' Affairs Medical Center in Albuquerque.

FISCAL IMPLICATIONS

The appropriation of \$75 thousand contained in SB 322 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 DOH indicates it would use a minimum of 5 percent of the amount appropriated for the department's administrative overhead costs associated with administration of the program.

SIGNIFICANT ISSUES

The Veterans' Services Department (VSD) reports according to the latest figures provided by the Veterans' Affairs (VA) regional office in Albuquerque, there are just over 3,900 veterans in San

Miguel, Mora, and Guadalupe counties. Many of these veterans travel over 100 miles one way to the VA Medical Center in Albuquerque for their medical appointments. For the older veterans, they must have a family member or other veteran drive for them. If a veteran misses an appointment with the VA, their benefits claim will be stalled while another appointment is set. If the veteran is travelling to a scheduled medical appointment and they are not able to make it, it usually takes up to 6 months to get another appointment.

Transportation has been an issue state wide and VSD has entered into a contract with the Disabled American Veterans (DAV) of New Mexico to reach rural New Mexico and transport veterans to and from their medical appointment. This annual contract is in the amount of \$105 thousand. The DAV transported 141 veterans for a total of 159,056 miles statewide in FY12.

ADMINISTRATIVE IMPLICATIONS

The VSD indicates the contractor would need to meet the health standards set up by the Veterans' Administration Medical Center in order to transport groups of veterans to the medical center. Each driver will need to go through a full physical and background check.

TECHNICAL ISSUES

The DOH indicates it does not currently operate a transportation service and may not be the most appropriate agency to receive this appropriation and provide the service proposed in SB 322. The New Mexico Veterans' Services Department may be a more appropriate recipient.

OTHER SUBSTANTIVE ISSUES

The DOH indicates according to the U.S. Census, between 2007 and 2011, there were 407 veterans in Guadalupe County, 568 veterans in Mora County, and 2,530 veterans in San Miguel County (<http://quickfacts.census.gov/qfd/states/35/35019.html>, retrieved on 1/30/13; <http://quickfacts.census.gov/qfd/states/35/35033.html>, retrieved on 1/30/13 and, <http://quickfacts.census.gov/qfd/states/35/35047.html>, retrieved on 1/30/13). Two of the three counties prioritized in SB 322 (Guadalupe County and Mora County) are classified as counties with a health professional shortage.

According to Mooney et al (2000), "lengthy travel distances ... explain why relatively few veterans in the United States use VA hospitals for inpatient medical/surgical care" (<http://www.ncbi.nlm.nih.gov/pubmed/10798329>, retrieved on 1/30/13). Rural-area veterans travel further for medical care than veterans who live in areas of high population density. One study found that distance is the most important barrier for rural veterans seeking healthcare. (Buzza et al, 2011) Patient factors compounding the impact of the barrier were health status, functional impairment, travel cost, and work or family obligations (<http://www.ncbi.nlm.nih.gov/pubmed/21989617>, retrieved on 1/30/13).