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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 01/19/14  
**SPONSOR** Cote **LAST UPDATED** \_\_\_\_\_ **HB** 95

**SHORT TITLE** NMSU- Dona Ana CC Dental Hygiene Clinic **SB** \_\_\_\_\_

**ANALYST** Hartzler-Toon

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$225.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$225.0	\$225.0	\$450.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act: Section J, Higher Education, New Mexico State University, Research and Public Service Projects

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico State University (NMSU)

### SUMMARY

#### Synopsis of Bill

House Bill 95 appropriates \$225 thousand from the general fund to NMSU to support the DACC's dental hygiene clinic.

### FISCAL IMPLICATIONS

The appropriation of \$225 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY15 shall revert to the general fund.

NMSU DACC has received capital outlay funds for the clinic (\$375 thousand, FY06) and start-up operations and equipment funding in FY06, FY07, and FY08 (\$250 thousand). NMSU submitted a FY15 budget request for the clinic to the Higher Education Department (HED) as part of the department's process for considering research and public service projects. NMSU requested \$225 thousand. The HED did not request general fund support for this project, and the Executive recommendation did not include funding. The LFC's FY15 recommendation included \$75 thousand for the clinic. If HB 95 were enacted and the Legislature adopted the LFC recommendation in HB 2, the clinic could receive \$300 thousand in general fund appropriations for FY15.

Should HB 95 be included in Section 4 of the General Appropriation Act, the funding would be considered a recurring expense to the general fund. The HB 95 FIR Appropriations and Estimated Additional Operating Expenses Tables categorize the \$225 thousand appropriation as a recurring expense though bill language states the funding is nonrecurring.

### **SIGNIFICANT ISSUES**

According to NMSU DACC,

The clinic is operated at the NMSU Dóna Ana campus in support of the dental hygiene associate degree program. The program prepares students to practice entry-level dental hygiene in private dental offices, hospitals, and public health agencies and accepts cohorts of 12 students annually. Approximately 1,200 patients were served in 2012-13.

The high cost of operating a dental clinic could inhibit the NMSU Dóna Ana Dental Hygiene Program. Because of the clinic, the cost to operate the program is over twice as much as other health related programs. The cost to operate the clinic is above the state I&G formula funding provided to cover the dental hygiene program's cost of instruction. The clinic began operation in fall 2008 after the Legislature provided funding to start up the Dental Hygiene Program.

The clinic is a requirement of accreditation for the Associate Degree dental hygiene program, providing practicum hours for students and preventative dental hygiene services to the public. Because the Commission on Dental Education Accreditation Guidelines require that dental hygiene students receive their training under the direct supervision and control of the Program, an on-site clinic is required. Otherwise it is mandatory to contract with a public service agency for use of facilities while providing for qualified instructors. Typically, a minimum of 28-30 hours a week of clinical time is needed to provide sufficient practice time for all students.

### **PERFORMANCE IMPLICATIONS**

The NMSU Dóna Ana Dental Hygiene Program graduates up to 12 trained and licensable students ready to fulfill workforce demands in southern New Mexico. Jobs for dental hygienists provide high wages in New Mexico with an average salary of around \$70,000 in 2012. NMSU DACC reports that "the program helps to relieve a shortage of dental hygienists in New Mexico, and improve the oral health of its citizens. Of the 57 graduates of the program in the past five years, 49 are working in New Mexico, 3 in El Paso, and 5 in another state."

In addition to producing trained healthcare workers, the program operates an on-site clinic, which in FY13 served an estimated 1,200 patients. The vast majority of patients served by the clinic are uninsured or underinsured individuals from low-income families or are college students on limited budgets. The dental clinic is shared with the NMSU Dona Ana Dental Assistant Program where students learn to work chair-side with practicing clinicians.

**RELATIONSHIP**

HB 95 relates to the General Appropriation Act, Section J Higher Education, New Mexico State University, Research and Public Service Projects.

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

The program will not receive state general fund appropriations and program resources will be strained. Without a dental clinic, the accreditation of the dental hygiene program will be jeopardized.

THT/svb