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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 1/25/2015  
**SPONSOR** Papen **LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

**SHORT TITLE** NMSU Mental Health Nurses Staying in NM **SB** 48

**ANALYST** Hartzler

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	\$395.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		
	\$364.7	\$364.7	Recurring	NMSU Institutional Funds, Tuition/Fees

(Parenthesis ( ) Indicate Revenue Decreases)

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

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$105.0	\$350.0	\$455.0	Nonrecurring	General Fund
		\$395.0	\$395.0	\$790.0	Recurring	General Fund
<b>Total</b>		\$500.0	\$745.0	\$1,245.0		

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act, Section 4J, Higher Education, New Mexico State University, Research and Public Service Projects, Mental Health Nurse Practitioner

### SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico State University (NMSU)

University of New Mexico Health Sciences Center (UNM HSC)

**SUMMARY**

Synopsis of Bill

Senate Bill 48 appropriates \$395 thousand from the general fund to the board of regents at New Mexico State University to increase the number of psychiatric mental health nurse practitioners that graduate from the university and remain in New Mexico for three years following graduation. The Behavioral Health Subcommittee of the interim Legislative Health and Human Services Committee endorsed this legislation.

**FISCAL IMPLICATIONS**

The appropriation of \$395 thousand contained in SB 48 is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY16 does not revert to the general fund.

In recent fiscal years and for FY15, NMSU receives about \$400 thousand annually to provide the state's only doctoral nurse practitioner (DNP) program with a psychiatry and behavioral health concentration. For FY16, the LFC recommended \$702 thousand in recurring general fund revenues for this program, a \$300 thousand, or 75 percent, increase over FY15 levels, and \$100 thousand less than the increase appropriated in SB 48. The Executive's FY16 recommendation for this program maintains the FY15 general fund level.

At the request of the Behavioral Health Subcommittee of the interim Legislative Health and Human Services Committee, NMSU provided a tentative budget for expanding this targeted DNP program. (See the next page.) While not included in the proposed budget for the expansion, the university identified an additional (1) \$105 thousand in nonrecurring funding needed for one-time equipment purchases and supplies and (2) \$350 thousand (estimated) in nonrecurring funding for renovations needed for the nurse-managed clinic.

The University will receive additional DNP student tuition and fees, clinical fee revenue, and other revenues from expanding the mental health practitioner program. NMSU estimates that additional tuition and fees revenue for FY16 would be \$272.4 thousand for 1 additional cohort of 12 graduate students and an additional \$92.3 thousand for 12 students earning a one-year graduate certificate in psychiatry.

**NMSU School of Nursing: Psychiatric Nurse Practitioner Proposal (Dec. 2014)**  
(in thousands)

<b>Expenditures</b>	<b>Nonrecurring</b>	<b>Recurring</b>	<b>Total</b>
2 Assistant Professor, Tenure-track, Psychiatric Nurse Practitioners (\$70 thousand salary and \$24.1 thousand benefits)	\$ -	\$ 188.0	\$ 188.0
Faculty Development	\$ -	\$ 5.0	\$ 5.0
Faculty Equipment and Supplies	\$ 5.0	\$ -	\$ 5.0
Loan-for-Service Program (12 students)	\$ -	\$ 122.0	\$ 122.0
<i>Telehealth Unit</i>			
Establishing/Expanding Unit	\$ 15.2	\$ -	\$ 15.2
Accessory Pack	\$ 0.5	\$ -	\$ 0.5
Internet Access	\$ -	\$ 0.8	\$ 0.8
Equipment	\$ 5.3	\$ -	\$ 5.3
Software Licenses		\$ 0.7	\$ 0.7
<i>Nurse-Managed Clinic</i>			
Equipment and Supplies	\$ 78.5	\$ -	\$ 78.5
Annual Equipment and Supplies	\$ -	\$ 78.5	\$ 78.5
<b>Total</b>	\$ 104.5	\$ 395.0	\$ 499.5

Notes: NMSU noted that an estimated an additional \$350 thousand will be needed to remodel an existing facility for the Nurse-Managed Clinic. This cost is not reflected above.

Source: NMSU, Dec. 2, 2014.

**SIGNIFICANT ISSUES**

Senate Bill 48 attempts to address the state’s need to increase the number of qualified mental health practitioners to provide services to all of New Mexico’s residents. According to the National Alliance on Mental Illness (2010), it is estimated that 2 million New Mexicans live with a serious mental health condition; this represents 1 of every 4 adults. New Mexico’s significantly high teen suicide rate – nearly twice the national average, also speaks to the need for expanded mental health services.

Access to mental health services is inadequate. The federal government has listed 32 of the state’s 33 counties as having a shortage of mental health practitioners. In the state’s 2012 Health Data Report, only 12 percent of the state’s health clinics offered mental health services. Further, the New Mexico Healthcare Workforce Committee Report (November 2014) reports that about 8 percent of the state’s advanced practice registered nurses (APRNs) are providing psychiatric-mental health services, though more than half of these are practicing in Bernalillo County.

According to the American Psychiatric Nurses Association, APRNs assess, diagnose, and treat individuals and families with psychiatric disorders or the potential for such disorders using a full scope of skills, including prescribing medication and providing psychotherapy. They work with individuals, families, groups, and communities to assess mental health needs.

The expansion of NMSU’s psychiatric and behavioral health DNP program would increase the number of practitioners by

- 1) Doubling the number of students in the Psychiatric/Mental Health Nurse Practitioner (NP) program at NMSU from 12 to 24 students (beginning in 2015-2016 academic year).
- 2) Offer a one-year certificate in Psychiatric/Mental Health NP program to advanced practice nurses already certified in another specialty.
- 3) Open a nurse managed clinic where faculty will have the resources to train and supervise the additional NP students admitted.
- 4) Expand access to mental health services by training Psychiatric/Mental Health NP students to use telehealth technology to treat individuals and families coping with mental health issues in rural and underserved areas of the state.

### **PERFORMANCE IMPLICATIONS**

As a research and public service project that currently receives recurring general fund support in the General Appropriation Act, the mental health nurse practitioner program's annual performance measures could be updated to measure expansion efforts. The university proposes measures tracking the number of students admitted and certificates awarded. Other measures could include the number of patients seen or served in the nurse-managed clinic and provided services using telehealth capabilities.

### **ADMINISTRATIVE IMPLICATIONS**

The bill requires NMSU to track students for at least three years after completing the DNP program. It is unclear whether the institution has the capacity to do this and how the institution can guarantee such service. Similar state-funded programs that require post-graduate service for in-school grants are administered by the Higher Education Department (HED), and such loan-for-service programs have proven difficult for HED to administer and track graduates. Other state-funded nurse expansion programs did not include institution-delivered loan-for-service or financial aid components.

### **DUPLICATION**

Senate Bill 48 expands an existing, recurring appropriation in the General Appropriation Act and duplicates the increase included in the LFC's FY16 recommendation for this program.

### **OTHER SUBSTANTIVE ISSUES**

This bill does not include nonrecurring revenues requested by NMSU to fully implement its proposal. It is unclear what revenues, other than tuition and fees, would cover these start-up costs.

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