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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/2020

SPONSOR Rodriguez/Padilla LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE UNM Project ECHO Program SB 164

ANALYST Gelay

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$2,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 14, Project ECHO Program Funding, which provides a \$1 million appropriation for Project ECHO.

Relates to Senate Joint Memorial 2, which will convene a task force to study other health disparities the program could address, and to look for other sources of funding.

Relates to Appropriation in the General Appropriation Act.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

University of New Mexico Health Science Center (UNMHSC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 164 appropriates \$2 million from the general fund to the Board of Regents of the University of New Mexico for the purpose of supporting Project ECHO (Extension for Community Healthcare Outcomes).

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

Project ECHO's annual operating budget is \$18 million, which includes \$2.2 million from state general fund appropriations. The requested funding in SB14 will allow Project ECHO to continue to address its mission, which is improve health outcomes for rural and underserved New Mexicans.

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY21 shall revert to the general fund.

## **SIGNIFICANT ISSUES**

Project ECHO is a program within the UNM HSC School of Medicine. The funding will support the 47 Project ECHO programs within New Mexico and will support staff to maintain these programs. In FY19 the Corrections Department reported that Project ECHO's work allowed them to meet their performance target outcome of 95 percent of people incarcerated who were treated for hepatitis C having undetectable viral loads twelve weeks post-treatment.

UNMHSC provided the following:

In a time of critical shortages among primary and specialty care experts, the ECHO model is cost-effective and keeps clinicians working in their rural communities. Evidence has shown clinicians participating in ECHO programs can provide care as effectively as is provided by experts at specialty clinics and academic medical centers. The majority of New Mexico's 40+ ECHO programs are supported by grant funding from federal and philanthropic foundation sources that will expire within twelve months. Insurance does not cover the cost of clinicians' time to participate in ECHO programs.

Benefits of supporting Project ECHO: 1) Reduced hospital admissions and emergency room visits; 2) Reduction in costs assumed by patients traveling to specialist clinics and centers, including travel costs, work missed, childcare costs, etc.. Project ECHO participants include physicians, physician assistants, nurses, psychologists, teachers, first responders, community health workers, and peer support workers.

Project ECHO is an innovative model for building healthcare workforce capacity to provide best-practice care for complex, chronic conditions in rural and underserved areas. The program was founded at the University of New Mexico in 2003. The ECHO model uses teleconferencing to connect healthcare providers in rural and underserved areas with multidisciplinary teams of specialists, at academic and other medical centers. The ECHO model is now being utilized across the United States and around the world by over 370 partners in 38 countries for over 70 conditions.

At the University of New Mexico Health Sciences Center Project ECHO there are over 40 teleECHO programs that connect clinicians across the state with multidisciplinary teams of expert specialists for long term, virtual mentoring and case-based learning. Medical issues covered include: opioid use disorder, hepatitis C, HIV, behavioral health, chronic pain, as well as perinatal and reproductive health.

Funding in SB164 would be used to support the UNMHSC Project ECHO programs for one year, including support for program management staff. NM ECHO programs expand the healthcare workforce capacity in areas of urgent need throughout the state. Listed below are the current programs that have no secured funding stream:

1. Bone Health
2. Rheumatology
3. Diabetes / Endocrinology
4. Education (K-12)
5. Mental Health
6. Pain Management
7. Perinatal Health
8. Reproductive Health
9. Substance Use Disorders
10. Traumatic Brain Injury
11. Children Wellness
12. Healthy Aging
13. Behavioral Health

Necessary support for weekly ECHO programs must cover operations support (coordination, outreach, communications, administration) and IT support for the videoconference platform used. Clinician participants' time is not included.

## RELATIONSHIP

Senate Bill 14 also makes an appropriation to Project ECHO for \$1 million. SB164 would add \$2 million to the existing operating budget for Project ECHO. Both are in addition to current budget funding from the state general fund.

	FY20 Op. Bud.	LFC FY21 Rec.	HED FY21 Rec.
Project Echo Budget:	\$2,256,000	\$2,256,000	\$2,256,000
Senate Bill 14		Adds \$1,000,000	
Senate Bill 164		Adds \$2,000,000	

## TECHNICAL ISSUES

SB164 contains reversion language, where unexpended balances from the appropriation revert to the general fund. Higher education institutions, which includes UNM HSC Project ECHO, do not revert unexpended balances.

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

UNMHSC notes that lack of ECHO funding will reduce access to quality, best-practice, care for rural and underserved New Mexicans.

JGG/al/rl