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FISCAL IMPACT REPORT

SPONSOR Ortiz y Pino LAST UPDATED _____
ORIGINAL DATE 2/1/2023
SHORT TITLE Health Care Cost Drivers Analysis BILL NUMBER Senate Bill 290
ANALYST Leger

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$400.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 263.

Sources of Information

LFC Files

SUMMARY

Synopsis of Senate Bill 290

Senate Bill 290 appropriates \$400 thousand from the general fund to Legislative Council Service for the purpose of hiring a contractor to analyze healthcare cost drivers and analyze the feasibility of applying to the New Mexico healthcare system methods developed by other states and countries for managing those cost drivers.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

The appropriation of \$400 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

SIGNIFICANT ISSUES

In statute, the Legislative Health and Human Services (LHHS) Committee shall conduct continuing study of programs, agencies, policies, issues, and needs relating to health and human services, including review and study of the statutes, constitutional provisions, regulations, and

court decisions governing such programs, agencies, and issues, including the full continuum of programs and services available and needed for children, families, and the aging population.

The work of the contractor is consistent with the duties of the committee. The findings and recommendations are to be reported to the LHHS and LFC.

The report may examine the actions taken by other states and report successes with controlling the cost increases associated with higher pharmaceutical costs, increasing hospital costs, higher utilization of services, and the cost impact of delayed healthcare access.

RELATIONSHIP

Senate Bill 263 amends the duties of the LHHS, striking the words “review and study” and inserting “monitor and oversee.” SB263 appropriates \$350 thousand to fund a year-round staff for LHHS and to contract for the services of individuals with expertise in law, policy, or finance related to healthcare delivery and financing, behavioral healthcare, health data information technology systems or grant writing as needed.

JL/rl/hg