

LFC Requester:	Eric Chenier
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**AGENCY BILL ANALYSIS
2017 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original <input type="checkbox"/>	Amendment <input checked="" type="checkbox"/>	Date <u>2/12/17</u>
Correction <input type="checkbox"/>	Substitute <input type="checkbox"/>	Bill No: <u>HB 87/aHHHC/aHJC</u>

Sponsor: <u>Rep. Deborah A. Armstrong</u>	Agency Code: <u>924</u>
Short Title: <u>Diabetes Committee</u>	Person Writing: <u>Aguilar/Thompson</u>
	Phone: <u>827-6519</u> Email PaulJ.Aguilar@state.nm.us

SECTION II: FISCAL IMPACT

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	See Fiscal Implications	See Fiscal Implications	See Fiscal Implications	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Amends HB87 and HB87/aHHHC

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis HB 87/aaHHHC/HJC:

House Bill 87 Health and Human Services Committee amendment 1, further amended by the Judiciary Committee (HB87/aHHHC/aHJC) removes HHC amendment 4, makes minor grammatical changes on page 5 and qualifying language changes on page 4 of House Bill 87, and identifies additional constituent entities to participate in the convened diabetes committee. The additional constituent entities consist of the New Mexico coalition for healthcare value, the American diabetes association of New Mexico community leadership board, each of the managed health care organizations providing coverage to Medicaid recipients, and the medical communities engaged in providing diabetes care and education.

FISCAL IMPLICATIONS

Fiscal Implications of HB 87/aaHHHC/HJC

HB87/aHHHC/aHJC removes the potentially confusing issue stated in HB87/aHHHC by removing the added statement “and for developing a diabetes plan for state” from page 3 of the bill. The added, specific entities from the healthcare community listed on page 5 of HB87/aHHHC/aHJC may further affect the costs of convening and providing oversight of the committee, however, no funding is indicated and the implications cannot be determined based on the current information provided in the bill or its subsequent amendments.

Significant Issues of HB87/aHHHC/aHJC:

By adding to the diabetes committee other organizations, including the New Mexico coalition for healthcare value, the American diabetes association of New Mexico community leadership board, each of the managed health care organizations providing coverage to Medicaid recipients, and the medical communities engaged in providing diabetes care and education, the committee may increase its capacity to provide more comprehensive reports as prescribed in reference to diabetes in New Mexico. Along with its increase in size and scope also comes the potential for increased complexity in convening and providing oversight to the diabetes committee. Again, the bulk of responsibility of enacting this bill will fall to the secretary of health and the DOH.

HB87/aHHHC

Synopsis of HB87/aHHHC:

House Bill 87 health and human services committee amendment 1 (HB87/aHHHC) proposes minor grammatical and formatting changes on page 2 and identifies additional partners to the diabetes committee. The additional partners consists of the New Mexico coalition for healthcare value; the American diabetes association of New Mexico community leadership board; each of the managed health care organizations providing coverage to Medicaid recipients; and the medical communities engaged in providing diabetes care and education. HB87aHHHC also adds language on page 3 for the diabetes committee to address the financial impact for developing a diabetes plan for (the) state for each constituent entity and for each covered population.

Fiscal Implications of HB87/aHHHC:

HB87/aHHHC expands the costs associated with the work of the committee that would be borne by the individual constituent state entities to also include non-government agencies as well. The fiscal administrative impact of developing a diabetes plan for the state cannot be determined at this time, based on the statement as amended on page 3.

HB87/aHHHC does not appropriate any funding in establishing and carrying out the work of the diabetes committee. Costs associated with the work of the committee would be borne by the individual constituent state entities. The bulk of expenditures would fall on the Department of Health (DOH) to convene the committee, provide technical assistance and administer the work of the committee. The PED would be required to develop and implement a system for data collection and do the work of the committee with existing resources and current staff. At this time, it is difficult to determine the fiscal impact on the PED based on recommended changes to diabetes prevention and intervention programs.

Significant Issues of HB87/aHHHC:

HB87hha expands the formation of a diabetes committee comprised of state to also include non-state agencies. The inclusion of healthcare agencies, which provide direct services,

prevention and care in relation to diabetes, could assist the diabetes committee in determining outcomes, based on updated and appropriate information.

Synopsis of Original HB87:

House Bill 87 (HB 87) establishes a diabetes committee comprised of state agencies including the Public Education Department (PED) to identify goals and benchmarks while developing individual constituency programs to reduce the incidence of diabetes, improve diabetes care, report on complications associated with diabetes, and analyze costs statewide.

FISCAL IMPLICATIONS

Fiscal Implications of Original HB 87:

HB87 does not appropriate any funding in establishing and carrying out the work of the diabetes committee. Costs associated with the work of the committee would be borne by the individual constituent state entities. The bulk of expenditures would fall on the Department of Health (DOH) to convene the committee, provide technical assistance and administer the work of the committee. The PED would be required to develop and implement a system for data collection and do the work of the committee with existing resources and current staff. At this time, it is difficult to determine the fiscal impact on the PED based on recommended changes to diabetes prevention and intervention programs.

SIGNIFICANT ISSUES

Significant Issues of HB 87:

HB 87 requires the creation of a diabetes committee to report findings to the legislative health and human services committee and the legislative finance committee every two years, beginning in December, 2018. The goal of HB 87 is to provide reports, based on independent constituent data, on the incidence of diabetes in the state and improved diabetes care and control over the complications of diabetes. The diabetes committee would be made of only state constituent entities, not necessarily associated with health-related prevention, intervention, care and education. The PED would be required to develop programs to reduce the incidence of diabetes in the state and improve diabetes care statewide and control complications associated with diabetes.

The PED Health Education Content Standards with Benchmarks and Performance Standards include diabetes as one of several chronic conditions addressed in the areas of prevention, treatment and health care resources to build self-advocacy for healthier life-long habits. Standards are to be implemented at the Local Education Agency (LEA), and not the PED level.

The PED works in collaboration with the DOH program, *Healthy Kids, Healthy Communities*, in monitoring obesity rates in kindergarten and third grade. Obesity is an early indicator of potential health risk factors, such as diabetes.

According to the PED 2015-2016 Annual School Health Services Summary Report, 25% of visits to the Student Health Office are chronic disease related, of which diabetes is one. The number of public school students with a diabetes diagnosis is 1,099, representing 17% of medically complex procedures performed by school nursing staff. (<http://ped.state.nm.us/sfsb/reports/>)

According to the Diabetes Prevention and Control Program 2017 Fact Sheet (DOH):

- In 2015, an estimated 634,975 adults, age 18 and older (39.7%), had prediabetes. However, only 7.6% of adults had been told they had prediabetes, meaning only 1 in 5 adults with prediabetes were aware of it.
- In 2015, an estimated 225,520 adults age 18 and older - 14.1% - had diabetes. 11.5% of adults had been told they had diabetes, so 4 in 5 adults with the condition were aware of it.
- From 2005 to 2014, a total of 6,165 deaths occurred for which diabetes was listed as the primary cause, with a yearly average of 617 deaths.
- In 2014, the age-adjusted diabetes death rate for American Indian/Alaska Natives was about four times the diabetes death rates of White adults, and over two times that of Hispanics and Black/African Americans, which were, in turn, two times that of White adults.
- In 2015, diabetes was the 6th leading cause of death in NM.
- Prediabetes and diabetes cost New Mexicans an estimated \$2.1 billion dollars a year.

Both the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. & 1232g; 34 CFR Part 99) impose numerous requirements on the use and disclosure of individual health information. This law may prohibit and even prevent personal student diabetes information disclosures. The demographic data sharing would need to meet the requirements of both HIPAA and FERPA. Written agreements would need to be developed for the appropriate release of personal health information.

ADMINISTRATIVE IMPLICATIONS

Administrative Implications of HB87/aHHHC/aHJC:

HB87/aHHHC/aHJC indicates no specific increase in administrative duties for the PED beyond those determined from the original bill. However, with the addition of multiple non-government entities to the work of the diabetes committee, the committee would also increase its scope of work to include communication, collection of information and coordination of data to be reported to the legislative committees. No appropriation of funds with this bill requires any such efforts to be carried out with existing resources for all named entities to participate in the work of the diabetes committee.

Administrative Implications of Original HB 87:

HB87 requires a PED representative to participate in the constituent entity committee to assess needs in the area of diabetes prevention, intervention and care programs, and to identify goals and benchmarks while developing individual constituent entity programs. It is unclear as to whether this bill is requiring each individual constituent entity to develop programs. If this is a requirement then any programs developed by the PED for implementation in the school setting would need to align with the PED Content Standards with Benchmarks and Performance Standards. This work would require administration and oversight within the PED and with schools. Such a cost and program analysis for specific populations at greatest risk would require additional work by existing staff.