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FISCAL IMPACT REPORT

ORIGINAL DATE 03/13/09

SPONSOR HAFC LAST UPDATED _____ HM 94/HAFCS

SHORT TITLE Human Services Department Program Administration SB _____

ANALYST Earnest

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		None				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Appropriations and Finance Committee substitute for House Memorial 94 requests the New Mexico Legislative Council charge the interim Legislative Health and Human Services (LHHS) committee in its work plan with investigating the performance of the Human Services Department (HSD) with respect to configuring the Medicaid, State Coverage Insurance (SCI) and State Children's Health Insurance Programs (SCHIP) pursuant to the federal American Recovery and Reinvestment Act of 2009 and the Children's Health Insurance Program Reauthorization Act of 2009.

HM 94 further resolves that:

- LHHS investigate and make recommendations for increasing enrollment and maximizing resources provided by the federal government, selecting and implementing new eligibility and coverage policies and administrative practices and reporting data on enrollment and retention;
- Invite the participation of the staff of the Legislative Finance Committee, as well as the membership of the standing House Health and Government Affairs Committee, the House Appropriations and Finance committee, the Senate Public Affairs Committee and the Senate Finance Committee at hearings with respect to configuring Medicaid, SCI and SCHIP eligibility and coverage policies, administrative practices and budgetary matters pursuant to the new federal laws; and

- LHHS be charged with calling upon the secretary of human services; the director of the medical assistance division of HSD; the director of the income support division of the HSD; and representatives of nonprofit community or advocacy organizations that represent Medicaid recipients and have policy expertise on these matters to give testimony and make recommendations with respect to configuring Medicaid, SCI and SCHIP eligibility and coverage policies, administrative practices and budgetary matters pursuant to the new federal laws; and
- HSD be requested to supply its analysis of the new federal laws.

Copies of the memorial shall be transmitted to the governor, the co-chairs of the New Mexico Legislative Council, the Secretary of Human Services, the Chair and Vice-Chair of the interim Legislative Health and Human Services committee, the Chair and Vice-Chair of the Legislative Finance Committee, the chair of the standing House Health and Government Affairs Committee, the chair of the standing House Appropriations and Finance committee, the Chair of the standing Senate Public Affairs Committee and the chair of the standing Senate Finance Committee.

FISCAL IMPLICATIONS

None identified.

SIGNIFICANT ISSUES

Two recently enacted federal laws significantly impact state Medicaid programs. The federal Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) increases federal funding, grants and bonuses to states for enrolling children into Medicaid and the SCHIP. New Mexico's SCHIP allocation is estimated at more than \$196 million. The federal American Recovery and Reinvestment Act of 2009 enhances the federal medical assistance percentage rate (FMAP) for Medicaid expenditures and requires new reporting of state spending.

BE/mt