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## FISCAL IMPACT REPORT

SPONSOR: Hurt DATE TYPED: 02/17/03 HB \_\_\_\_\_

SHORT TITLE: Medicaid Sterilization Age SB 26/aSPAC

ANALYST: Weber

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$1,295.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

#### Responses Received From

Human Services Department

### SUMMARY

#### Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment changes Section 2 in its entirety to read:

Medicaid shall cover a medically necessary sterilization for a recipient who is:

- A. of age of majority;
- B. capable of giving informed consent; and
- C. otherwise qualified to receive Medicaid assistance.

Human Services indicates adding the age of majority clarifies the bill. Initially there was no age limitations. However, procedures for persons under 21 years of age will not receive the federal match necessitating use of 100% General Fund.

#### Synopsis of Original Bill

SB 26 proposes to decrease the age limit for Medicaid funding of sterilization procedures.

Significant Issues

Currently, New Mexico Medicaid requires that a Medicaid recipient must be 21 years in age to qualify to receive sterilization procedures. This age limit is in concurrence with the requirements in the Code of Federal Regulation (CFR) 42 section 441.253 under sterilization procedures.

**FISCAL IMPLICATIONS**

Human Services indicates there would be an increase in Medicaid's budget because approval of this bill would allow more women to receive sterilization procedures that are not covered by the federal guidelines for federal financial participation (FFP). The Medicaid program would have to pay for sterilization procedures for women under the age of 21 out of all state funds.

Using Census and Medicaid data it is estimated that there are approximately 23,709 females between 15 and 21 below the poverty level. Center for Disease Control figures show that 3.9% of females between 15 and 24 are sterilized through tubal ligation. In New Mexico this would equal 925 possible sterilizations annually at a cost of \$1400.0 (Medicaid reimbursement rate) each. This is total state general fund cost of \$1,295,000 since federal regulations do not permit the match for persons under 21 years of age. This would obviously lead to a reduced pregnancy rate among this population that would off-set some of the costs.

**MW/prr:sb**