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## FISCAL IMPACT REPORT

SPONSOR Ingle DATE TYPED 3/3/05 HB \_\_\_\_\_

SHORT TITLE In-Home Services For Elderly Persons SB 939

ANALYST Hanika-Ortiz

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$167.0			Recurring	General Fund

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$489.6		Recurring	Federal Fund

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Aging and Long-Term Services (ALTSD)

NM Mortgage Finance Authority (MFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 939 appropriates \$167 thousand from the general fund to ALTSD in FY06 for a federal demonstration project known as Naturally Occurring Retirement Communities (NORC), and to contract with community providers to provide supportive services that help keep elderly individuals in their homes.

Significant Issues

The DOH reports:

The purpose of the grant is to develop and assess an innovative service delivery model to enable senior citizens to avoid premature institutionalization through supportive in-home services. NORC attempts to address the aging in place phenomenon in a community of single-family homes. Services will be provided such as chore service, informational and referral assistance, case management, public health nursing and chronic care management, health screenings and health education, social and recreational activities, and adult day programs targeted to populations living in naturally occurring retirement communities.

Services are currently provided by the Jewish Family Service of New Mexico (JFS) in Albuquerque. The model is a “grassroots” work with local strategic community partners involved to develop services and supports tailored to each community’s needs. In Dec 2004 JFS received \$500 thousand federal funds contained in the FY05 Omnibus Spending Bill, and in FY04 \$300 thousand federal funds from the Consolidated Appropriations Bill for NORC projects. Even though JFS is a faith-based organization, they claim to provide services regardless of religious affiliation.

The target communities represented are HUD-funded senior housing complexes and suburban neighborhoods of single-family homes. Strategic community partners in the project include the City of Albuquerque Department of Senior Affairs, the UNM School of Nursing, Catholic Charities and Health South Rehabilitation Hospital.

The model was initiated in an urban setting (Albuquerque, Bernalillo County), expanded to a suburban area (Rio Rancho, Sandoval County), and in the SFY 06 proposes to expand to Ft. Sumner, De Baca County.

**PERFORMANCE IMPLICATIONS**

SB 939 is aligned with ALTSD’s desire to administer programs that allow older individuals to remain independent and involved in their communities.

**FISCAL IMPLICATIONS**

The appropriation of \$167,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

The ALTSD reports the funding request will increase the recurring budget of the ALTSD by \$167,000. The \$167,000 appropriation will be used as match for a federal award of \$489,552 in FY06.

**ADMINISTRATIVE IMPLICATIONS**

ALTSD will implement the program with existing staff and resources.

## **TECHNICAL ISSUES**

Faith-based non-profit agencies receiving state appropriations should advertise that services provided are for all persons regardless of religious affiliations or lack thereof.

## **OTHER SUBSTANTIVE ISSUES**

ALTSD believes it is important to look at options to providing supportive services for older adults, especially in rural areas where services and living options are limited.

MFA is cognizant of the need for supportive services by elderly persons who are either forced or choose to live independently. Supportive services, they believe, are the “safety net” for elderly persons living alone.

Communities are faced with increasingly difficult decisions about how to plan for change, and increase and improve the quality of life for adults with disabilities as well as elders who may develop disabilities as they grow older. People are living longer lives today than ever before and the population of people aged 65 and older is growing rapidly. By 2030, one in five people in the United States will be over the age of 65. Currently, more than 4.7 million Americans aged 65 years or older have a sensory disability involving sight or hearing, and more than 6.7 million have difficulty going outside the home. As the population of elders grows, it is likely that the number of people aged 65 and older with disabilities also will grow, particularly among those 75 years of age and older.

## **ALTERNATIVES**

None indicated.

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

There may be limited options available to New Mexicans as they age.

**AHO/njw:yr**