

1 A MEMORIAL

2 REQUESTING THAT THE AGING AND LONG-TERM SERVICES DEPARTMENT  
3 LEAD A STUDY ON THE FINANCIAL IMPACT OF FACILITY-BASED CARE  
4 ON THE MEDICAID BUDGET AND IDENTIFY ALTERNATIVE MODELS OF  
5 FINANCING LONG-TERM CARE.

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7 WHEREAS, the population of New Mexico over the age of  
8 sixty-five is growing and will double by the year 2025 and,  
9 due to medical advances, people are living longer, but not  
10 necessarily healthier, lives; and

11 WHEREAS, the population of people over the age of  
12 eighty-five is growing twice as fast as that of people over  
13 sixty-five and these individuals are the most frail of the  
14 elderly; and

15 WHEREAS, a large and growing number of aging people are  
16 suffering from the ravages of Alzheimer's disease and are  
17 unable to care for themselves; and

18 WHEREAS, the medicaid program in New Mexico covers the  
19 cost of nursing home care and home- and community-based  
20 services for the elderly and disabled and provides in excess  
21 of two hundred twenty-one million dollars (\$221,000,000) in  
22 combined state and federal funding for these services; and

23 WHEREAS, the cost of private nursing home care is  
24 unaffordable for most people in need of nursing home care  
25 and, therefore, most families have come to rely on medicaid

1 to fund this type of care for their elderly relatives; and

2 WHEREAS, people are finding that qualifying for medicaid  
3 long-term services is relatively easy, despite seemingly  
4 restrictive eligibility rules, and that this relaxed access  
5 has resulted in an entitlement mentality regarding financing  
6 of long-term care services, and use of private, out-of-pocket  
7 and insurance financing for long-term services has languished  
8 while medicaid costs have skyrocketed; and

9 WHEREAS, long-term care insurance, home equity  
10 conversion and other alternative mechanisms of private  
11 financing have been little used;

12 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE  
13 STATE OF NEW MEXICO that the aging and long-term services  
14 department be requested to conduct a study, in cooperation  
15 with the human services department and the appropriate  
16 statewide organizations representing aging and long-term  
17 services, on the financial impact of facility-based and home-  
18 and community-based long-term care on the medicaid budget and  
19 identify alternative models of financing long-term care; and

20 BE IT FURTHER RESOLVED that the study identify  
21 appropriate incentives to encourage self-care and the use of  
22 insurance, explore potential ways to limit asset  
23 identification and asset transfer and promote maximum  
24 medicaid estate recovery; and

25 BE IT FURTHER RESOLVED that the aging and long-term

1 services department be requested to support the efforts of a  
2 statewide organization representing the needs of people with  
3 Alzheimer's disease, and other organizations as appropriate,  
4 to hold a conference exploring alternative models of  
5 financing long-term care services; and

6 BE IT FURTHER RESOLVED that the aging and long-term  
7 services department be requested to develop recommendations  
8 on implementation of alternative mechanisms of financing  
9 long-term care services and report the findings and  
10 recommendations to the legislative health and human services  
11 committee in October 2006; and

12 BE IT FURTHER RESOLVED that copies of this memorial be  
13 transmitted to the secretaries of aging and long-term services  
14 and human services. \_\_\_\_\_

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