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FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/07

SPONSOR Varela LAST UPDATED _____ HB HJM 18

SHORT TITLE PUBLIC BENEFIT APPLICATIONS PROCESSING SB _____

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

SUMMARY

Synopsis of Bill

House Joint Memorial 18 reports that one-fifth of all New Mexicans live at or below the federal poverty level, while another twenty-five percent live below two hundred percent of the federal poverty level. New Mexico was recently rated first in the nation for food insecurity. However one-third of all New Mexicans who are eligible for food stamps are not receiving food stamps. One-third of all New Mexicans who live below the federal poverty level are without health insurance, and one-third of those who earn between one hundred percent and one hundred eighty-five percent of the federal poverty level are uninsured. New Mexico has the nation's second-highest percentage of people living without health insurance coverage. Also, almost one-third of New Mexican children who are eligible for Medicaid are not enrolled.

Health care providers and advocates for the poor report that the current application procedures for public benefits are burdensome and prevent eligible New Mexicans from receiving the benefits to which they are entitled.

The combat some of these issues, HSD is requested to:

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- A. conduct additional outreach so that New Mexicans who are potentially eligible for public benefits are made aware of existing programs and the steps they must take to apply for them;
- B. use uniform and simple application procedures and policies in all field offices, so that eligible applicants are not incorrectly denied benefits;
- C. ensure that applicants receive a receipt for their application so that they can provide the date and place they applied;
- D. assist all applicants in both filling out the application and obtaining the verifications necessary to receive benefits;
- E. ensure that anyone who applies for a benefits program be screened for all programs for which the person may be eligible;
- F. ensure that applicants do not have to wait more than one hour to see a caseworker to receive assistance with benefits programs;
- G. translate all forms into Spanish and, upon request, other languages used by the clients; and
- H. identify applicants needing special assistance with the application procedures and give them that assistance;

The Human Services Department is requested to track the use of the outlined procedures and report to the interim Legislative Welfare Reform Oversight Committee concerning its progress in the fall of 2007 and the fall of 2008

FISCAL IMPLICATIONS

HSD indicates there will be additional administrative costs for fulfilling some of the recommendations such as monitoring, and development of additional forms.

The following are among the procedures requiring addition funds.

- Conduct additional outreach for public benefits although no appropriation for expanding outreach is included.
- Ensure that applicants do not have to wait more than one hour to see a caseworker to receive assistance with benefits programs. This recommendation is difficult to administer based on existing staff caseloads and number of applicants served in the field office.
- Translate all forms into Spanish and, upon request, other languages used by the clients, HSD has translated most of the application forms into Spanish and adheres to the Civil Rights Act in administering the programs along with federal program administration requirements for serving participants and applicants with limited English proficiency. Additional translating and printing of forms will also have a fiscal impact. Changing all notices through the automated eligibility system (ISD2) would be extremely complex and a significant fiscal impact as the current eligibility program does not have that capability.

SIGNIFICANT ISSUES

HSD reports assistance is provided to about 17,000 low-income families for TANF cash assistance, about 1,900 households for disability assistance (General Assistance), over 90,000 households for Food Stamps, and over 200,000 Medicaid cases along with other large programs as Low Income Home Energy Assistance Program and The Emergency Food Assistance Program (TEFAP).

PERFORMANCE IMPLICATIONS

HSD's indicates its strategic plan and performance measures already include many of the elements of HJM 18, including increasing the:

- number of participants in Medicaid and SCHIP;
- percent of New Mexicans with health insurance;
- number of children and families participating in Food Stamp Program;
- percent of expedited Food Stamp cases meeting federal required measures for timeliness of benefits; and
- number of elderly participating in the Food Stamp Program.

MW/nt