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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/25/08

SPONSOR Salazar LAST UPDATED \_\_\_\_\_ HB 127

SHORT TITLE Senior Citizens Programs SB \_\_\_\_\_

ANALYST Geisler

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$8,204.0	Recurring	General

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Aging and Long-Term Services Department (ALTSD)

### SUMMARY

#### Synopsis of Bill

House Bill 127 appropriates \$8,204,014 from the general fund to ALTSD to maintain and/or enhance services to senior citizens statewide for the following purposes:

- 1) \$6,869,430 to the four area agencies on aging for senior centers, adult day care, case management, meals programs, in-home services, transportation and other related services for seniors;
- 2) \$620,674 for volunteer programs, including retired senior volunteers, senior companions and foster grandparents;
- 3) \$524,500 for information, assistance, education and respite services for caregivers and persons with Alzheimer's disease, related disorders, other chronic illnesses or functional impairments;
- 4) \$189,410 for senior health promotion activities, including senior Olympics.

### FISCAL IMPLICATIONS

The \$8.2 million appropriation contained in this bill would be in addition to \$35.1 million in base FY 08 funding for aging network programs. In addition, both the executive and legislative finance committee (LFC) are recommending expansion funding for the aging network, with the LFC recommending \$750 thousand and the executive recommending \$400 thousand.

ALSTD notes that aging network providers, area agency's on aging and ALTSD went through an extensive process of review and refining the request. Of the \$8.2 million in the legislation, \$2 million is for maintenance of effort, \$5.5 million is for enhanced or new services and \$651 thousand is for unfunded facilities.

## **SIGNIFICANT ISSUES**

Statewide, aging network providers have been facing an increased demand for services fueled by the rapid growth in New Mexico's older adult population due to the aging of the general population, as well as an influx of retirees to our state. As these seniors "age in place" many develop chronic health conditions and functional limitations that in-crease their needs for supportive services. Aging network services are primarily targeted to persons age 60 and older and their family caregivers, with an emphasis on those with the greatest economic and social needs. Often, Aging Network providers are the only providers available in New Mexico's rural and tribal communities. Aging Network providers have been greatly impacted by the rising cost of gasoline, particularly with regard to services such as transportation for elders to medical appointments or meal sites, as well as home delivered meals and other in-home services which are dependent upon vehicles to transport home care workers and meals to seniors' homes. The appropriation will be used to support increased demands for services, maintain existing services and support increased operations in several new facilities.

## **PERFORMANCE IMPLICATIONS**

Aging Network providers include senior centers, meals programs, adult day care centers, volunteer programs, employment training sites, home care agencies and senior Olympics. These providers support caregivers and seniors, helping families remain together, in their own homes and communities, throughout New Mexico. Aging Network providers create a safety net for the vast majority of New Mexico's elders, those who don't qualify for Medicaid, but whose financial resources are limited, those whose families are stretched to capacity caring for loved ones at home. Volunteer and other civic engagement opportunities, including employment training, enable older adults to remain active vital members of their communities. Meals programs help prevent hunger among older adults; health promotion activities keep elders well so they can continue to contribute to their local communities. Financial subsidies offered by employment programs and volunteer stipends help seniors maintain economic independence. The Aging Network is the only resource for many New Mexicans. Without additional funding, these providers will be forced to develop waiting lists or decrease hours of service. Advocates for seniors and Aging Network providers developed the funding targets in this request through a collaborative, grass-roots process of identifying local community needs.

GG/bb