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FISCAL IMPACT REPORT

| SPONSOR | Trujillo | ORIGINAL DATE LAST UPDATED | 2/10/08 HM | 61 | |
|---------------|-----------------|------------------------------|-------------------------|------------------|---|
| SHORT TITI | LE State Contra | ctor Employee Insurance Stud | y SB | | |
| ANALYST | | | | Cox | |
| | AP | PROPRIATION (dollars | in thousands) | | |
| Appropriation | | | Recurring or Non-Rec | Fund Affected | |
| 1 | FY08 | FY09 | | | l |

NFI

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Memorial 61 requests the Department of Health and the Human Services Department to conduct a study of the financial impact of the executive order requiring state contractors to provide insurance coverage to their employees.

This joint study shall concentrate on the impact of Executive Order 2007-49, including its costs to the State and the consequences of its implementation for developmental delay and disability service providers with state contracts or provider agreements

A report of above-mentioned joint Departments findings shall then be sent to the appropriate interim committee that reviews health and human services issues, the Legislative Finance Committee and the Interim Revenue Stabilization and Tax Policy Committee by October 2008.

Copies of this memorial shall be transmitted to the Secretary of Health; the Secretary of Human Services; the Chairs of the Legislative Health and Human Services Committee and the Revenue Stabilization and Tax Policy Committee; and the Director of the Legislative Finance Committee.

SIGNIFICANT ISSUES

This House Memorial states the following:

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- The governor has issued Executive Order 2007-49 requiring State contractors to offer comprehensive health coverage to their New Mexico employees.
- The Department of Health and the Human Services Department maintain contracts and provider agreements with developmental delay and disability service providers to provide needed supports to the state's most vulnerable citizens.
- The Department of Health, the Human Services Department and the Legislature will need information on the financial impact on these developmental delay and disability service providers in their compliance with the requirement for the provision of comprehensive health coverage to their employees.
- The cost of performing needed services to the State by developmental delay and disability service providers may be affected by the new requirement mandating the provision of comprehensive health coverage through other sources.

PRC/nt