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FISCAL IMPACT REPORT

SPONSOR Armstrong, D./
Herrera/Bash/ ORIGINAL DATE 2/1/2020
Trujillo, L./ Trujillo, J. LAST UPDATED 2/15/2020 HB 225/aHAFC/aSFC
 SHORT TITLE Kiki Saavedra Senior Dignity Fund SB _____
 ANALYST Klundt

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT

		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
No Fiscal Implications			

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 2 operating budget for the Aging and Long-Term Services Department.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Aging and Long-Term Services Department (ALTSD)
 Department of Health (DOH)

SUMMARY

Synopsis of SFC Amendments

The Senate Finance Committee amendments to House Bill 225 as amended by the House Appropriations and Finance Committee include a clean-up amendment to remove “making an appropriation” in the short title description of the bill.

The amendments also remove the provision that money in the Kiki Saavedra Senior Dignity Fund is appropriated to the Aging and Long-Term Services Department, and instead require that money in the Kiki Saavedra Senior Dignity Fund shall be subject to annual appropriation by the Legislature.

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 255 removed the appropriation which totaled \$25 million from the general fund to the Kiki Saavedra Senior Dignity Fund for expenditure in FY21 and subsequent fiscal years to carry out the purposes of

the fund.

Synopsis of Original Bill

House Bill 225 (HB225) appropriates \$25 million from the general fund to the Aging and Long-Term Services Department (ALTSD) to address high priority services for senior citizens and adults with disabilities in New Mexico, to include transportation, food insecurity, physical and behavioral health, case management and caregiving.

FISCAL IMPLICATIONS

The appropriation of \$25 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of each fiscal year shall not revert to the general fund. While HB 225 in a nonrecurring expense the general fund, services provided by the funding will likely be a recurring expense. As the agency draws down this fund to provide services the fund may need to be replenished by in coming years.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

Preliminary action taken by the House Appropriation and Finance Committee included \$5.4 million for the purpose of this bill.

SIGNIFICANT ISSUES

ALTSD reported funding for seniors provide by this fund are to include adults with disabilities and veterans, and will allow the agency to increase access to services managed or administered by the ALTSD or any other state agency, by developing new and innovative programming.

ALTSD also provided funding will be allocated via problem based procurements for innovative and emergency services grants that support and develop evidence-based programming. ALTSD will implement a procurement process that would require service providers to develop and pilot innovative solutions to meet the local needs, track measureable and meaningful outcomes, utilize outcome measures to implement continuous quality improvement around the pilot projects, and have robust sustainability plans for these interventions. The Department plans on leveraging resources and support from other state departments, community providers, and stakeholders.

ALTSD has identified five innovative projects that would be eligible for emergency grants:

1. Best Practice and Evidence Models for Long-Term Care (i.e. New Mexico Green House Project Development)
 - a. Partner with senior living providers to create sustainable homes for elders that demonstrate more powerful, meaningful, and satisfying lives, work, and relationships. Fostering culture change as well as dementia education and training that fosters person-directed, relationship-rich living environments.

2. Mobile Day Care Pilots
 - b. In order to allow caregivers in rural counties respite from their full-time caregiving responsibilities for persons with dementia or other debilitating conditions.

3. Expansion of Traditional Adult Day Care
 - c. Build out of adult day care with the goal of implementing best practice models or other self-sustaining models through sources such as Medicaid and other federal funding.

4. Increase In-Home Caregiver Services Statewide
 - d. Promote intergenerational volunteers to provide in-home care.
 - e. Training and mentoring of existing volunteers or existing caregivers to ensure quality of care.

5. Grandparents Raising Grandchildren
 - f. Multigenerational Centers within current senior centers that would include case managers that provide personalized assistance, family activities, parenting education and workshops, emergency assistance with utilities, family meals, support group for caregivers
 - g. Funding innovative programming that assists in the improving social determinants of health including addressing socio-economic status, food insecurities, and education.

6. Short Term Funding for Care Transitions
 - h. Addressing food insecurities, transportation, and respite care.

KK/al/rl/sb