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### FISCAL IMPACT REPORT

SPONSOR:	Lyons	DATE TYPED:	1/27/00	HB	
SHORT TITLE:	Hearing Testing on Newborns			SB	172
				ANALYST:	Esquibel

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
100.0*				Recurring	General Fund

**\*These funds would be available in FY00 and FY01.**

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

## **SOURCES OF INFORMATION**

Health Policy Commission

Human Services Department

Department of Health did not respond

## **SUMMARY**

### Synopsis of Bill

The bill requires that by January 1, 2001, all infants born in Department of Health (DOH) licensed facilities shall be tested for hearing proficiency. By July 1, 2000, DOH shall promulgate rules regarding how the testing shall be conducted and reported, including notification and education of parents about the infants' condition.

The bill appropriates \$100.0 to the Children's Medical Services program for newborn infant hearing testing and follow-up.

### Significant Issues

SJM24 passed during the 1999 Legislative session initiated a survey of New Mexico hospitals to determine the number of hospitals participating in newborn hearing testing. The survey results revealed 99% of New Mexico hospitals were participating.

## **FISCAL IMPLICATIONS**

The bill appropriates \$100.0 in general fund in FY00 and FY01 to DOH.

The Human Services Department (HSD) indicates all services provided as part of a hospital stay for Medicaid clients, including newborn hearing testing, are reimbursed to the facility through the Medicaid program. Children are eligible for Medicaid when they reside in households with incomes less than 235% of the federal poverty level (185% of the federal poverty level was \$30,895 for a family of four in 1999). Additionally, newborn hearing testing services are currently reimbursable under Medicaid when provided to Medicaid clients on an outpatient basis. HSD suggests it is important to ensure any funds appropriated to DOH for newborn hearing testing are not duplicative of services eligible for funding under Medicaid.

The Health Policy Commission (HPC) indicates the Children's Medical Services program provides services and case management for special needs children for services not covered by Medicaid, and the program administers the Healthier Kids Fund for the provision of medical services for children not eligible for Medicaid. Hearing screening is consistent with these services.

Finally, HPC indicates implementation of the provisions of SB172 would indirectly mandate that hearing screening become a covered benefit for privately-insured or self-pay individuals.

## **TECHNICAL ISSUES**

The bill could specify that the appropriation is intended to fund newborn hearing testing for uninsured newborns not eligible for Medicaid.

Additionally, HSD indicates the bill is mandating hospitals provide a service 99% are already providing.

The Health Policy Commission indicates the bill's appropriation to "support a program for newborn infant hearing testing and follow-up" is not clear if the funding is for administration of the program or for direction service provision.

RAE/gm