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FISCAL IMPACT REPORT

ORIGINAL DATE 2/6/06

SPONSOR Trujillo LAST UPDATED _____ HB 434/aHCPAC

ELDERLY, DISABLED & LOW-INCOME

SHORT TITLE SERVICES SB _____

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Aging and Long Term Services Department (ALTSD)

SUMMARY

Synopsis of HCPAC amendment

The House Consumer and Public Affairs Committee amendment changes the appropriation from the Human Services Department to the Aging and Long Term Services Department.

Synopsis of Original Bill

House Bill 434 appropriates \$100 thousand from the general fund to the Human Services Department for the purpose of contracting with a nonprofit organization that provides adult daycare services and community outreach services for elderly, disabled and low-income individuals in Santa Fe, Taos and Torrance counties. The funds are designated for program management and operational support for financial education and case management services, adult daycare services, home visiting services, health care education and advocacy programs and home safety assessments and installations.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 shall revert to the general.

SIGNIFICANT ISSUES

HSD notes that the bill does not specify any relationship of the contracted services to Medicaid eligibility. There would be no revenue for the Medicaid federal match for these services.

The language of the HB 434 specifies the target clientele as, “elderly, disabled and low-income individuals.” Therefore, low-income individuals that are neither elderly nor disabled may also receive these services.

Some of the services mentioned are available through Medicaid for eligible individuals enrolled in the Disabled and Elderly waiver. Those services include case management, adult day care and environmental modification, the latter of which includes home safety assessments and home modifications. During FY05 there was approximately 245 individuals served in the Medicaid Disabled and Elderly waiver for the combined counties of Santa Fe, Taos and Torrance.

The contract and services contemplated by this legislation are currently provided by programs funded by the Aging and Long Term Services Department. ALTSD, through an exhaustive process with full participation by advocates, providers and the Area Agency on Aging with responsibility for the enumerated counties, develops a budget recommendation that is designed to fund the services and programs identified in this legislation. Funding the program at HSD is likely to result in a duplication of effort and programming instead of providing additional programs and services. The types of services contemplated are unlikely to be eligible for federal Medicaid match.

TECHNICAL ISSUES

Since Aging and Long Term Services currently provides services of this nature not matched with federal Medicaid funds, consideration should be given to appropriating the funds to ALTSD to achieve efficiency.

MW/yr