F I S C A L I M P A C T R E P O R T

SPONSOR Madalena **ORIGINAL DATE** 03/08/11 **LAST UPDATED** **HJM** 40

SHORT TITLE Health Care Reform for Native Americans in NM **SB**

ANALYST Hanika-Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	**FY12**		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

SOURCES OF INFORMATION
LFC Files

Responses Received From
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Joint Memorial Bill 40 (HJM 40) requests the Tribes, Nations and Pueblos, Off-Reservation Health Commission and other Indian health stake holders to work collaboratively to plan and capitalize on the reform of health care for American Indians in New Mexico.

House Joint Memorial 40 resolves the following:

- the health care needs of American Indians are unique and include many unaddressed issues;
- according to DOH, American Indians in New Mexico bear a disproportionate share of poor health status and disease;
- access to health care services varies greatly between urban Indians and Indians who reside on reservations;
- funding for Indian health services has historically been inadequate in New Mexico and in the nation;
- the passage of the federal Patient Protection and Affordable Care Act (PPACA) and the permanent reauthorization of the Indian Health Care Improvement Act offer significant opportunities for tribes and Native American communities to contribute to the improved health and well-being of American Indians in New Mexico;

- in order to capitalize on the many opportunities and benefits, both within New Mexico and nationally, that are presented through the passage of these federal health reform and Indian health care improvement acts, tribal leadership and collaboration between and among tribal communities will be critical;
- collaborative effort will be needed to seek and secure newly available funding for Indian health care services; to create strategic partnerships to maximize the use of resources; to provide training and technical support to increase the capacity of tribal communities to build, strengthen or expand health systems; to research, analyze and develop American Indian health policy; and to position tribal governments to initiate large-scale Indian health initiatives;
- the health and well-being of American Indians in New Mexico will benefit from increased tribal participation in and expansion of tribal health programs; and
- the support, funding and opportunities provided by the passage of PPACA and the reauthorization of the Indian Health Care Improvement Act can serve to expand and strengthen Indian sovereignty by allowing New Mexico Indian pueblos, tribes and nations to take ownership of the resources now available and to contribute in a meaningful way to the improved health of all American Indians in New Mexico.

FISCAL IMPLICATIONS

HJM 40 further resolves that the support, funding and opportunities identified in this memorial be examined and pursued.

SIGNIFICANT ISSUES

There were five critical areas identified by the Indian Affairs Department (IAD) during the PPACA planning and leadership meeting. These five areas included:

1. The re-instatement of the Indian Health Care Improvement Act. This is now a permanent reauthorization of this Act and has no sunset clause and will allow for:
    - Indian Health Services to make arrangements with the Department of Veteran Affairs and the Department of Defense to share medical employees for medical services.
    - Hospice, assisted living, long-term and home and community-based care.
    - A feasibility study regarding the creation of a Navajo tri-state Medicaid Agency.

2. PPACA defines Indian Health Services, Indian Tribe, tribal organization and/or urban Indian organization health programs as the payor of last resort.
    - Eliminates sunset clause for all Medicare Part B services.
    - PPACA states that out-of-pocket prescription drug costs will be treated as incurred costs in calculating the Medicare Part D out-of-pocket threshold.

3. Under PPACA, Native Americans will have more specialty enrollment with no cost sharing for households under 300% of federal poverty level. There will be no penalties for failure to carry minimum coverage.

4. Grant opportunities: encourages state agencies to communicate, collaborate and consult with tribes regarding health care reform initiatives and policies that affect American Indians. It is suggested that a Native American ad hoc work group be established in order to advise on Native American matters and grants.

5. PPACA establishes that a tribe, tribal organization, or urban Indian organization qualify as an "express lane agency." This allows for a child to satisfy one or more Medicaid or SCHIP eligibility factor(s).

PERFORMANCE IMPLICATIONS

The collaborative will begin with a group of tribal leaders to start the process.

The collaborative will also involve the Albuquerque area Indian Health Board and the all Indian Pueblo Council Health Committee with formal partnerships with the Bernalillo County off-reservation Native American Health Commission, the Robert Wood Johnson Foundation Center for Native American Health Policy, and others.

ADMINISTRATIVE IMPLICATIONS

DOH asserts that collaboration between American Indian entities will enhance the ability of New Mexico to successfully compete for funding opportunities to enhance health prevention activities as well as improve health service availability for American Indians.

SIGNIFICANT ISSUES

DOH further asserts that American Indians constitute 9.3% of the New Mexico population but bear a disproportionate share of poor health status and disease.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Tribal entities and other important Indian Health stakeholders will not be requested to work collaboratively to plan and engage in capitalizing on the reform of health care for American Indians in New Mexico.

AHO/bym