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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/14
SPONSOR Papen **LAST UPDATED** _____ **HB** _____

SHORT TITLE Track & Report on Public Benefit Programs **SM** 50

ANALYST Geisler

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$119.0	\$119.0	\$238.0	Recurring	General fund & federal funds

(Parenthesis () Indicate Expenditure Decreases)

Duplication: HM 65

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Memorial 50 requests HSD to:

1. Collect and publicize the number of eligible but not enrolled children and adults in each county for the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).
2. Collect and publicize data on sanctions including how many cases received sanctions, the reason for the sanctions and the number of children affected by sanctions.
3. Publicize the number of applications received, processed, and approved, per month.

In addition, HSD would be requested to report to the Legislative Health and Human Services Committee and the Legislative Finance Committee during the 2014 interim the impact of:

1. Implementing work requirements for all childless adults in SNAP; including the number of supplemental nutrition assistance program recipients that have been affected; the cost

to the state for the implementation and administration of work requirements verification; and how much federal supplemental nutrition assistance program funding New Mexico has lost and will continue to lose;

2. HSD is also requested to report on temporary assistance for needy families program and supplemental nutrition assistance program benefit cuts on vulnerable children in New Mexico, including the number of children who lost temporary assistance for needy families program benefits due to the 2011 benefit adjustments and the number of vulnerable children who would have been eligible for temporary assistance for needy families program benefits if the benefit amount were reinstated at 2011 levels; and

The Memorial also requests HSD to:

1. Apply for all federal waivers for which the state qualifies and implement these waivers statewide,
2. Seek out and use all federal funds available to the SNAP, TANF, and other public benefit programs,
3. Conduct additional outreach to publicize existing state benefit programs and how to apply for benefits, and
4. Engage community members to identify and remove barriers that prevent the enrollment of people in state benefit programs.

FISCAL IMPLICATIONS

HSD assumes a general fund impact in the analysis below, but notes that costs would be matchable with federal funds. Some of the requested data is currently collected and published monthly in the Monthly Statistical Report (MSR). To collect, evaluate, and publish newly requested data will cost HSD \$30,000 for one part-time new employee and \$12,000 for new material to be published and presented. This represents a fiscal impact for the first year of \$42,000, and there would be a delay in implementation of 6 months (FY 2015) for the setup of the new collection and publication protocols. Currently, there is no appropriation included in this memorial.

The increased outreach requested by SM 50 would require one new FTE at MAD, which would cost approximately \$77,000 annually. In addition, there would be costs for enrollment materials, staff travel, and advertising which are difficult to estimate. In addition, not all waivers may be appropriate for NM's Medicaid program. Some might require additional staff to apply for and implement new programs. It is difficult to estimate the number of FTEs required at this time.

SIGNIFICANT ISSUES

In addition, the application for and obtainment of all federal regulation waivers would be contingent upon the approval by the funding agencies. The state could not commit to implementing every waiver for which it is eligible. Some available waivers, if administered by the Department, would conflict with our existing or pending waivers. The department currently uses three federal regulation waivers, one demonstration pilot project and a trigger notice for Able Bodied Adults Without Dependent Children (ABAWD). HSD also has two additional applications for waiver pending.

ADMINISTRATIVE IMPLICATIONS

The Automated System Program and Eligibility Network (ASPEN) does not collect all the information required by this Memorial. The programming of ASPEN will require 6 months start up time and one year to collect data. Data collection for some reports would not be able to begin until ASPEN programming is completed. The Department would not be able to publish the information collected by ASPEN until the end of FY15.

At the current time, the department is already utilizing a statewide ABAWD trigger notice, which accomplishes the same thing as an ABAWD waiver would accomplish. Other administrative implications have been noted in previous sections of this analysis.

TECHNICAL ISSUES

HSD would like to clarify some of the facts cited in the body of the memorial. Line 13 on page 2 states that “last year the Human Services Department reduced eligibility for TANF program cash benefits” when in reality it occurred in January of 2011. In addition, line 23 on page 2 states that 42 percent of TANF cases have been sanctioned for noncompliance, however, based on the June 2013 MSR that percentage was only 9.6 percent.

GG/ds