

LFC Requester:	Rachel Mercer-Garcia
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment** _____
Correction _____ **Substitute** _____

Date 1/30/24
Bill No: HB265

Sponsor: Rep. Stefani Lord
Short Title: HEALTH ASSISTANCE FOR CHILDREN IN CUSTODY

Agency Name and Code HCA-630
Number: _____
Person Writing Roy Burt
Phone: (505) 699- **Email** roy.burt@hsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
0.00	0.00	0.00	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
0.00	0.00	0.00	0.00	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.00	\$859.50 \$286.50	\$0.00	\$1,146.00	Nonrecurring	Federal Funds General Funds

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 265 (HB265) throughout Section 1 amends several definitions replacing “Human Services” with “Health Care Authority.”

Section 2 of HB265 amends the text from “former foster care recipients” to “former children in state custody and former foster care recipients.” Additional amended language replaces “cover individuals” with “provide medical assistance to persons” and adds “were formerly children in the custody of New Mexico or formerly”. The amended text in Section 2 requires the provision of medical assistance for “former children in state custody” up to age 26 rather than the current language of “former foster care recipients.”

Section 3 of HB265 adds a new subpart C that “when the Secretary of Children, Youth and Families grants the release of a child, the department shall enroll the child in state medical assistance programs and other public assistance programs that the child is entitled to and shall provide the court with written certification of such enrollment.”

Section 4 Subsection F of HB265 adds a new paragraph (4) that when the department files a petition, it shall simultaneously provide “written certification of the child’s enrollment in state medical assistance programs or other public assistance programs that the child is entitled to.”

Section 5 Subsection B of HB265 adds a new paragraph (13) that the predisposition study shall contain “written certification of the child’s enrollment in state medical assistance programs and other public assistance programs that the child is entitled to.”

There is not an effective date for the changes in HB265.

FISCAL IMPLICATIONS

The Health Care Authority (HCA) anticipates no fiscal implications for including “former children in state custody” up to age 26 because Medicaid federal match is limited to former foster care (FFC) individuals and does not include those not on foster care as described in the significant issues section of this bill analysis.

There would be no fiscal implications for the HCA if the Children, Youth and Families Department is responsible for issuance of the written certification of enrollment into medical assistance and public assistance programs. If the HCA is responsible for providing the written certification, then it is estimated that it would cost a total of \$1,146,000 for a system change to generate the required former foster care certification. At a 75% match it would be \$859,500 federal funds and \$286,500 general fund.

SIGNIFICANT ISSUES

Medicaid coverage for FFC individuals up to age 26 is a mandatory coverage group. If the addition of “former children in state custody” in Section 3 of HB265 is intended to cover individuals who are not FFC individuals up to age 26, then the HCA cannot claim Medicaid federal match unless eligible for another Medicaid category than the one for FFC individuals. The HCA considers “former children in state custody” to be individuals who were covered under children’s foster care Medicaid and no other Children, Youth and Families Department Medicaid categories.

Per the Medicaid State Plan New Mexico covers FFC individuals up to age 26 who “were on Medicaid and in foster care when they turned age 18 or aged out of foster care.” Thus, Medicaid coverage cannot be provided for children who are no longer in state custody under the FFC category who are less than age 18. The Medicaid coverage would need to be under a different Medicaid category of eligibility than FFC.

It is not clear what constitutes “written certification” in state medical assistance programs and other public assistance programs. If interpreted as the HCA eligibility system generated notices, then a new notice would need to be created for former foster care hence the fiscal implications that were provided.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

There would be administrative implications if the HCA is required to provide written certification of the enrollment of children in state medical assistance programs and other public assistance programs. If providing the notification is the responsibility of the HCA then it would require a system change to generate a new notice for former foster care. There would be an additional administrative burden to provide “written certification” for state medical assistance programs and other public assistance programs. Work for making the necessary system change in the Automated System Program and Eligibility System (ASPEN) could not start until after July 1, 2024 and is estimated to take six months to complete. The estimated cost is noted above in the fiscal impact section.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

The header of HB265 states “REQUIRING THE CHILDREN, YOUTH AND FAMILIES DEPARTMENT TO PROVIDE WRITTEN CERTIFICATION OF THE ENROLLMENT OF CHILDREN IN ITS CUSTODY IN MEDICAL AND PUBLIC ASSISTANCE PROGRAMS.” The corresponding section 3 amended language states “when the Secretary of Children, Youth

and Families grants the release of a child, the department shall enroll the child in state medical assistance programs and other public assistance programs that the child is entitled to and shall provide the court with written certification of such enrollment.” The “department” as defined in Section 1 of HB265 is the HCA. Section 3 language referencing the “department” reads that the HCA will be providing written certification of the enrollment of children in its custody in medical and public assistance programs rather than the Children, Youth and Families Department. It is recommended in HB265 that it is clear which agency is responsible for providing written certification.

There are several other references to the “department” in the Act in which the context seems to reference Children, Youth and Families rather than HCA. For example, Section 5 states, “prior to holding a dispositional hearing, the court shall direct that a predisposition study and report be submitted in writing to the court by the department.” It is recommended that the language in HB265 be reviewed and that each instance of “department” versus “Children, Youth and Families” be clarified as to which agency is being referenced.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A