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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/27/22

SPONSOR Thomson LAST UPDATED 2/2/22 HM 18

SHORT TITLE Supplemental Security Income Legal Data SB \_\_\_\_\_

ANALYST Chilton

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>State funds</b>		\$6.0		\$6.0	Nonrecurring	General Fund
<b>Federal funds</b>		\$12.2		\$12.2	Nonrecurring	Federal Funds
<b>Total</b>	\$0.0	\$18.2	\$0.0	\$18.2	Nonrecurring	

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Human Services Department (HSD)  
 Children Youth and Families Department (CYFD)  
 Aging and Long-Term Services Department (ALTSD)

#### No Response Received

Department of Health (DOH)

### SUMMARY

#### Synopsis of Memorial

House Memorial 18 requests HSD to take testimony from organizations serving New Mexicans living with disabilities and/or poverty regarding

- the numbers of adults and children living with disability who are at the initial, reconsideration and hearing stages of supplemental security income (SSI determination,
- the number at each stage who have been referred for legal help in the process,
- the number granted referral and how long it took to get the referral,
- the housing status of each participant when the case was closed,
- the amount saved to the state general fund from federal SSI replacement of state dollars, and

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- HSD efforts to increase access to the benefits of SSI for adults and children living with disabilities.

HSD is to report on its findings and its efforts in fall of 2022 and fall of 2023 to the Interim Legislative Finance Committee and the Interim Health and Human Services Committee.

There is no effective date of this memorial. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### **FISCAL IMPLICATIONS**

There is no appropriation in House Memorial 18.

HSD estimates it will take the time of .25 full-time Social and Community Services Coordinator to compile and prepare the report for presentation to the Interim Legislative Health and Human Services Committee. The total cost for this employee will be \$18,272.80. The federal match rate will be 67 percent, the federal financial participation (FFP) is \$12,242.78 and \$6,030.02 in state general state funds (SFG).

Both CYFD and ALTSD state that the memorial's requirements of those agencies will be met with current resources.

### **SIGNIFICANT ISSUES**

The text of the memorial lists reasons for this memorial to take effect

- One of five New Mexicans live below the federal poverty level (FPL);
- The CDC reports that over 460 thousand New Mexicans live with a disability;
- The New Mexico cash benefit for persons living with disability is \$245 per month, less than one-fourth of the FPL), which LFC has found insufficient to meet basic needs;
- SSI income, on the other hand, is \$841 per month, more than tripling the amount received under state general assistance;
- Less than 30 percent of SSI applications were approved in New Mexico in 2019;
- Legal assistance in the application process has enabled a much higher proportion of applicants to be granted SSI status both at the federal level and the state level;
- Shifting from state to SSI support both improves the well-being of the applicant and decreases state expenditures; and
- HSD has initiated pilot programs to provide SSI application legal assistance to people living with disabilities.

The following chart from the US Department of Health and Human Services (<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>) indicates how \$245 and \$841 compare with the federal poverty level for smaller households; the discrepancy is even greater for larger households.

2022 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA		
Persons in family/household	Poverty guideline/year	Poverty guideline/month
1	\$13,590	\$1,132
2	\$18,310	\$1,526
3	\$23,030	\$1,919

ALTSD indicates that seniors with disabilities would clearly benefit from this bill. ALTSD states that “for example, seniors are more likely than ever before to have an outstanding mortgage or a line of credit on their home, auto loans, and credit cards.”

Although legal help in making application to SSI is available in many communities in New Mexico, often without charge, many applicants do not avail themselves of these services.

**ADMINISTRATIVE IMPLICATIONS**

As noted above, HSD notes that it “has entered into a pilot project with the Children, Youth and Families Department to assist recipients of General Assistance apply for Social Security Income using a legal advocate. The legal advocate will assist the recipient through the Social Security application and appeal process.”

“HSD will be publishing the results of this pilot project on its agency Score Card and in the HSD presentation to the Legislative Health and Human Services Interim Committee. HSD will be publishing this information without the need for the memorial.”

LC/al