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FISCAL IMPACT REPORT

SPONSOR Griego DATE TYPED 1/22/04 HB _____

SHORT TITLE Services for Persons with HIV SB 5

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$2,000.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act
 Duplicates HB184

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Department of Health (DOH)
 Human Services Department (HSD)
 New Mexico Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 5 appropriates \$2 million from the general fund to the DOH for the purpose of providing statewide services including prescription drugs and prevention for persons with human immunodeficiency virus (HIV).

Significant Issues

This bill would expand the HIV program in DOH which currently has approximately \$15 million, of which \$7.57 is from general fund. \$3.17 million is used to purchase medications. According to DOH, the major crisis for persons with HIV is the cost of medications. The New Mexico AIDS Drug Assistance Program (ADAP) provides medications to the poor and uninsured but costs keep rising. The program anticipates a “significant shortfall in funding in FY05” and this appropriation will provide the needed additional funds. Drug costs are increasing at the rate of 5 percent per year and, coupled with an average 22 new clients per year, results in an in-

crease in drug costs.

HPC identifies program eligibility for HIV clients as a gross monthly income of not more than 300 percent of the federal poverty level guidelines and cash assets of less than \$10,000. Currently there are 5,100 reported individuals with HIV. The current program serves 571 individuals at a medication cost of approximately \$1,000 each month.

The Governor has requested \$200,000 as a new program initiative to be included in the General Appropriation Act for 2004 in addition to the DOH appropriation request.

FISCAL IMPLICATIONS

The appropriation of \$2,000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

POSSIBLE QUESTIONS

1. How much is spent annually on prevention of HIV?
2. Can any of this funding be used to provide additional services under the Medicaid AIDS wavier?

GAC/yr:lg