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## FISCAL IMPACT REPORT

SPONSOR Begaye DATE TYPED 1/26/05 HB 114

SHORT TITLE Adult Medicaid eligibility SB \_\_\_\_\_

ANALYST Weber

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$41,000.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$103,000.0		Recurring	Federal Medicaid Funds

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

### SUMMARY

#### Synopsis of Bill

House Bill 114 amends Section 27-2B-15 NMSA 1978 to add Medicaid eligibility for adults in benefit groups with income up to and including 100 percent of Federal Poverty Level (FPI).

#### Significant Issues

The Human Service Department Comments.

JUL Medicaid currently covers adults in benefit groups with gross income up to and including 85% of FPL provided that the adult(s) have less than the current standard of need after income deductions and exclusions.

The bill does not specify whether or not income disregards and exclusions would apply or if a standard of need would still apply.

The bill does not specify this new coverage group as JUL Medicaid or if this is an entirely new category of eligibility.

### **FISCAL IMPLICATIONS**

HSD estimates that approximately 38,409 adults are under 100% of poverty and not insured through Medicaid with at least one child. If all were covered, and assuming a capitated per member per month rate of \$450, the total potential liability would be \$207 million per year, approximately \$58 million in general fund and the balance from the federal Medicaid program. The take-up rate for this program is anticipated be in the area of 70 percent. The costs would then be \$145 million total and \$41 million in state funds.

MW/lg:yr