A MEMORIAL

REQUESTING THE AGING AND LONG-TERM SERVICES DEPARTMENT TO LEAD A STUDY ON THE FINANCIAL IMPACT OF FACILITY-BASED CARE ON THE MEDICAID BUDGET AND IDENTIFY ALTERNATIVE MODELS OF FINANCING SUCH CARE.

WHEREAS, the population of New Mexicans over the age of sixty-five is growing and will almost double by the year 2020; and

WHEREAS, due to medical advances, people are living longer, but not necessarily healthier, lives; and

WHEREAS, the population of people over the age of eighty-five is growing twice as fast as that of people over sixty-five, and these are the most frail of the elderly; and

WHEREAS, a large and growing number of aging people are suffering from the ravages of Alzheimer's disease and are

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1   unable to care for themselves; and

2   WHEREAS, the medicaid program in New Mexico covers the

3   cost of nursing home care and home- and community-based

4   services for the elderly and disabled and provides in excess of

5   two hundred twenty-one million dollars ($221,000,000) in

6   combined state and federal funding for these services; and

7   WHEREAS, the private cost of nursing home care is

8   unaffordable for most people in need of nursing home care and

9   therefore most families have come to rely on medicaid to fund

10 this level of care for their elderly relatives; and

11   WHEREAS, people are finding it relatively easy to qualify

12 for medicaid long-term care services, despite seemingly

13 restrictive eligibility rules, and this relaxed access has

14 resulted in an entitlement mentality regarding the financing of

15 these services; and

16   WHEREAS, use of private, out-of-pocket and insurance

17 financing of these long-term care services has languished while

18 medicaid costs have skyrocketed; and

19   WHEREAS, long-term care insurance, home equity conversion

20 and other alternative mechanisms for private financing of

21 long-term care services have been little utilized;

22   NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE

23 OF NEW MEXICO that the aging and long-term services department

24 be requested to lead a study with the cooperation of the human

25 services department and appropriate statewide organizations

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representing aging and long-term care services to study the

financial impact of facility-based and home- and community-

based care on the medicaid budget and identify alternative

models of financing such care; and

BE IT FURTHER RESOLVED that this study identify

appropriate incentives to encourage self-care and the use of

insurance, explore potential ways to limit asset identification

and asset transfers and promote maximum medicaid estate

recovery; and

BE IT FURTHER RESOLVED that the aging and long-term

services department support the efforts of a statewide

organization representing the needs of people with Alzheimer's

disease, and others as appropriate, to hold a conference

exploring alternative models of financing long-term care

services; and

BE IT FURTHER RESOLVED that the aging and long-term

services department develop recommendations on implementation

of alternative mechanisms for financing long-term care services

and report its findings and recommendations to the interim

legislative health and human services committee at its October

2005 meeting; and

BE IT FURTHER RESOLVED that the aging and long-term

services department and the human services department provide

copies of the report to appropriate statewide organizations

representing aging and long-term care; and

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1   BE IT FURTHER RESOLVED that copies of this memorial be

2   transmitted to the aging and long-term services department and

3   the human services department.

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