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FISCAL IMPACT REPORT

ORIGINAL DATE 3/01/17

SPONSOR Ortiz y Pino LAST UPDATED _____ HB _____

SHORT TITLE Study Direct-Care Workforce SJM 9

ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Workforce Solutions Department (WSD)

Aging and Long-Term Service Department (ALTSD)

SUMMARY

Synopsis of Joint Memorial

Senate Joint Memorial 9 requests that the New Mexico direct care givers coalition put together a task force to study direct-caregivers providing in-home aid to persons with disabilities and seniors – the support given to them through Medicaid, their compliance with federal law, and methods of training and recruiting a growing workforce to provide services to a growing population who need them.

Members of the task force would include representatives of

- The medical assistance division of the human services department (HSD)
- The developmental disabilities division of the department of health (DOH)
- The aging and long-term services department (ALTSD)
- The workforce solutions department (WSD)
- The direct-caregivers themselves
- Senior- and disability-rights organizations
- Seniors and persons with disabilities who use direct-care workers
- Groups representing family caregivers and persons who have acted as such

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A first report would be expected by October 2017 and would include recommended changes to the state's services to comply with federal regulations. A second report, due in October 2018, would address the needs for stabilizing and expanding the direct-care workforce in New Mexico. The reports would be made to the legislative health and human services committee.

FISCAL IMPLICATIONS

There is no appropriation. Both DWS and ALTSD note that there would be some fiscal impact to those agencies of taking part in the task force.

SIGNIFICANT ISSUES

The memorial cites the expected increase in need for direct-care workers in coming years. According to the US Bureau of the Census (<https://www.census.gov/prod/2014pubs/p25-1140.pdf>), the number of Americans over 65 years of age is expected to nearly double in the next 35 years, from 43.1 million in 2012 to a predicted 83.7 million in 2050. Depending on the definition of "disabled," the proportion of the population with disabilities is currently about 13%. Advances in medical care both increase and decrease the percentage with disabilities, as some people with disabilities are moved out of the category through medical care advances enabling them, and some who would otherwise have died allowed to live, albeit with disabilities. If we assume that the two balance out, and that 13 percent of the population will live with disabilities in 2050, the number in the population living with disabilities (now about 41 million) in 2050 will reach 52 million. Not all of these elderly or all of those disabled will require direct-care workers, but the number will undoubtedly increase. In fact, DWS states that "the direct-care workforce is the fastest growing employment sector in the state."

ALTERNATIVES

Recommend a representative from the Public Education and/or Higher Education Departments be included on the task force.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

A task force to study the direct-care workforce would not be created, and an opportunity to devise recruitment and training options for this group would be lost.

LAC/sb/al