

Legislative Update January 27, 2018
Steve Lucero, NMAFP Lobbyist

Good news for the New Mexico State Budget this week as the Consensus Review Estimating Group's (CREG) Mid-Session Update announced better than expected revenue since their December 2017 forecast. The increase from fiscal year 2017 is 6.2% or roughly \$363 million. They also forecast a more modest increase for fiscal year 2019 of 2% or \$126 million. They cite higher oil prices as the reason for the increase. They are cautious about being overly optimistic about future revenue because so much of it depends on the vitality of the energy sector. Impact of the federal Tax Cuts and Jobs Act (tax reform) was not considered when preparing their forecast. CREG stated that it's too early to tell if recently passed federal tax reforms will provide an upside to the state's budget.

The House Appropriations and Finance Committee continues to hear budget requests from various state agencies and requests for appropriation legislation. Committee members have expressed a desire to increase the amount in the state's reserves, while providing modest increases in targeted spending. **House Bill 2: General Appropriation Act** (committee substitute) will be voted on in House Appropriations and Finance Committee on Tuesday morning. House leadership anticipates House Floor debate and a vote on Wednesday or Thursday.

The Health and Human Services Subcommittee reported that Medicaid spending estimates are reduced due to slowing enrollment, lower provider rates, and an additional year of taxes waived by the federal government on MCOs. The lowered forecast on the Medicaid budget allows for continued funding without adding co-pays, deductibles, and other fee increases to Medicaid recipients that had been considered in the interim.

Legislation updates:

SB 10: Health Professional Loan Repayment (Sen. Gay Kernan)

This bill has stalled in committee. The bill's sponsor and supporters are attempting to solve the issue of earmarking the revenue generated from the additional licensing fees to specifically support physicians and D.O.s that practice in underserved areas. Currently, the revenue generated by this bill would go into a general fund to support all healthcare providers such as nurses, dental hygienists, etc. Sponsor and supporters of the bill are of the opinion that if physicians and D.O.s are the contributors to the fund, that the loan repayment recipients should be limited to physicians and D.O.s. There's a strong possibility that this bill, although considered germane for this session, will have to wait until 2019 for serious consideration.

This bill would add \$100 to physician-renewal licensing fees to establish an “Excellence Fund” for the purpose of awarding loan repayment for providers that practice in designated underserved areas of New Mexico. The Fund will accrue interest and will not revert to state funds at the end of the fiscal year.

HM 9/SM 3: Explore Medicaid Buy-In Plan (Rep. Deborah Armstrong)

This bill was heard in House Health and Human Services Committee on Wednesday January 24th. The vote was rolled over to Monday January 29th. All indications are that it will receive a Do Pass.

This memorial would require the Legislative Health and Human Services Committee to explore the costs and benefits of offering state residents who are not eligible for Medicaid the choice of buying into a health care coverage plan administered by Medicaid.

SB 11/HB 42: Guidelines for STEP Therapy for Drug Coverage (Sen. Kernan, Sen. Stefanics)

This bill is scheduled for hearing in Senate Public Affairs Committee on Tuesday Jan 30th.

The New Mexico Medical Society is asking physicians to call members of the Senate Public Affairs Committee to share how “fail first” or “step therapy” is affecting their patients. Below is the list of committee members with contact information:

Senator Gerald Ortiz y Pino (D) <i>Chair</i>	Phone: 986-4482	Email: jortizyp@msn.com
Senator Bill O’Neil (D) <i>Vice Chair</i>	Phone: 986-4260	Email: oneillsd13@billoneillform.com
Senator Craig Brandt (R)	Phone: 986-4385	Email: craig.brandt@nmlegis.gov
Senator Candace Gould (R)	Phone: 986-4266	Email: candace.gould@nmlegis.gov
Senator Elizabeth Stefanics (D)	Phone: 986-4377	Email: liz.stefanics@nmlegis.gov
Senator Jeff Steinborn (D)	Phone: 986-4862	Email: jeff.steinborn@nmlegis.gov
Senator Mimi Stewart (D)	Phone: 986-4267	Email: mimi.stewart@nmlegis.gov
Senator Stuart Ingle (R)	Phone: 986-4702	Email: stuart.ingle@nmlegis.gov

SM 3/HM 9: Study NM Medicaid Buy-In Plans (Sen. Gerry Ortiz y Pino)

This bill is scheduled for hearing in Senate Rules Committee on Monday Jan 29th.

This memorial would require the Legislative Health and Human Services Committee to explore the costs and benefits of offering state residents who are not eligible for Medicaid the choice of buying into a health care coverage plan administered by Medicaid.

HB 104: Rural Health Care Tax Credit Changes (Rep. Miguel Garcia)

This bill is scheduled for hearing in House Health and Human Services Committee on Monday January 29th.

This bill would amend the Rural Health Care Practitioner Tax Credit to allow licensed counselors, pharmacists, and social workers to claim the credit.

HB 107: Medicaid DD Waiver Supports & Services (Rep. Miguel Garcia)

This bill is scheduled for hearing in House Health and Human Services Committee on Monday January 29th.

This bill would appropriate \$25 million to the Department of Health to fund supports and services to Medicaid patients with developmental disabilities.

.