Department of Legislative Services

Maryland General Assembly 2006 Session

FISCAL AND POLICY NOTE Revised

House Bill 89 (Delegate Ramirez, *et al.*) Appropriations and Health and Government Operations

Budget and Taxation

Department of Health and Mental Hygiene - Legal Immigrants - Pregnant Women and Children

This bill requires the Governor to include in the budget bill for fiscal 2008 at least \$3 million in general funds for an immigrant health initiative to provide health care services for all legal immigrant children under the age of 18 and pregnant women who meet program eligibility standards and arrived in the United States on or after August 22, 1996.

By January 1, 2007, the Department of Health and Mental Hygiene (DHMH) must report to the Governor and the General Assembly on the immigrant health initiative established under Senate Bill 110 (fiscal 2007 budget bill). The report must include: (1) a description of the immigrant health initiative; (2) the number of individuals served under the initiative; (3) the types of health care services provided; (4) how the services compare to those provided under the Medicaid program prior to 2005; and (5) if inequities are identified, recommendations for methods to provide health care services equal to those provided under Medicaid. It is the intent of the General Assembly that if funds are available, \$7 million be provided to the immigrant health program in fiscal 2008.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: DHMH general fund expenditures increase by at least \$3 million in FY 2008 only to provide health care services to legal immigrants. No effect on revenues.

(\$ in millions)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	3.0	0	0	0	0
Net Effect	(\$3.0)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Medicaid may cover legal immigrant children and pregnant women who meet all program eligibility requirements; however, this population is not eligible for federally-funded benefits.

Background: On July 1, 2005, Maryland discontinued Medicaid funding for certain pregnant women and children who have been classified as permanent legal residents, here in the U.S. for fewer than five years. Governor Ehrlich had proposed cutting \$7 million in fiscal 2006 from the State-funded portion of the Medicaid program, which provides health care coverage for about 4,000 legal immigrants in the State. The federal government has not provided any Medicaid funding since 1996 for individuals who have been classified as permanent legal residents for fewer than five years. While many states discontinued coverage for these enrollees when federal funding was eliminated, Maryland continued coverage, using only State general funds.

In late July 2005, Governor Ehrlich restored \$1.5 million in general funds to the State Medicaid program to continue health care coverage for pregnant permanent legal immigrants. This funding covered pregnant women enrolled in Medicaid as of July 1, 2005 and did not cover new enrollees or legal immigrant children. There is no funding in the fiscal 2007 Medicaid budget to provide health care to legal immigrants covered under this bill. The fiscal 2007 State budget contains about \$3 million for grants to local health departments to provide some services to legal immigrants in fiscal 2007.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene (Medicaid), Department of Legislative Services

Fiscal Note History:	First Reader - February 15, 2006
mam/jr	Revised - House Third Reader - March 29, 2006

Analysis by: Susan D. John

Direct Inquiries to: (410) 946-5510 (301) 970-5510