



PRESS RELEASE

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Report: NM would get almost \$600 million boost from federal stimulus package Increased Medicaid funds would aid families, create jobs

ALBUQUERQUE—New Mexico could receive an additional \$370 million in federal matching Medicaid funds when Congress passes the economic stimulus package in January that's been requested by incoming President Barack Obama. That \$370 million would create 6,200 new jobs with \$212 million in new wages, which would translate into \$574.7 million in new business activity, according to a report released today by Families USA.

The report, titled "A Painful Recession: States Cut Health Safety Net Programs," spotlights the growing need for safety-net programs like Medicaid as more and more people lose their health insurance. Increasing the federal matching funds – known as the Federal Medicaid Matching Payments, or FMAP – would enable New Mexico to meet the growing health care needs of its children and families while providing a significant boost to the state's economy.

"This FMAP increase is very welcome news," said Bill Jordan, Policy Director of New Mexico Voices for Children. "We encourage the state Legislature to fully fund Medicaid when it meets in January. We shouldn't leave federal money on the table," he added.

As the report points out, many states will be cutting back their Medicaid funding in order to address their budgetary shortfalls. Because federal Medicaid funding matches the states' level of funding, state cuts result in fewer Medicaid dollars.

NM Voices released a similar report in October, showing that federal Medicaid dollars created an estimated \$3.36 billion in economic activity in 2007.

Families USA is a national consumer health organization. Their report is available at <http://www.familiesusa.org/assets/pdfs/a-painful-recession.pdf>

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New Mexico Voices for Children is a nonpartisan, nonprofit organization advocating for policies to improve the health and well-being of New Mexico's children, families and communities.
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