



## PRESS RELEASE

October 7, 2008

FOR IMMEDIATE RELEASE

CONTACT: Gerry Bradley, Research Director, New Mexico Voices for Children  
505-244-9505 ext. 23 (p), 505-264-0074 (c), [gbradley@nmvoices.org](mailto:gbradley@nmvoices.org)

OR: Sharon Kayne, Communications Director, New Mexico Voices for Children  
505-244-9505 ext. 30 (p), 505-401-8709 (c), 505-244-9509 (f), [skayne@nmvoices.org](mailto:skayne@nmvoices.org)

### **Report: Medicaid injection a boost to New Mexico economy** Next economic stimulus package should include increase of federal match

ALBUQUERQUE—Federal Medicaid funding created an estimated \$3.36 billion in New Mexico economic activity in just one year according to a new report released today by the Fiscal Policy Project, a program of New Mexico Voices for Children.

Medicaid provides New Mexico with benefits beyond the health care it makes possible for children from low-income families, the elderly and disabled the report says. It also helps reduce the cost of private health insurance for all New Mexicans.

The study suggests that because Medicaid is such good medicine, particularly for an ailing economy, Congress should pass the federal stimulus package that includes a boost in the federal match rate. The package was under consideration before Congress recessed.

Medicaid payments to doctors and other providers lead to job creation and more spending throughout the state. For fiscal year 2007, Medicaid contributed some \$1.53 billion in wages and salaries, while creating more than 43,600 jobs.

“Medicaid is particularly important in our rural communities where it keeps the health care infrastructure healthy,” said NM Voices’ Research Director Gerry Bradley. One third of New Mexico’s rural population has no health insurance. “Medicaid helps rural clinics keep their doors open. This is just one of the ways Medicaid keeps health care costs down for everyone,” he added. Medicaid also reduces the extent to which health care companies must subsidize care for the indigent.

For every dollar New Mexico spends on Medicaid, the federal government kicks in nearly \$2.50. While almost 60 percent of New Mexico’s Medicaid recipients were children in fiscal year 2005, they made up for less than 30 percent of Medicaid spending. Medicaid is the largest single insurer of New Mexico children, providing care for about 42 percent of them.

The executive summary is attached separately as a pdf. It and the full report are available online at: <http://www.nmvoices.org/fiscalpolicyproject.htm>

###

The Fiscal Policy Project is a program of New Mexico Voices for Children and is made possible by grants from the Annie E. Casey Foundation, McCune Charitable Foundation, and W.K. Kellogg Foundation.

2340 Alamo SE, Suite 120, Albuquerque, NM 87106-3523; 505-244-9505 (p); [www.nmvoices.org](http://www.nmvoices.org)