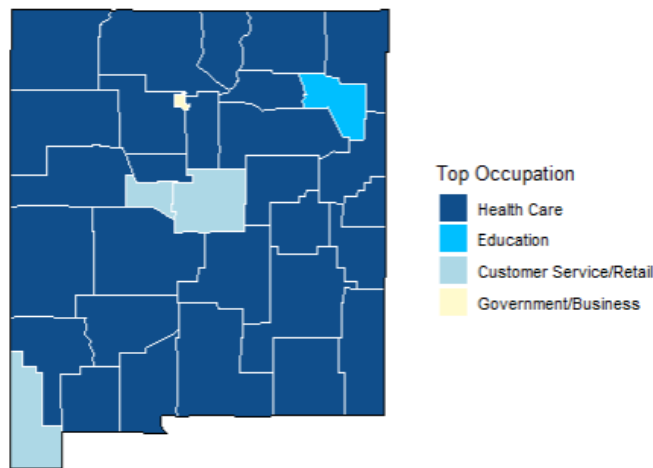


Medicaid: Physical Health and Behavioral Health Workforce

New Mexico faces ongoing challenges in ensuring high quality healthcare is accessible for all New Mexicans.

Background

Top Occupations Needed in Each County



Source: Workforce Solutions Department's County Profiles

Examining both healthcare workforce needs highlights the necessity of training and recruiting healthcare workers both in the present and future. Counties in New Mexico need healthcare workers more than any other occupational field. Based on data collected

throughout 2023, almost 85 percent of New Mexico's counties (28 out of 33) listed healthcare workers as their number one occupational need. Additionally, according to the New Mexico Workforce Solutions Department (WSD), the worst labor shortage in the state is healthcare workers, with a particularly strong need for nurses.

Reports by the WSD and U.S. Health Resources and Services Administration (HRSA) demonstrate the need for more healthcare workers in the future. According to WSD, between 2020 through 2030, New Mexico will need an additional 16.7 percent healthcare workers. Moreover, by 2036, New Mexico will need an additional 28 percent behavioral healthcare workers, based on data from HRSA.

New Mexico's Geographic Shortage of Mental Healthcare Providers.

The U.S. Health Resources and Service Administration (HRSA) reports more than one in 10 Americans lack adequate access to mental health care, including a shortage of mental health professionals. An area is considered underserved if it has fewer than 1 provider for every 30,000 people or a ratio of 1 to 20,000 for high-need communities.

Lack of access to mental health care can have long-term effects, including the lack of a proper diagnosis or an individual turning to drugs or alcohol to self-

The Health Care Authority, formerly the Human Services Department, reports for all the Behavioral Health Collaborative agencies their FY25 operating budgets total \$1.2 billion.

Nursing nonrecurring appropriations for faculty endowments and financial aid for FY23 totaled \$59 million, the Higher Education faculty endowment totaled \$50 million, and the social work endowment totaled \$80 million.

Medicaid behavioral health totaled \$172 million in FY25 from the general fund, and graduate medical education was over \$5 million.

Loan forgiveness programs totaled near \$15 million for FY25.

medicate. For those who do get diagnosed, insufficient mental health care access may prevent people from seeking help or managing their medications properly. This is particularly true in rural counties where there is limited access to care, long wait times, and far distances to travel for care.

The U.S. Department of Health and Human Services, through the Centers for Medicare and Medicaid Services, in partnership with the Substance Abuse and Mental Health Services Administration, added New Mexico into the Certified Community Behavioral Health Clinic (CCBHC) Medicaid Demonstration Program.

New Mexico demonstrated it successfully developed the necessary state-level infrastructure and collaboration with providers to develop programs that meet CCBHC standards.

New Mexico joins Alabama, Illinois, Indiana, Iowa, Kansas, Maine, New Hampshire, Rhode Island and Vermont in the demonstration program.

The CCBHC Medicaid Demonstration Program provides states with sustainable funding that helps them expand access to mental health and substance use services efforts to tackle the state's mental health and addiction crises.

The mental health provider shortage impacts people in communities throughout the country, with South Dakota, Wyoming, New Mexico, Indiana, and Montana facing the most severe shortages. New Mexico has 19 designated geographic mental health shortage areas, covering 28 counties. Approximately 845 thousand residents are underserved, or about 40 percent of the state's population.

The Issues Related to Healthcare Workforce Shortages are National

National data show that shortages of physical health and behavioral health providers are an issue across the country, particularly in rural areas. The national Association of Medical Colleges in a recent report provided data regarding national shortages and projections of shortages out to the year 2036. The Association of Medical Colleges estimates a shortage of primary care providers of between 20,200 and 40,400 across the country by the year 2036. Access needs are greater in rural areas, as indicated by the University of New Mexico's Health Care Workforce Committee's reports. At the same time, more Americans are moving to rural areas, reversing the years of population declines in rural areas. This migration from urban to rural counties is occurring across the United States.

Many states, including New Mexico, are employing strategies to try to address provider shortages. Some of the reforms that states employ are as follows.

- Loan forgiveness, issuance, and assistance programs.
- Malpractice reforms.
- Scope of practice modifications.
- Telemedicine parity.
- Mobile clinics.
- Provider reimbursement increases.

New Mexico's Loan Forgiveness Programs. Data provided by the Higher Education Department demonstrates that loan forgiveness for healthcare workers increased exponentially since FY21. In FY21, 144 individuals within the healthcare field requested loan forgiveness, 22 individuals received an award averaging \$25,000. The average award amount remained the same for FY24, with 1,122 individuals that applied for loan forgiveness and 701 granted awards. This growth indicates that, at the very least, more individuals are learning about the loan forgiveness program. However, it is unclear at this time if the program is achieving its desired outcomes of recruiting and retaining healthcare workers in the state. More data is necessary to understand if this program, which cost the state \$14.6 million in FY24, is successful.

Healthcare Labor Force Production and Needs

On average, there was a shortage of 5,000 healthcare workers in the state of New Mexico between 2018 and 2023. New Mexico universities have, on average, 3,000 individuals enrolled in classes focused on healthcare. This includes anyone in a nursing program or social work program (master's degree only). Even if every student were to graduate and seek employment in New Mexico and in the

healthcare field, there is still a shortage of approximately 2,000 workers within the healthcare and social assistance field. New Mexico needs to enhance recruitment efforts of individuals who work within the healthcare and social assistance field, as the gap remains pervasive.

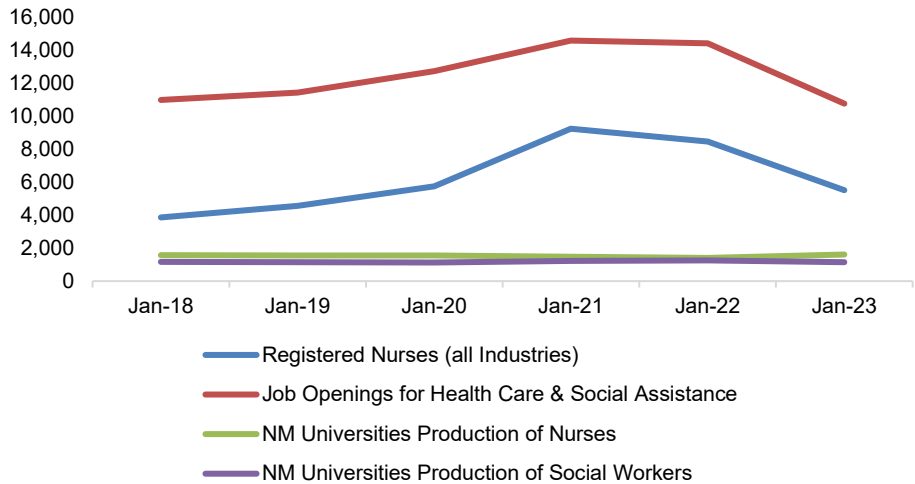
To address these issues, the Legislature appropriated \$50 million to the Higher Education Department for faculty endowments, \$59 million for the nursing faculty endowments and financial aid, and \$80 million for social work endowments.

Higher education institutions reported graduating 1,142 nurses in 2023, down 5.5 percent from the 1,209 reported in 2022, and down 14 percent from the 1,328 reported in 2019. Additionally, applications for nursing fell by 6 percent year-over-year, and are down 19 percent over the past 5 years.

Nursing program budgets have grown 72 percent over the past 5 years and nursing program faculty have increased 29 percent.

Of the 19 programs offering pre-licensure nursing programs, 13 report nursing licensure exam passage rate increases in 2023 that were higher than their 3-year average rates. The majority of programs reported increased graduation rates in 2023 as well.

Healthcare Needs, Availability, and Graduation Rates



Medicaid Managed Care Organization (MCO) Provider Network Adequacy

Medicaid data indicates all the contracted managed care organizations (MCOs) have increased the size of their provider networks. But the MCO provider network increases are not equal and not at the same pace as the increases in Medicaid enrollment from 2019 to 2023. The growth in the provider network for Medicaid recipients was driven by increases in Western Sky Community Care networks.

All Medicaid MCOs Unique National Provider Identification Numbers (NPIs) by Year - 2nd Quarter Data

The data below indicate as Medicaid enrollment grew between 2019 through 2022, the growth in the number of Medicaid physical health and behavioral health providers trended downwards, with an uptick in 2023. Both the numbers of physical health and behavioral health Medicaid providers and the per capita numbers of physical health and behavioral health Medicaid providers trended downwards as Medicaid enrollment grew from 2020 through 2022.

Year	# of Unique NPIs PH	% Change	# of Unique NPIs BH	% Change
2019	11,154		4,537	
2020	12,317	10%	5,035	11%

Higher education institutions' enrollment in master's-level social work programs fell 8.4 percent from 2022 to 2023 but is up 1.1 percent over the past 5 years. Applications for master's-level social work programs fell 18 percent between 2022 and 2023 and are down 13 percent over the past 5 years. Spending on social work programs increased 29 percent between FY19 and FY23.

Enrollment in bachelor's level social work programs is up 2.9 percent between 2022 and 2023 but is down 15 percent over the past 5 years.

Over the past three years, the Legislature has appropriated \$80 million for social work endowments for faculty and financial aid. At a relatively conservative assumption of a 4 percent return, the endowments would provide \$3.2 million annually for social work programs, equivalent to a 44 percent increase on the combined total \$7.2 million social work programs spending in FY23.

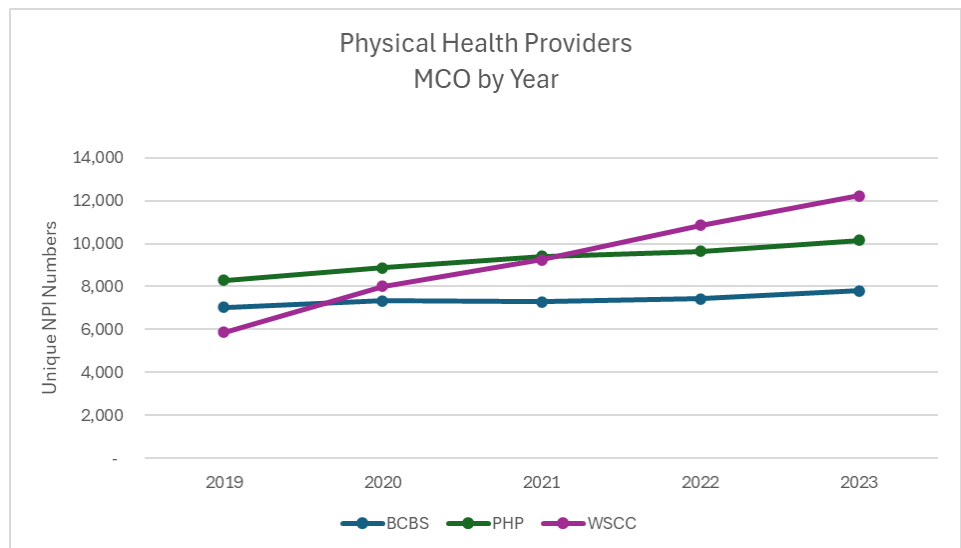
Social work program budgets increased by 13 percent from FY22 to FY23 and are up 29 percent from FY19 to FY23.

2021	13,279	8%	5,322	6%
2022	14,381	8%	5,778	9%
2023	15,650	9%	6,272	9%

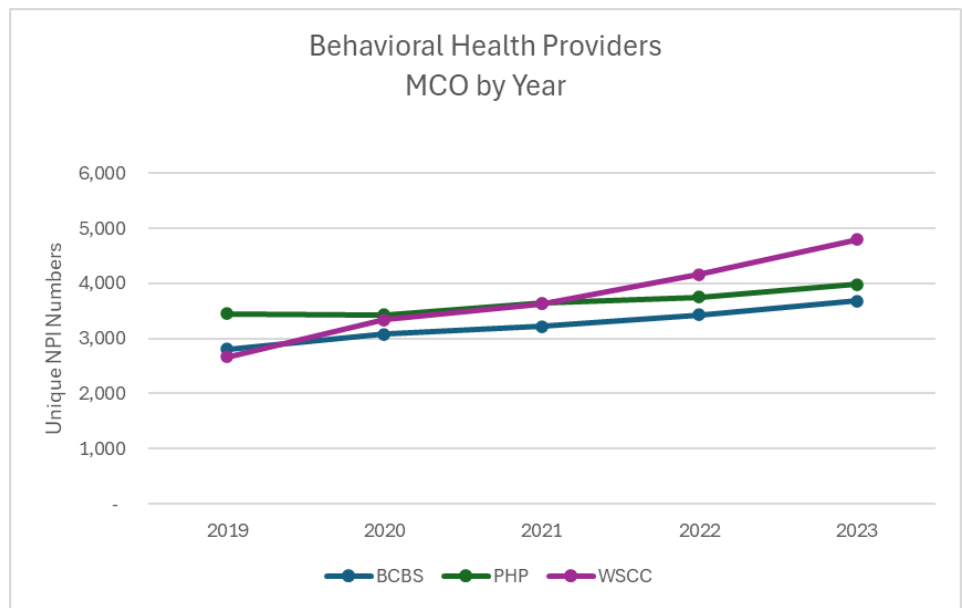
Year	Medicaid Enrollment	% Change
2019	831,190	
2020	865,570	4%
2021	937,872	8%
2022	979,371	4%
2023	971,877	-1%

Year	PH Provider/10,000	% Change	BH Providers/10,000	% Change
2019	134.19		54.58	
2020	142.30	6%	58.17	7%
2021	141.59	-1%	56.75	-2%
2022	146.84	4%	59.00	4%
2023	161.03	10%	64.53	9%

In the graphs below, the Medicaid provider NPI data shows Western Sky Community Care, which started a Centennial Care contract with the Human Services Department (HSD) in 2019, increased their network more than Blue Cross Blue Shield and Presbyterian Health Plan for both physical health and behavioral health providers. Approximately one third of the providers overlapped providers, and these healthcare providers were present in all three MCO's networks.



Source: LFC Files from Medicaid Data



Source: LFC Files from Medicaid Data

The table below depicts that in the Medicaid provider network, many specialties showed an increase from 2019 to 2023. Some specialties, such as nurse practitioners, physician assistants, internal medicine, family medicine, and obstetrics/gynecology showed large increases. Other specialties, such as pediatrics, emergency medicine, dermatology, and midwifery showed modest increases and mixed results in the year over year trend. However, even though some specialties showed substantial increases year over year, the Medicaid provider network’s number of providers in any given specialty still was not fully adequate to serve the growing Medicaid population and provider appropriate per capita access to care in both urban and rural areas.

Top Physical Health Provider Specialties						
Specialty	2019	2020	2021	2022	2023	Trend
Nurse Practitioner	1,845	2,068	2,290	2,631	2,933	▲▲▲▲▲
Internal Medicine	1,320	1,408	1,662	1,644	1,864	▲▲▲▲▲
Family Medicine	1,170	1,237	1,410	1,414	1,568	▲▲▲▲▲
Physician Assistant	935	1,023	1,067	1,206	1,317	▲▲▲▲▲
Dentist	930	968	1,056	1,041	1,068	▲▲▲▲▲
Pediatrics	642	688	777	762	827	▲▲▲▲▲
Student in an Organized Health Care Education/Training Program	72	326	83	504	511	▲▲▲▲▲
Obstetrics & Gynecology	398	419	454	464	509	▲▲▲▲▲
Surgery	314	344	391	413	467	▲▲▲▲▲
Orthopaedic Surgery	246	252	281	285	319	▲▲▲▲▲
Registered Nurse	175	158	226	223	281	▲▲▲▲▲
Emergency Medicine	130	131	198	159	197	▲▲▲▲▲
Podiatrist	132	141	148	158	174	▲▲▲▲▲
Psychiatry & Neurology	121	141	153	158	173	▲▲▲▲▲
Advanced Practice Midwife	121	145	146	163	169	▲▲▲▲▲
Urology	87	93	105	112	123	▲▲▲▲▲
Otolaryngology	70	76	80	86	95	▲▲▲▲▲
Dermatology	54	53	65	61	61	▲▲▲▲▲
Midwife	54	52	58	57	59	▲▲▲▲▲

Source: LFC Files from Medicaid Data

For behavioral health providers in the Medicaid provider network between 2019 and 2021, there were increases in counselors, social workers, nurse practitioners, and marriage and family therapists. There were small increases for psychologists, psychiatry, and neurology providers. These increases seemed to stagnate in 2022 and 2023.

Top Behavioral Health Providers						
Specialty	2019	2020	2021	2022	2023	Trend
Counselor	1,529	1,656	1,785	1,862	2,017	▲▲▲▲▲
Social Worker	780	932	972	1,057	1,229	▲▲▲▲▲
Psychologist	338	376	405	400	406	▲▲▲▲▲
Nurse Practitioner	184	245	257	321	363	▲▲▲▲▲
Psychiatry & Neurology	269	298	348	319	349	▲▲▲▲▲
Marriage & Family Therapist	120	139	135	166	191	▲▲▲▲▲

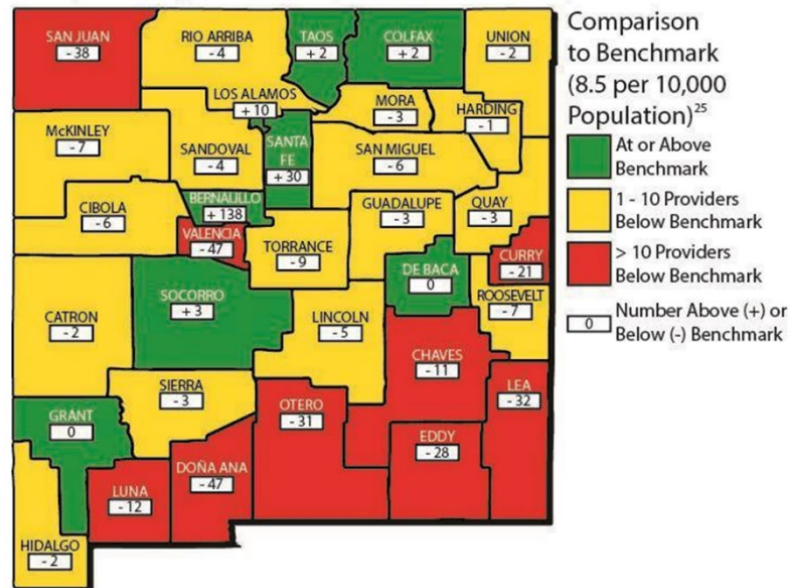
Source: LFC Files from Medicaid Data

The New Mexico Institute of Mining and Technology was appropriated \$750 thousand in FY25 through FY27 for the Institute for Complex Systems Analysis to establish and maintain a state healthcare workforce dashboard.

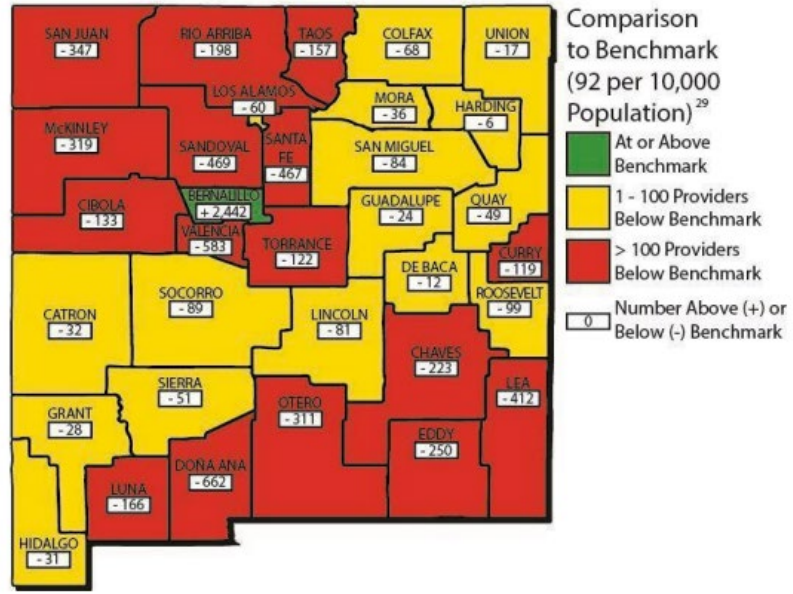
University of New Mexico (UNM) Health Care Workforce Committee

The UNM Health Care Workforce Committee was enacted in 2011. The UNM Health Care Workforce Committee compiles an annual report. The 2023 report indicated in the tables below that some counties of New Mexico are underserved with specialty healthcare. This is apparent particularly with primary care physicians, registered nurses, clinical nurse specialists, obstetrics/gynecology, and psychiatric providers.

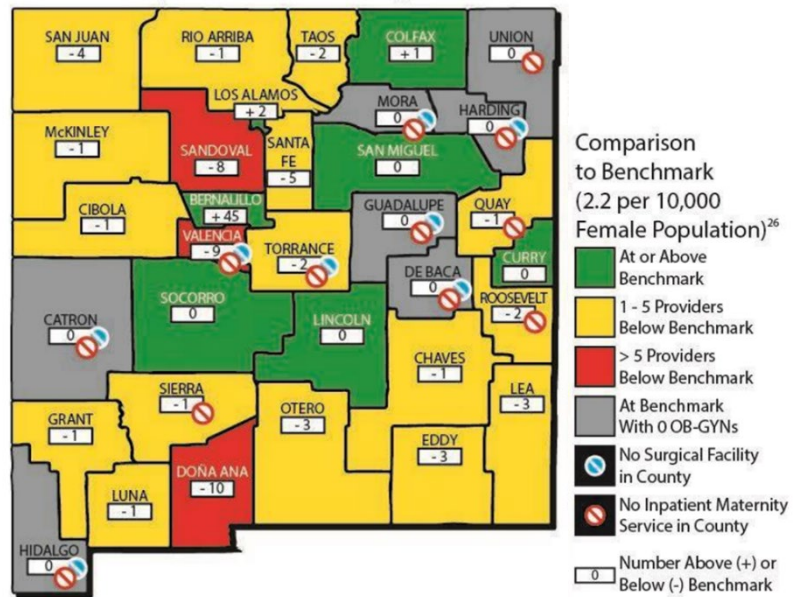
Primary Care Physicians Compared to Benchmark, 2021



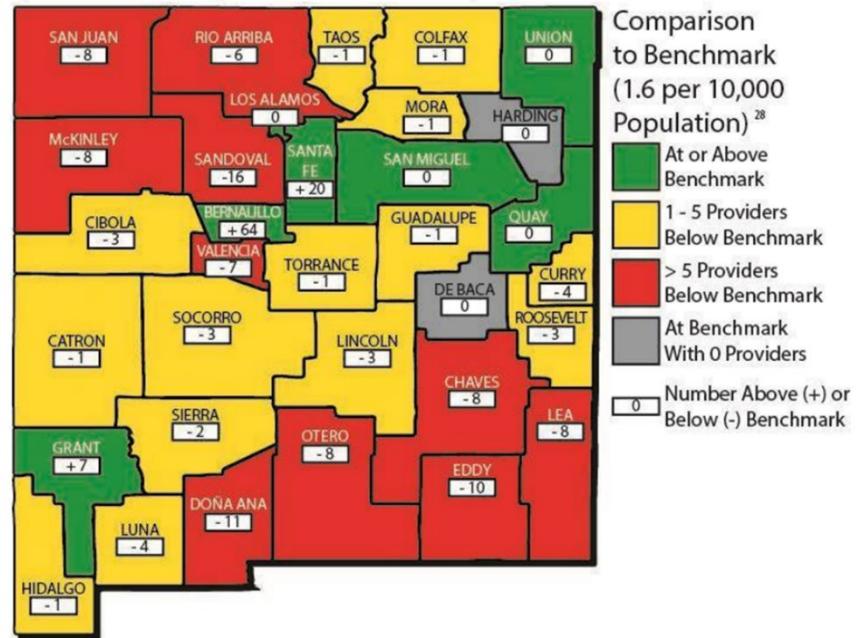
RNs and CNSs Compared to Benchmark, 2022



OB-GYNs Compared to Benchmark, 2021



Psychiatrists Compared to Benchmark, 2021



Source: UNM Health Care Workforce Committee 2023 Annual Report

Suggested Recommendations from the UNM Health Care Workforce Committee 2023 Report

The following include a list of recommendations suggested by the statutorily-created University of New Mexico (UNM) Health Care Workforce Committee. The recommendations are geared towards increasing the healthcare workforce, recruitment and retention, and enhancing access to healthcare. The recommendations would be dependent on available funding.

1. Encourage New Mexico to boost Medicaid funding to achieve key goals including 1) raise primary care, maternal and child health, and behavioral health Medicaid rates to 150 percent of Medicare; 2) set specialty care rates at a minimum of 120 percent of Medicare; 3) provide increases for preventive health codes; 4) consider a 10 percent higher rate for rural New Mexico services; 5) grant advanced practice registered nurses (APRNs) 100 percent of physician Medicaid rates; and 6) encourage the Health Care Authority to create a five-year plan to reach greater than 150 percent of Medicare rates by FY30.
2. Medicaid could consider a reimbursement differential to providers and provider organizations for offering services in languages other than English. This would be through a state certification process for qualified behavioral health interpreters, that includes training for monolingual English speakers on how to use interpreters.
3. Consider increased funding for the Health Professional Loan Repayment Program when accountability standards are met.

4. Review amending the Medical Malpractice Act with possible considerations for the following possible suggestions. 1) Define "malpractice claim" and "occurrence" to treat a single injury event as one claim, regardless of providers; 2) Limit "medical care and related benefits" to actual payments accepted by providers; 3) Remove consumer price index increases in caps; 4) Pay medical expenses as incurred; 5) Allow medical exams for future care necessity; 6) Apply deficit obligations to "qualified and participating hospitals and outpatient health care facilities"; 7) Include a venue provision tying malpractice actions to the district of care or patient residence.
5. Consider a plan to evaluate costs for healthcare professionals for the Center for Complex Care (CoCC) for children, youth, and adults with disabilities.
6. Consider the costs and benefits of expanding the Rural Health Care Practitioner Tax Credit program to include pharmacists, physical therapists, social workers, and counselors.
7. Consider funding for the Rural Healthcare Delivery Fund based on needs identified by community practices and and consider making funding applicable to services delivered in a county with a population less than 125,000 people.
8. Expand certified peer support specialist roles in the state's behavioral health workforce. Approaches include: 1) Advocate for including peer support services in behavioral health coverage for all New Mexico health plans; 2) Expand Medicaid reimbursement for peer support in diverse settings; 3) Enable peer support workers to provide Medicaid services in emergency departments without a treatment plan. These measures aim to address the state's shortage of behavioral health providers (4 per 1,000 statewide) by increasing opportunities for hiring and billing for certified peer support specialists.
9. Consider permitting the Medical Board Compact Commission to participate in the Interstate Medical License, like our neighboring states, to reduce barriers to physicians licensed in other states being able to practice in our state.

Questions

The data used to evaluate the trends in Medicaid provider network size were pulled from the quarterly Medicaid managed care organization (MCO) reports that are submitted to the Health Care Authority (HCA). The data required scrubbing to remove duplicate and erroneous data. The data was not consistently reported by each MCO which made comparisons more difficult.

1. How are the provider files from the various MCOs validated to ensure accuracy in reporting?
2. Can the data be used reliably to determine providers practicing at multiple geographic locations?

3. Could HCA provide summarized claims data by the national provider identifier (NPI) number so the efficacy of each MCO network could be analyzed and assessed?
4. Is it possible for the Higher Education Department (HED) to work with the Taxation and Revenue Department to determine if there is an increase in individuals staying in the state because of loan forgiveness programs?
5. The Behavioral Health Collaborative's role is to combine efforts across siloes of state government to improve access and outcomes within behavioral health. The Collaborative currently does not have a chief executive officer and has not been convening. What role does the Health Care Authority see the Behavioral Health Collaborative fulfilling in terms of behavioral health workforce and improving outcomes? What is the status of the statutorily-required behavioral health strategic plan?

Appendix A: Health Professional Loan Repayment Program Cost

	FY20	FY21	FY22	FY23	FY24	FY25
Base Budget (HED)	1,061.90	1,248.00	1,248.00	1,648.00	4,648.00	4,648.00
Special Appropriation	-	-	-	-	10,000.00	15,000.00

Source: HB2 and Post-Session HED Funding

Appendix B: Non-Recurring Nursing Appropriations

Year	Amount Appropriated	Purpose
2022	1,000	Nursing financial aid at San Juan College
2022	1,000	Nursing financial aid at Eastern
2022	1,000	Nursing financial aid at Western
2022	1,000	Nursing financial aid at Highlands
2022	30,000	Nursing faculty endowments
2022	15,000	Nuring expansion.
2023	10,000	Endowed faculty positions.
Total:	59,000	

Source: LFC Files

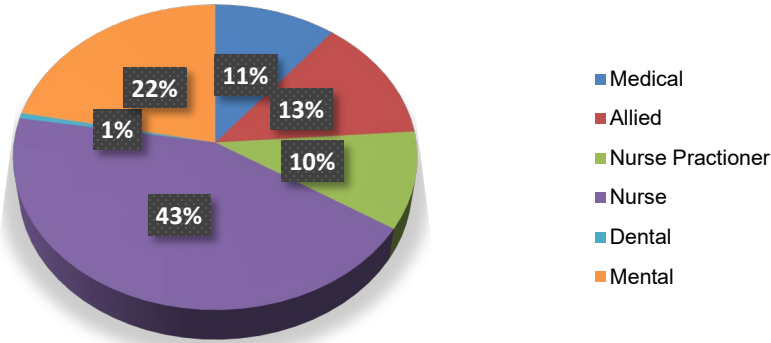
Appendix C: Non-Recurring Social Work Appropriations

Year	Amount	Purpose
2022	50,000.0	Endowments for faculty, student financial aid, and paid practicums
2023	20,000.0	Endowments for student financial aid and paid practicums
2024	10,000.0	Endowments for faculty, student financial aid and paid practicums
Total:	80,000.0	

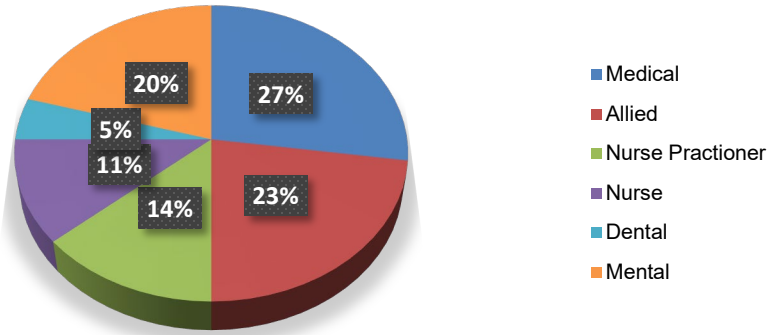
Source: LFC Files

Appendix D: Percent of Individuals Awarded Loan Repayment by Health Care Profession

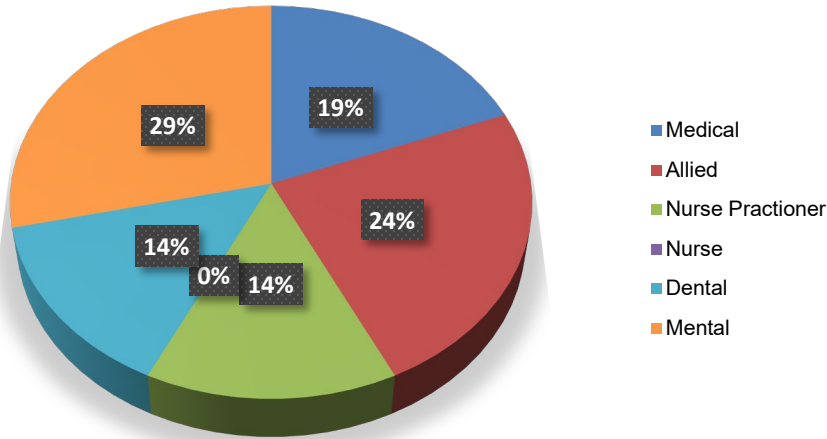
FY24



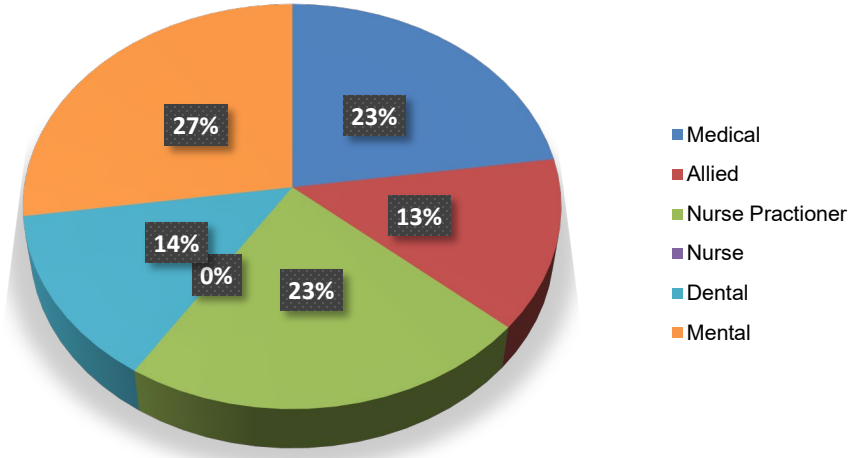
FY23



FY22

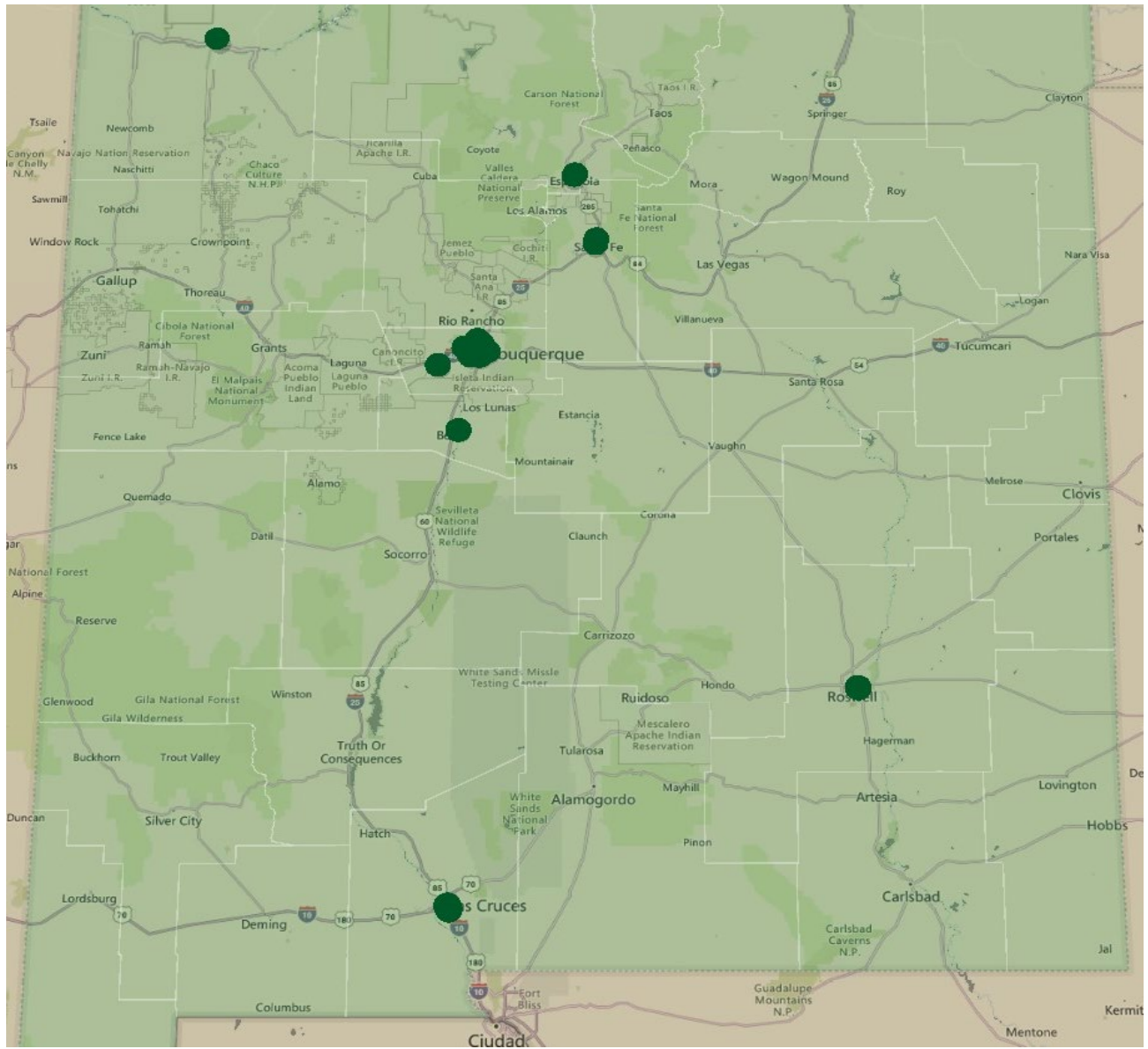


FY21



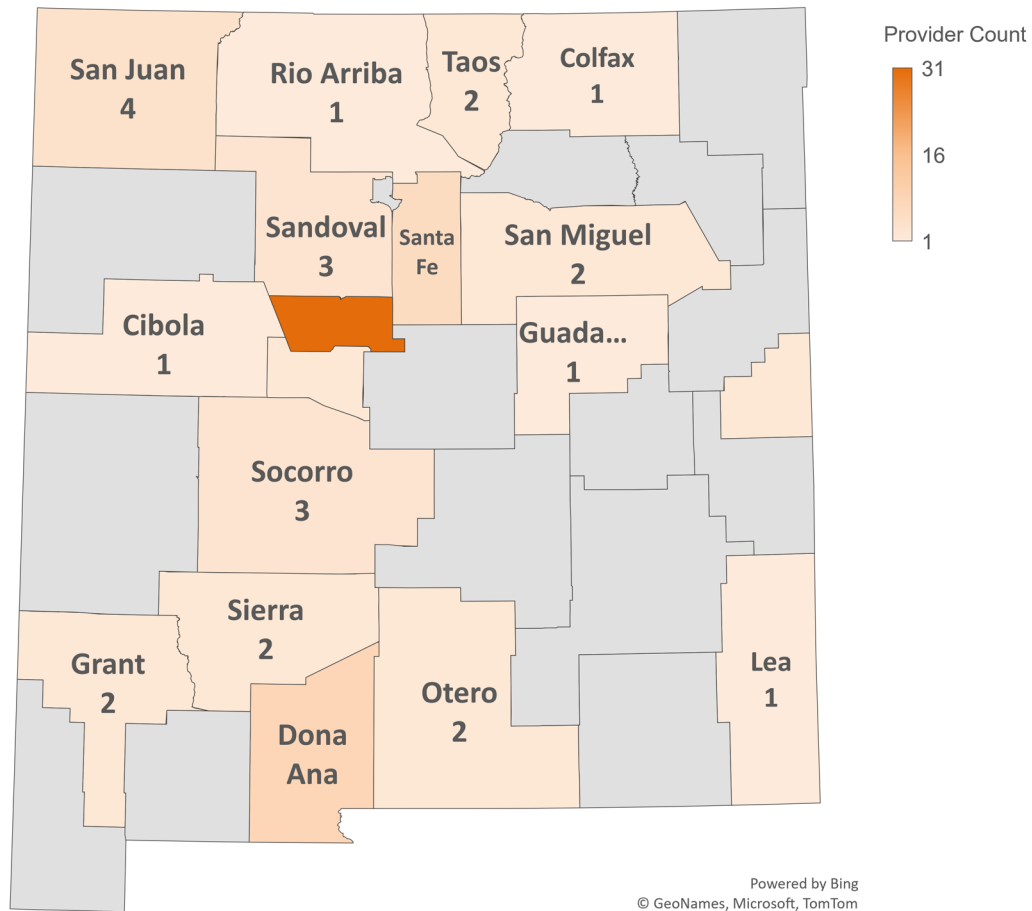
Source: Higher Education Department

Appendix E: New Mexico Behavioral Health Prescribing Providers by County as of December 2023



Source: Behavioral Health Services Division—Health Care Authority

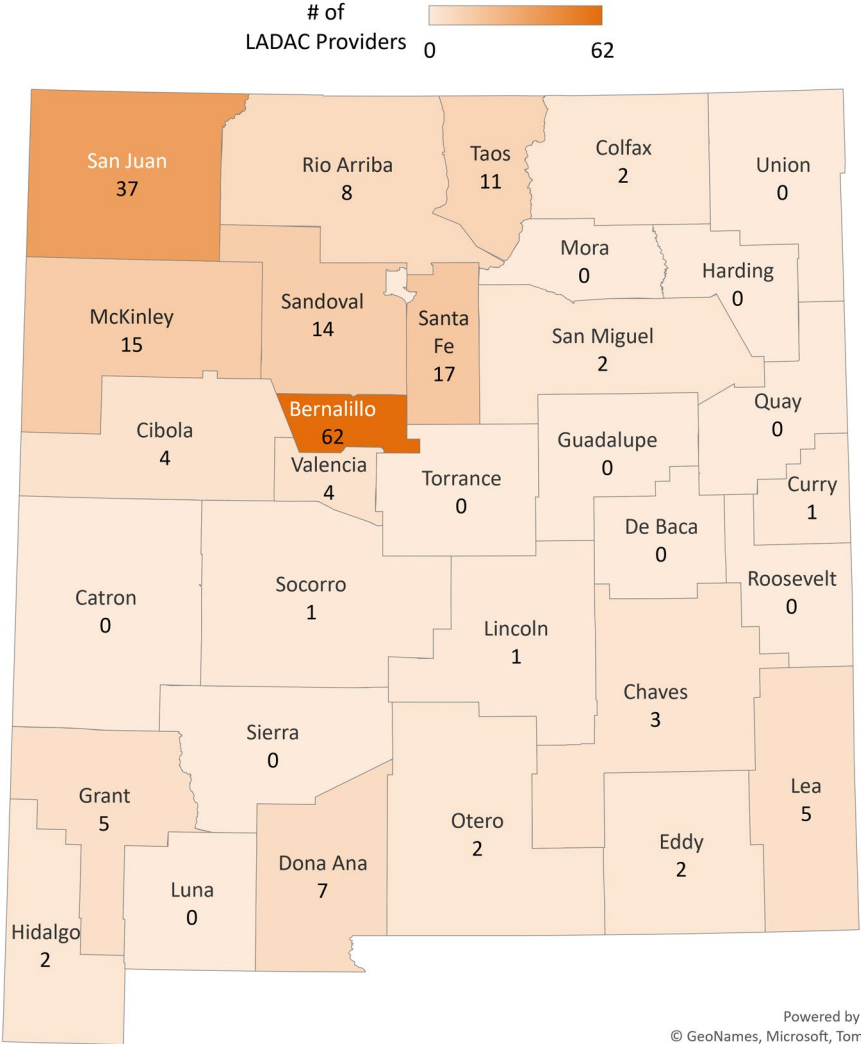
Appendix F: Medicaid Comprehensive Community Support Services Providers Actively Billing in CY23



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Source: Behavioral Health Services Division—Healthcare Authority

Appendix G: Breakdown of New Mexico Medicaid Licensed Alcohol and Drug Abuse Counselor Providers by County



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Source: Behavioral Health Services Division—Health Care Authority

References

[The Complexities of Physician Supply and Demand: Projections From 2021 to 2036](#)

Davis, J.C., Cromartie, J., Farrigan, T., Genetin, B., Sanders, A., & Winikoff, J.B. (2023). *Rural America at a glance: 2023 edition* (Report No. EIB-261). U.S. Department of Agriculture, Economic Research Service. <https://doi.org/10.32747/2023.8134362.ers>

University of New Mexico Health Care Workforce Committee 2023 Annual Report

https://digitalrepository.unm.edu/cgi/viewcontent.cgi?article=1011&context=nmhc_workforce