

**Alice  
Liu  
McCoy**

Aging and Long-Term  
Services Department



**Brian  
Blalock**

Children, Youth, & Families  
Department

# New Mexico Health Cabinet Secretaries.

Working Together for New Mexicans

**David  
Scrase, M.D.**

Human Services  
Department



**Kathy  
Kunkel**

Department of Health

**Legislative Health and Human Services Committee, July 24-25, 2019**



# AGENDA

- Current Status of the Human Services Department (HSD)
- HSD Strategic Plan
- Key HSD issues that may need to be addressed in the next several Legislative sessions

# CURRENT STATUS OF AGENCY

- Introduction to Healthcare Team
- HSD Programs and Numbers Served
- Travels around the State
- 6-month diagnoses from new administration on agency: key issues that need to be addressed immediately, in short term, long term



# GOVERNOR MICHELLE LUJAN GRISHAM



Secretary David Scrase, M.D.  
Human Services Department



Secretary Kathy Kunkel  
Department of Health



Secretary Alice Liu McCoy  
Department of Aging and  
Long-Term Services



Secretary Brian Blalock  
Children, Youth and Families  
Department

# OFFICE OF THE GOVERNOR STAFF



Teresa Casados  
Chief Operating Officer



Jane Wishner  
Executive Policy Advisor  
for Health and Human  
Services



Mariana Padilla  
Children's Cabinet Director

<b>Program</b>	<b>New Mexicans Served as of June 2019</b>	<b>FY20 Budget General Fund (GF, 000)</b>	<b>% of GF Budget</b>	<b>FY20 Budget GF + Fed (000)</b>	<b>% of Total Budget</b>
<b>Medicaid (managed + FFS)</b>	824,888	985,537.4	88.70%	5,949,158.8	83.27%
<b>SNAP</b>	446,216	0.0	0.00%	660,000.0	9.24%
<b>TANF</b>	28,037	87.0	0.01%	140,049.9	1.96%
<b>CSED</b>	214,603	7,927.1	0.71%	31,871.1	0.45%
<b>Other Programs</b>	212,230	117,523.2	10.58%	363,576.3	5.09%
<b>TOTAL</b>	<b>*948,479</b>	<b>1,111,074.7</b>	<b>100.00%</b>	<b>7,144,656.1</b>	<b>100.00%</b>

\*Total Unduplicated Recipients

# HSD LEADERSHIP FIELD OFFICE TOUR 2019

April 16, Taos

April 23, Bernalillo: CASA, ABQ: FANS, CSED Albuquerque North and South

April 29- May 1, Moriarty, Tucumcari, Clovis, Hobbs, Carlsbad, Artesia, Roswell, Ruidoso, Alamogordo, Los Lunas

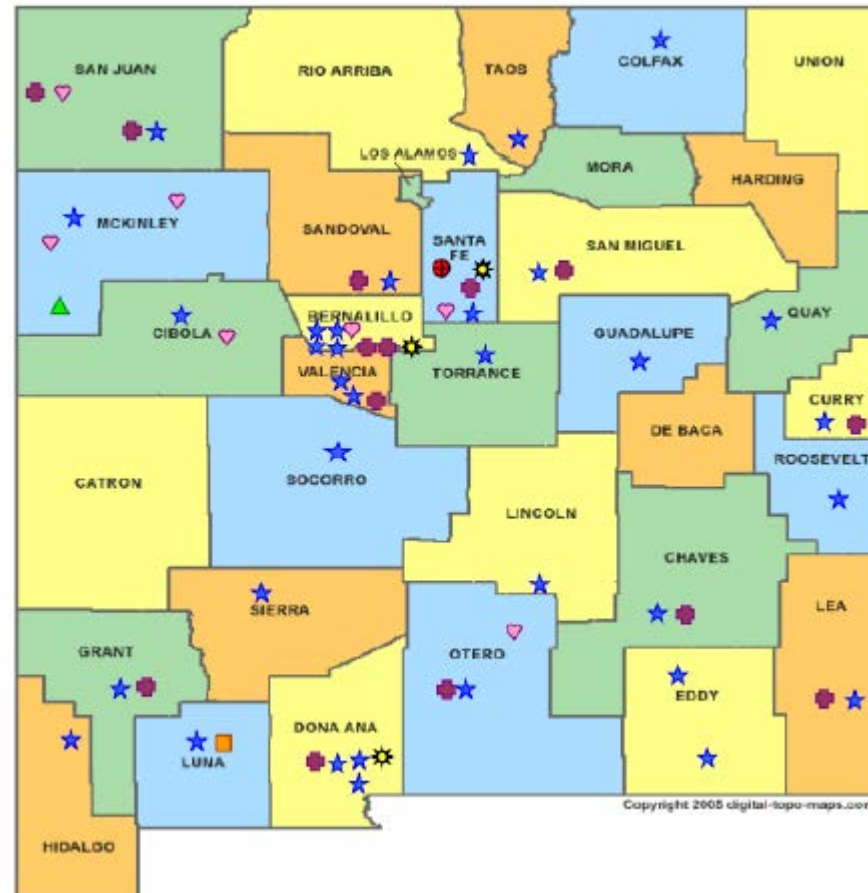
May 28 - 30, T or C, Anthony, Las Cruces, Deming, Silver City, Socorro

June 12 & 13, Rio Rancho, Farmington, Gallup, Grants

June 28, Las Vegas, Espanola

July 2, Santa Fe

July 16, Albuquerque ISD offices



# 6-MONTH DIAGNOSES FOR HSD FROM THE NEW ADMINISTRATION: KEY ISSUES THAT NEED TO BE ADDRESSED

## IMMEDIATE

- Employee morale
- Develop leadership team
- Behavioral health and primary care provider network (including rates)
- Medicaid provider payment rates
- Approach to sanctions and lawsuits
- HHS 2020 back on track
- ASPEN modifications
- DD supports waiver planning

## SHORT TERM (1 -2 YEARS)

- Employee training
- Implement most of HHS 2020 and develop analytic capabilities
- Rebuild the public trust in HSD
- New approach to child support and new information system
- Resolve major lawsuits and sanctions
- Indigenous managed care entity
- Plans to expand insurance coverage
- DD supports waiver development

## LONG TERM (2-4 YEARS)

- Employee retention and career development
- Finalize HHS 2020 with high degree of interoperability with other Departments
- Long term provider payment system (benchmarked, fair, adjustable to inflation and State revenue)
- DD supports waiver implementation
- New Child Support information system



# HSD MISSION AND GOALS

**MISSION:** Working with our partners, we design and deliver innovative, high quality health and human services that improve security and promote independence for New Mexicans in their communities.

## **GOALS:**

- 1. Improve the value and range of services we provide to ensure that every qualified New Mexican receives timely and accurate benefits.**
- 2. Create effective, transparent communication to enhance the public trust.**
- 3. Successfully implement technology to give customers and staff the best and most convenient access to services and information.**
- 4. Promote an environment of mutual respect, trust and open communication for staff to grow and reach their professional goals.**

# HSD GOAL 1: IMPROVE THE VALUE AND RANGE OF SERVICES WE PROVIDE TO ENSURE THAT EVERY QUALIFIED NEW MEXICAN RECEIVES TIMELY AND ACCURATE BENEFITS.

1. Ensure that every qualified New Mexicans receives timely and accurate benefits
2. Expand the BH network to provide a full continuum of behavioral health services
3. Implement long-term cost sustainable provider payment strategy (benchmarked, annual inflation adjustment, annual adjustment for state revenue) to expand the provider network
4. Develop and implement plan for IMCE (Indigenous Managed Care Entity)
5. Develop plan to enhance recruiting and retention for BH, PCP, rural
6. Increase insurance options for the currently uninsured and those with unaffordable plans
7. Expand value based purchasing to focus on measurable health outcome improvements
8. Modernize child support program to improve the financial and medical support of New Mexico's children.
9. Support DOH in development of DD waiver revisions (including supports waiver)

# HSD GOAL 2: CREATE EFFECTIVE, TRANSPARENT COMMUNICATION TO ENHANCE THE PUBLIC TRUST.

1. Develop and implement a comprehensive **external** communication plan
2. Implement a department wide strategy to include partners (federal, state and local, tribes, community-based services, providers, advocates, MCOs) in decisions that affect them.
3. Resolve major ongoing litigation and sanctions: Debra Hatten-Gonzales (31 years), Behavioral Health, Food and Nutrition Services sanction

# HSD GOAL 3: SUCCESSFULLY IMPLEMENT TECHNOLOGY TO GIVE CUSTOMERS AND STAFF THE BEST AND MOST CONVENIENT ACCESS TO SERVICES AND INFORMATION

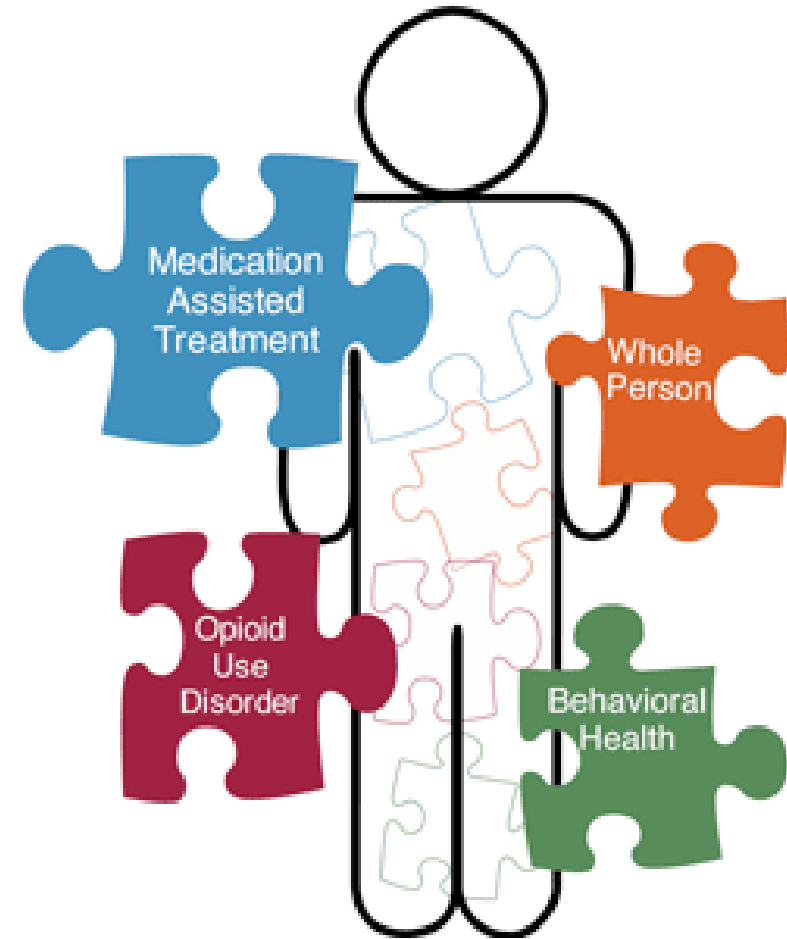
1. Implement HHS 2020 modules: system integration (SI), data services (DS), quality assurance (QA), financial services (FS), benefit management services (BMS), unified public interface (UPI)
2. Implement business transformation to redesign, streamline and improve our processes
3. Provide greater access to timely enterprise data to enhance evidence-based decision making
4. Expand and improve automation and self service capabilities for ease of access to services
5. Identify replacement strategy for Child Support Information System (only one of two applications on mainframe, programming language obsolete)

# HSD GOAL 4: PROMOTE AN ENVIRONMENT OF MUTUAL RESPECT, TRUST AND OPEN COMMUNICATION FOR STAFF TO GROW AND REACH THEIR PROFESSIONAL GOALS.

1. Develop and implement comprehensive **internal** communication plan
2. Develop and implement comprehensive department-wide employee training program
3. Develop and implement a comprehensive department-wide management training and succession planning program
4. Improve employee satisfaction

# BEHAVIORAL HEALTH COLLABORATIVE (BHC) GOALS

- 1) **Expansion of Behavioral Health Provider Network**
- 2) Expansion of Community Based Mental Health Services for Children
- 3) Effectively Address Substance Use Disorder (SUD)
- 4) Provide Effective Behavioral Health Services for Justice-Involved Individuals



# BHC GOAL 1: EXPANSION OF BEHAVIORAL HEALTH PROVIDER NETWORK

- There is a significant problem with access to Behavioral Services in the state for Medicaid members
- Estimates suggest that only one-third of BH providers take Medicaid patients
- The incidence of BH issues is higher in the Medicaid population
- Benchmarks are difficult to obtain, current reports inadequate

Psychiatrists Compared to Benchmark, 2017

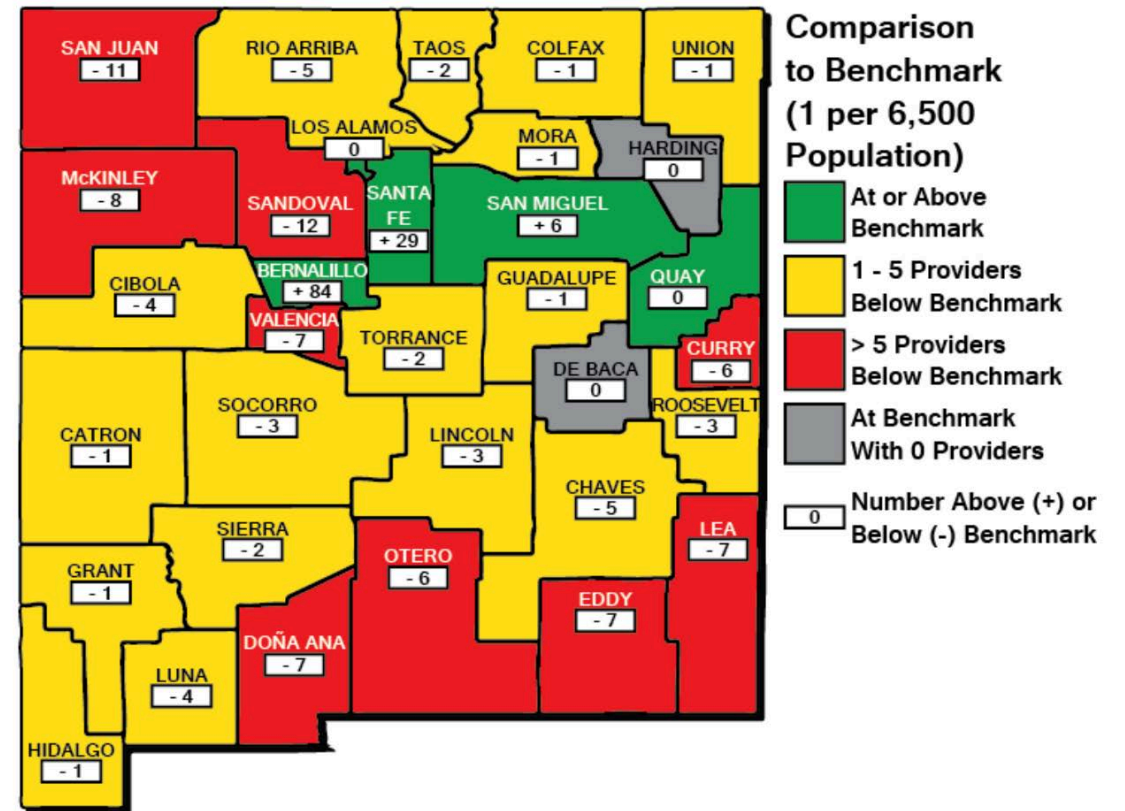


Figure 2.9. Psychiatrist workforce relative to the national benchmark of one psychiatrist per 6,500 population is shown in the white boxes. Each county's color indicates whether it is at or above benchmark (green), below benchmark by five or fewer providers (yellow), or below benchmark by more than five providers (red). Gray counties have no providers and benchmark values of zero.

# NEW MEXICO HEALTH CARE WORKFORCE COMMITTEE REPORT, 2018

*Table 3.1. Summary of Open-Ended Responses Regarding Barriers to Behavioral Health Workforce*

In your opinion, what is the greatest barrier to acquiring quality behavioral health care workforce members in New Mexico?		
Response	Frequency	Percent
<b>Salaries and benefits</b>	29	36.3%
<b>Quality education programs and supervisory training</b>	20	25.0%
<b>Reimbursement rates</b>	13	16.3%
<b>High need / high stress / impoverished populations</b>	9	11.3%
<b>Licensing / credentialing requirements</b>	8	10.0%
<b>Supervision for unlicensed clinicians</b>	8	10.0%
<b>Geographic location</b>	6	7.5%
<b>Changes in state policies / administrations</b>	6	7.5%
<b>Cultural training needs (particularly with Native American populations)</b>	4	5.0%
<b>Need for bilingual / multilingual providers</b>	3	3.8%



# INTERVENTIONS TO EXPAND BEHAVIORAL HEALTH PROVIDER NETWORK

1. Expand potential new services by \$34 M (7/2018, 1/2019)
2. Expand base payment rates for E&M codes (7/2019) and expanded BH services (10/2019) ►
3. Address ongoing administrative appeals and lawsuits
  - Update on settlements
4. Work with DOH, DHE, DWS and UNM to grow our own BH workforce
5. Identify new opportunities to expand loan forgiveness

Top 30 BH Outpatient Proc Codes	
90837	PSYTX PT&/FAMILY 60 MINUTES
H0020	ALCOHOL AND/OR DRUG SERVICES; METHADONE
S5145	FOSTER CARE THERAPEUTIC, PER DIEM
90834	PSYTX PT&/FAMILY 45 MINUTES
90847	FAMILY PSYTX W/PT 50 MIN
H0015	ALCOHOL AND/OR DRUG SERVICES; INTENSIVE
H2033	MULTISYSTEMIC THERAPY FOR JUVENILES, PER
90791	PSYCH DIAGNOSTIC EVALUATION
H2015	COMP COMM SUPP SVC, 15 MIN
H2017	PSYSOC REHAB SVC, PER 15 MIN
90853	GROUP PSYCHOTHERAPY (OTHER THAN OF A MUL
H2015	COMP COMM SUPP SVC, 15 MIN
90832	PSYTX PT&/FAMILY 30 MINUTES
0365T	ADAPTIVE BEHAVIOR TX ADDL
T1026	PED COMPR CARE PKG, PER HOUR
0365T	ADAPTIVE BEHAVIOR TX ADDL
H2012	BEHAV HLTH DAY TREAT, PER HR
H2014	SKILLS TRAIN AND DEV, 15 MIN
S5145	FOSTER CARE THERAPEUTIC, PER DIEM
G9001	COORDINATED CARE FEE, INITIAL RATE
90846	FAMILY PSYTX W/O PT 50 MIN
H0039	ASSER COM TX FACE-FACE/15MIN
80307	DRUG TEST PRSMV CHEM ANALYZR
90863	PHARMACOLOGIC MGMT W/PSYTX
90792	PSYCH DIAG EVAL W/MED SRVCS

# CENTENNIAL CARE 2.0

## BH EXPANSION OF SERVICES COVERED

- Individual and Family Peer Support
- After hours, weekends and holiday service
- Assertive Community Treatment
- Comprehensive Community Support Services
- Crisis Treatment Center and Crisis Stabilization
- Intensive Outpatient Services
- Opioid Treatment Program
- Partial Hospitalization expansion/ incentives
- Screening, Brief Intervention and Referral to Treatment
- Accredited Residential Treatment Centers
- Group Psychotherapy
- Interdisciplinary Teaming
- New modifiers for BH evaluation and management codes
- Use of BH Interns in community program
- Recovery services for individuals not just groups
- Adding Certified Family Peer Support Worker
- Treatment Foster Care Level I and II
- Expanding the types of agencies that can deliver Comprehensive Community Support Services
- CareLink New Mexico, Health Home expansion

# THE SHAKE-UP

*The Shake-Up* is a nonprofit documentary about behavioral healthcare in New Mexico, made in partnership with the New Mexico Community Foundation. The film depicts the cause and consequences of the Medicaid freeze of 2013. It is showing on New Mexico PBS.

Secretaries Blalock and Scrase have appeared at public showings of the film and provided comments.

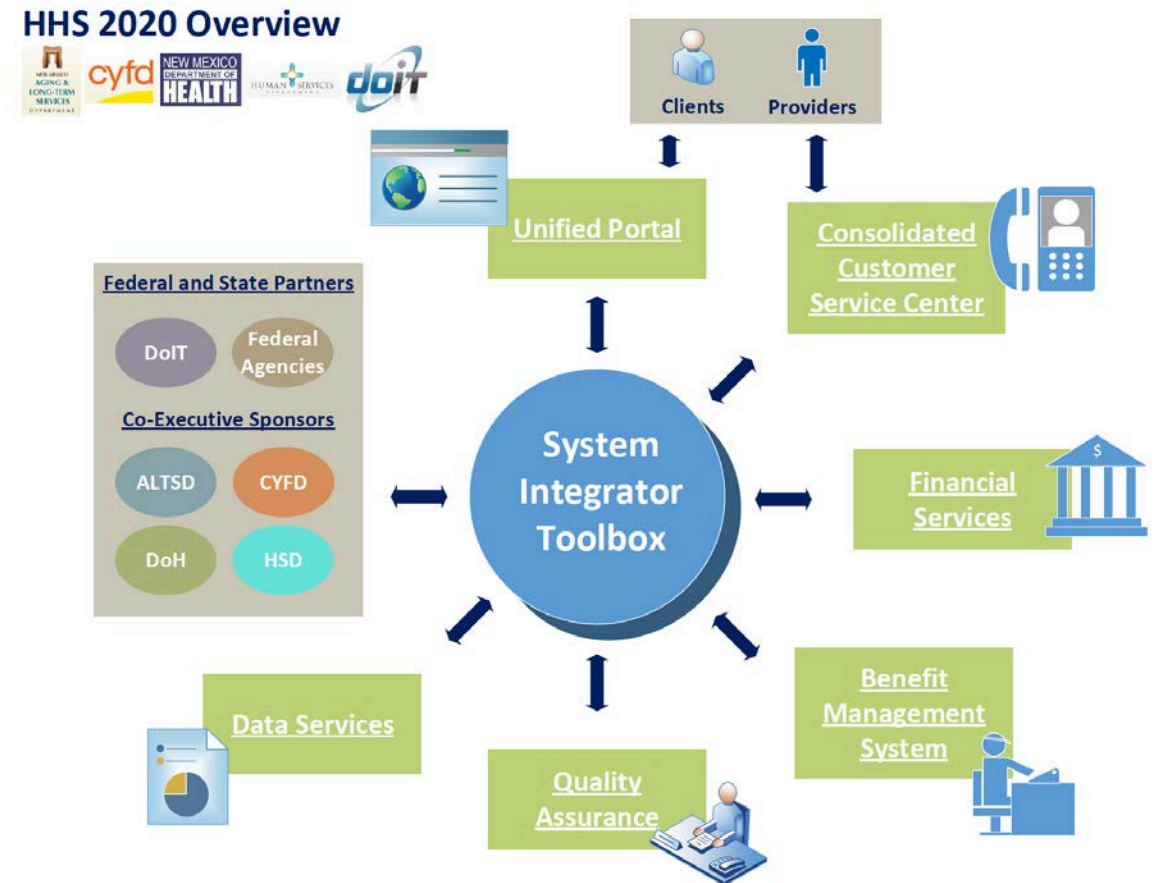
Showing:

- [Santa Fe, NM: National Association for Rural Mental Health Conference](#)



# HHS 2020

- The HSD Secretary is an Executive Co-Sponsor of HHS 2020.
- We have made excellent progress developing the roles of Executive Sponsors. All 4 Health Secretaries, DoIT, plus the Governor's staff, participate in monthly oversight meetings
- Under the leadership of Russ Toal, *many* opportunities to leverage Federal funding have been identified in other agencies
- The new system can become the foundation for many of the databases considered in the last legislative session



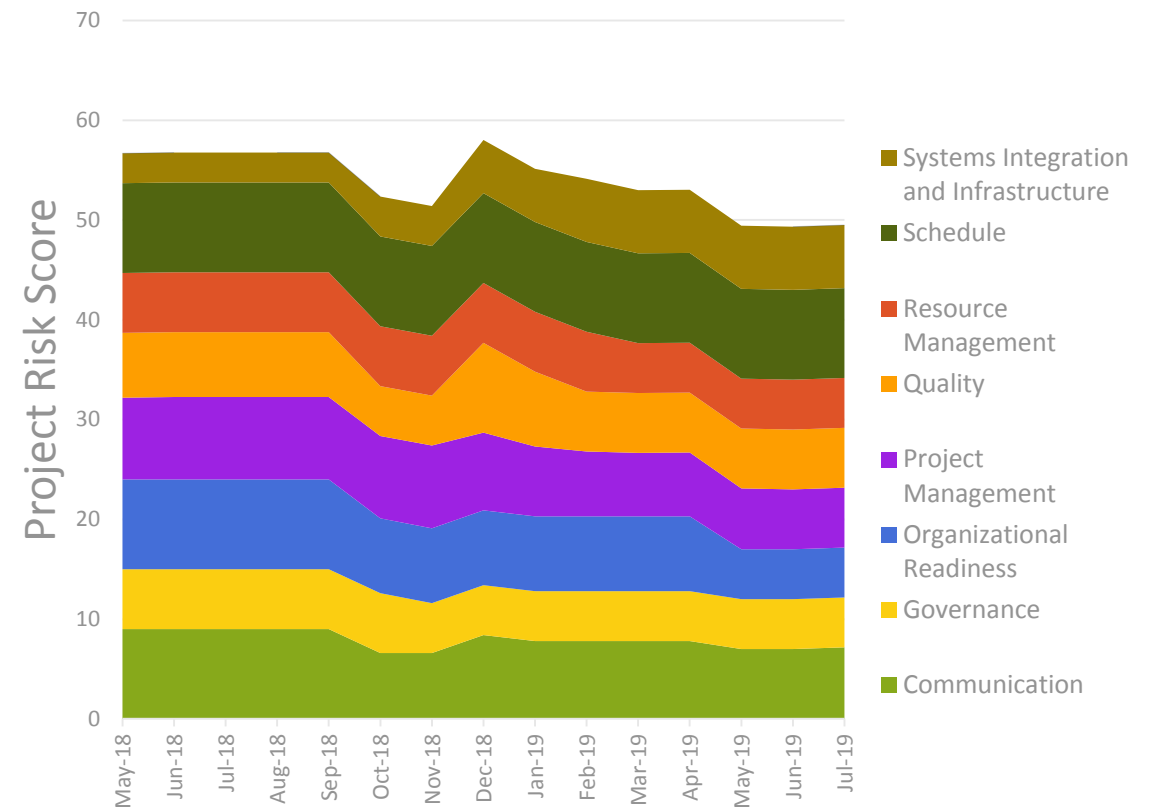
# HHS 2020 GOALS

- Share new technology with many agencies:
  - Contact center technologies
  - Document management
  - Shared database for agencies, providers and clients
- Develop data driven programs:
  - Data sharing
  - Data analytics
  - Business intelligence
  - Data security
- Leverage market leading tools to enhance:
  - A “whole person” view of all agency customers
  - Benefit Management System:
    - Shared care and case management
    - Program design and innovation
  - Financial Services:
    - Accurate and timely payment for all HHS services, not just Medicaid

# HHS 2020: HSD ADDITIONAL ACCOMPLISHMENTS, FIRST 6 MONTHS

- Multiple RFPs developed and released (or in process)
  - Financial Management
  - Benefit Management Services
  - Consolidated Customer Call Center
  - Quality Assurance
- Change in major contract with System Integrator vendor to accelerate implementation
- Secured new Enterprise Project Management contractor

IV&V Risk Assessment by Month



# 2019 LEGISLATIVE SESSION AND HSD

- Total of 37 bills passed and signed directly affecting HSD (plus 28 line items in HB2)
- Estimated need for 11-19 additional FTEs (but no direct FTE appropriations)
- MAJOR projects
  - Provider rates (HB 2) - provides \$14 M GF for a total of \$60 M increases
  - HB 6, hospital tax – provides \$120 M in new GF revenue, and an additional \$158 M in reimbursements to NM hospitals
  - SB 246 Nursing Facility Surcharge – provides an estimated \$60 M in new State revenue, which will be transferred to HSD to significantly increase payment rates (no appropriation for SFY 2020 as program takes 9 months to set up)



# MEDICAID RATE INCREASES JULY 1, 2019

## PROVIDER RATES

- Evaluation and Management Codes (\$37.4 Million)
- Dental Codes (\$4.6 Million)
- Community Pharmacies Dispensing Fee (\$2.1 Million)
- Long Term Services and Supports – PCS (\$11.9 Million)
- New Chronic and Transitional Care Management (\$0.8 Million)
- Topical Fluoride Varnish (\$2 Million)
- Housing Services (\$0.2 Million)

## HOSPITAL RATES

- Inpatient Hospital Services (\$80.1 Million)
  - Increase of 14% for Safety Net Care Pool Hospitals
  - Increase of 5% for UNM Hospital
  - Increase of 12% for all other in-state hospitals
- Outpatient Hospital Services (\$88.6 Million)
  - Increase of 25% for Safety Net Care Pool Hospitals
  - Increase of 10% for UNM Hospital
  - Increase of 18% for all other in-state hospitals



# HSD 2019 LEGISLATION WITH FUNDING

- **HB2: “To reduce reincarceration and homelessness; To improve reentry and healthcare diagnoses”**
  - HB 2 Special Appropriations - \$2.5M
  - 1 FTE needed – will be created with appropriation
- **Continue Child Support IT replacement**
  - HB 2 Special Appropriations - \$1,783,600
  - Transition plan to the new system is being developed
  - Additional capital will be necessary
  - Target implementation date of 2022
- **Continue MMISR Project**
  - HB 2 Special Appropriations - \$1,255,600
  - Project is on target for implementation to begin in 2020

# 2019 HSD LEGISLATION WITH FUNDING

- **GME Grant Program**

- HB 480/HB 548/ SB 536 - \$307,000 total
- To start-up and fund a GME expansion grant program
- 0.5 FTE needed – will be created with appropriation
- Meetings begin on August 9, 2019

- **Affordability and Coverage Initiatives**

- SB 536/HB 548- \$142,000 total (requested \$2 M, seeking philanthropic funds for full analysis needed)
- Study and Develop Options to increase coverage and affordability – leverage Medicaid where possible; stabilize and grow the marketplace
- Initiative to increase insurance options for the currently uninsured and those with unaffordable coverage is underway
  - 1 FTE has been posted (interviews this week)
  - Data analysis contract is in place to do a deep analysis into demographics of currently uninsured
  - Seeking funding from foundations to conduct extensive fiscal and take-up projections for different strategies
  - HSD is on target to present options to Governor by end of CY19

## OTHER MEDICAID GROWTH INITIATIVES FY 2020

- Reinstate retroactive eligibility (in CMS public comment period through 8/7/2019)
- Program Independence between SNAP and Medicaid (9/2019)
- Outreach Efforts (10/2019)
- Data Sharing between DOH and HSD (10/1/2019)
- Real Time Eligibility (10/1/2019)
- Continuous Eligibility/Automated Renewals (4/2020)

# SELECTED HSD 2019 UNFUNDED LEGISLATION

- HB 230 – Plan of Safe Care Bill
  - CYFD provided training on the Child Abuse Prevention and Treatment Act (CAPTA)
  - MAD will develop language for MCO contract amendment to align with the CAPTA requirements
- HB 322 – Autism Spectrum Disorder Coverage
- HB 342 - Criminal Justice Reforms
- SB 41 – Medicaid Provider & Managed Care Act
- SB 437 – Raise Minimum Wage
  - 1 FTE necessary for each program
  - Will come out of HSD base budget

# KEY HSD ISSUES THAT MAY (OR MAY NOT) NEED TO BE ADDRESSED IN THE NEXT SEVERAL LEGISLATIVE SESSIONS

## POSSIBLE LEGISLATION NEEDED

- Modernization of Child Support in New Mexico
- HB 2: Additional funding for:
  - Medicaid growth and other options for the uninsured
  - Employee training
  - Provider rates (3 year plan)
  - Automation
  - Decision support in HSD
  - Expansion of GME funding for BH, PCP, rural
  - Autism, other prior unfunded legislation
  - Completion of Medicaid coverage analysis
  - Information systems implementation as new contractors arrive
- HB 6: Appropriation for Nursing Home surcharge (critical issue)

## LEGISLATION NOT NEEDED

- Because the Medicaid program is regulated by CMS, *many* changes to the program can be accomplished *without* legislation
  - Provider rates in general
  - Rates for specific billing codes
  - Rates for specific provider types
  - Addition of new provider types
  - Bills to address contracting issues
- We would very much like to work with you to identify key priorities of the legislature and incorporate them into our budget for FY 2021

# THANK YOU!

- We appreciate all of your support for both the people of New Mexico and the Human Services Department.
- The changes we have already made, with your support, are already making a difference
- We look forward to continue to work with you to **design and deliver innovative, high quality health and human services that improve security and promote independence for New Mexicans in their communities.**

## ▪ Questions?