



HEALTH CARE
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LEGISLATIVE HEALTH AND HUMAN SERVICES
DEVELOPMENTAL DISABILITIES SUPPORTS DIVISION

AUGUST 28, 2024

KATHY SLATER-HUFF, HEALTH CARE AUTHORITY (HCA) DEPUTY SECRETARY AND
JENNIFER RODRIGUEZ, DEVELOPMENTAL DISABILITIES SUPPORTS DIVISION (DDSD) INTERIM DIRECTOR

INVESTING FOR TOMORROW, DELIVERING TODAY.

BEFORE WE START...

On behalf of all colleagues at the Health Care Authority, we humbly acknowledge we are on the unceded ancestral lands of the original peoples of the Pueblo, Apache, and Diné past, present, and future.

With gratitude we pay our respects to the land, the people and the communities that contribute to what today is known as the State of New Mexico.



Santa Cruz Lake, NM

Photo by HCA employee Jessica Gomez



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Investing for tomorrow, delivering today.



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MISSION

We ensure New Mexicans attain their highest level of health by providing whole-person, cost-effective, accessible, and high-quality health care and safety-net services.

VISION

Every New Mexican has access to affordable health care coverage through a coordinated and seamless health care system.

GOALS



IMPROVE Leverage purchasing power and partnerships to create innovative policies and models of comprehensive health care coverage that improve the health and well-being of New Mexicans and the workforce.



SUPPORT Build the best team in state government by supporting employees' continuous growth and wellness.



ADDRESS Achieve health equity by addressing poverty, discrimination, and lack of resources, building a New Mexico where everyone thrives.



PROVIDE Implement innovative technology and data-driven decision-making to provide unparalleled, convenient access to services and information.

AGENDA

- Ending the developmental disabilities services waitlist
- Eligibility determination process improvements
- Statewide provider capacity
- Provider rates
- Program costs and financial sustainability
- Ensuring health and safety of our clients



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MEET GABRIEL

- Gabriel is a young man with intellectual and developmental disabilities who has been on the developmental disabilities waitlist for the last 10 years.
- Gabriel was allocated to the DD Waiver in 2023 when DDSD eliminated its 13-year waitlist (the *Super Allocation*.)
- The allocation process was cumbersome and took months for Gabriel to begin receiving services.
- When Gabriel was able to select his waiver services and provider agencies, many agencies were limited in their capacity and there were no therapy services accepting new clients where he lived, as a direct result of thousands of new people entering the waiver system over the last 2-3 years.
- With limited providers available, concerns arose that the existing staff were over-worked and needed a pay increase.
- Additional concerns around quality supports and risk for abuse, neglect and/or exploitation were expressed related to provider capacity struggles.



* Based on an HCA client, whose name and photo are changed.



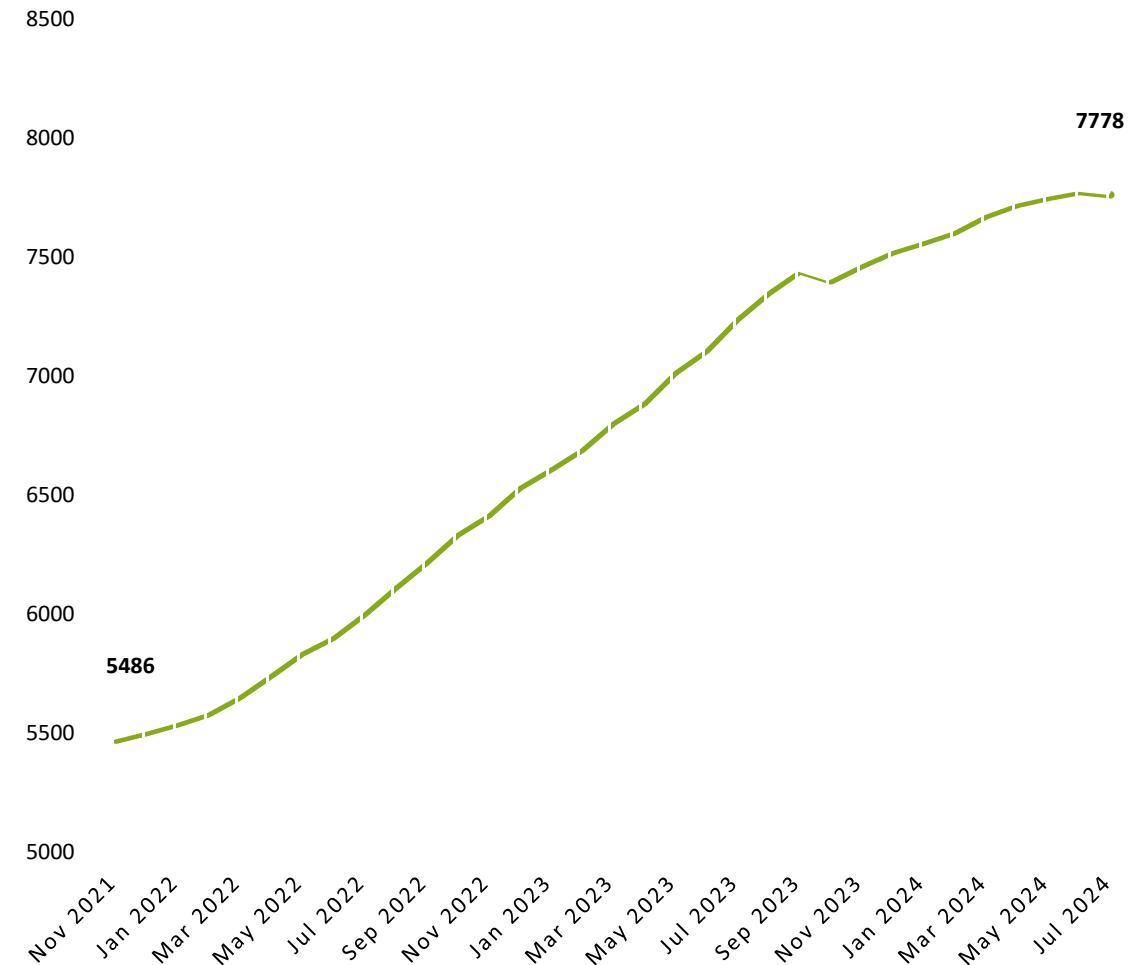
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SERVING NEW MEXICANS: HOME AND COMMUNITY-BASED SERVICES WAIVERS

- New Mexico's home and community-based waivers are person-centered programs offering a community-oriented approach to delivering supports for people with intellectual and developmental disabilities.
- The waivers will continue to serve more New Mexicans by:
 - Eliminating a 13-year waitlist
 - Streamline the Level of Care (LOC) process
 - Increase provider capacity
 - Support providers through rate increases
 - Ensure the health and safety of waiver recipients

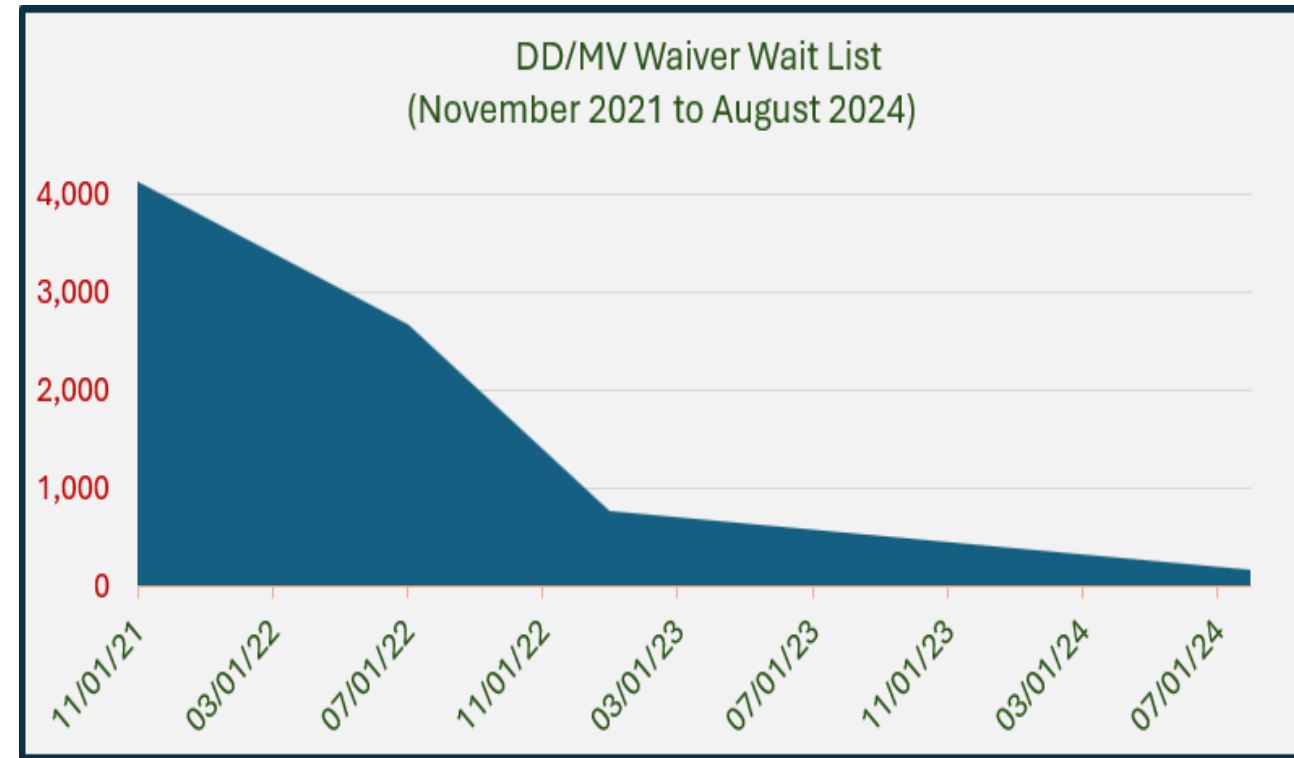
WAIVER POPULATION GROWTH



ELIMINATING THE WAITLIST

THE SUPER ALLOCATION: ELIMINATING THE DEVELOPMENTAL DISABILITIES WAITLIST

- “Super Allocation” began November 2021 with the goal of ending a 13-year waitlist for over 4,000 individuals.
- Each of the 4,000+ people on the waitlist, was offered an “allocation” to the waivers.
- To date 2,200 *new* people are in waiver services and another 3,100 *new* people will be receiving services by the end of 2024.
- New Mexicans apply for our waivers daily, with approximately 450-500 new applicants each year.
- The DDW wait list can remain flat with appropriations that allow for continued allocations.
- There is a process for people to access services faster if they are in crisis due to ANE, have lost a caregiver, experience a DD Commitment, or if there is a lack of resources to assure health and safety.



*DDSD Pre-Service Intake Bureau Data, August 2024



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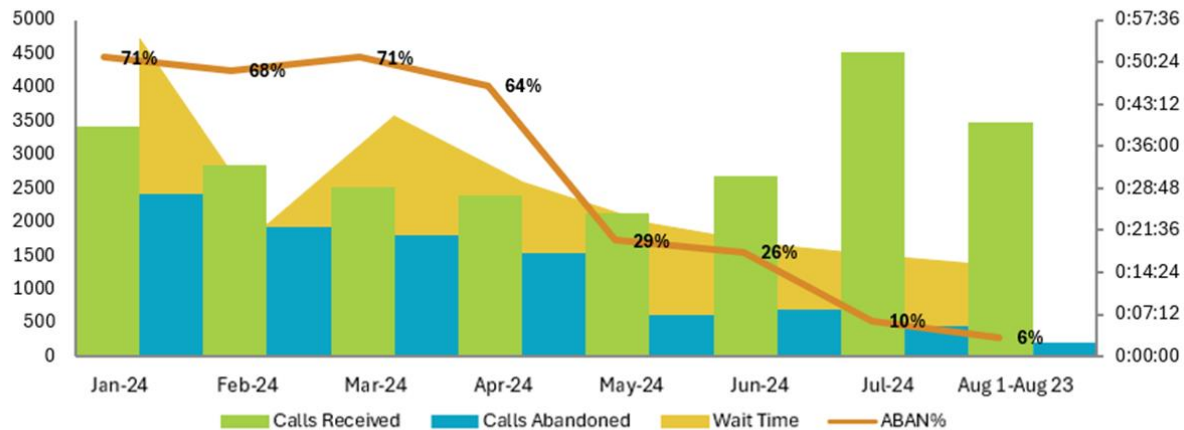
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ALLOCATION PROCESS

ALLOCATION PROCESS IMPROVEMENTS

- The Super Allocation, coupled with the Medicaid Unwinding, resulted in processing delays for new applications and renewals.
- Increased staffing levels to assist with the influx of applications and subsequent call center volume.

ICW CCSC Calls



- Current eligibility process requires that individuals meet financial and medical eligibility requirements for new applications as well as renewals.
 - For individuals to receive waiver services, the initial medical determination is necessary.
 - For renewals, the annual determination of medical necessity is burdensome, especially for individuals with conditions that are not expected to improve from one year to the next.
- Improvements underway to streamline the Level of Care (LOC) process.
- Developing request to Centers for Medicare and Medicaid Services (CMS) for implementing flexibilities to the LOC process.



PROVIDER CAPACITY

WAIVER PROVIDER CAPACITY

- Priority to increase provider capacity and choice for waiver recipients statewide.
 - 3,000 more people receiving services has put a strain on provider capacity statewide.
- 2023 DDSD Provider Capacity Assessment identified greatest need:
 - Nursing services
 - Speech Language Pathology services
 - Physical Therapy services
 - Occupational Therapy services
 - Behavior Support Consultation services

*Provider Capacity: <https://www.hca.nm.gov/directors-office-rate-studies/>

*DDSD Provider Enrollment Data, July 2024

Total Provider Agencies per Therapy Service Type	Regions	Number of Providers	Providers at Maximum Capacity	Providers Taking New Clients
Behavioral Support Consultation 31 Total				
	METRO	18	18	1
	NE	9	4	5
	NW	6	5	2
	SE	8	6	2
	SW	8	6	2
Occupational Therapy 34 Total				
	METRO	24	21	3
	NE	7	7	1
	NW	4	3	1
	SE	3	2	1
	SW	5	4	1
Physical Therapy 38 Total				
	METRO	27	25	5
	NE	6	5	1
	NW	9	7	2
	SE	3	2	2
	SW	4	4	1
Speech Therapy 42 Total				
	METRO	34	28	6
	NE	8	7	3
	NW	6	6	0
	SE	4	1	3
	SW	6	4	3

STRATEGIES TO EXPAND WAIVER PROVIDER CAPACITY

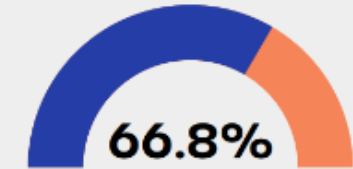
- Nationally, there is a Direct Support Professional (DSP) workforce crisis.
 - Ongoing staffing shortages force providers to adopt extreme measures to sustain operations, which can leave people with I/DD and their families left with diminished access to services.
- Grant from [Advancing States](#) to strategize and incorporate best practices in recruiting, retaining, professionalizing and ensuring better compensation for our DSP workforce, to improve sustainability and quality of DSPs.
- Conducting rate studies every 2 years.
- 2023 House Bill 395 required DDSD to collect information annually on the demographics of our DSP workforce. The first report will be presented in September to this committee.
- The 2024 Centers for Medicare and Medicaid Services (CMS) Final Rule: *Ensuring Access to Medicaid Services*, calls for a wage “pass-through” model to be implemented over the next 6 years, ensuring greater wages for DSPs.

ANCOR Survey of 581 organizations providing services in 45 states:

SHORT ON STAFFING:

95%

Reported experiencing “moderate” or “severe” staffing shortages in the past year.



● Severe ● Moderate

NOWHERE TO GO:

77%

Of respondents reported turning away new referrals in the past year due to ongoing staffing shortages.

OUT OF OPTIONS:

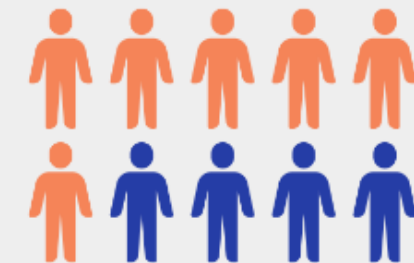
75%

Of case management providers experienced difficulties connecting people with available services.

WORRIED FOR THE FUTURE:

60%

Indicated they were likely to pursue additional discontinuations of programs and services unless high staff turnover were to abate.



**ANCOR: The State of America's Direct Support Workforce Crisis 2023*



RATES

RATE INCREASES

- 2023 Comprehensive Rate Study
 - All recommendations for rate increases were adopted by DDS.
 - DDS did *not* accept any recommendations to *decrease* rates.
 - Three (3) waiver amendments are completing the public input process and are due to be sent to CMS that incorporate numerous rate increases.
- 2024 Cost of Living Adjustment (COLA)
 - In 2024 DDS received a legislative appropriation of \$10.2 mil and used it to give providers a 5.32% COLA permanent increase to their rates.
- 2025 Rate Study
 - A Request for Proposal will be issued in the next 30-60 days for the next comprehensive rate study that will occur in 2025.
- 8/29/24 Provider Summit
 - Opportunity to hear successes and needs within the system

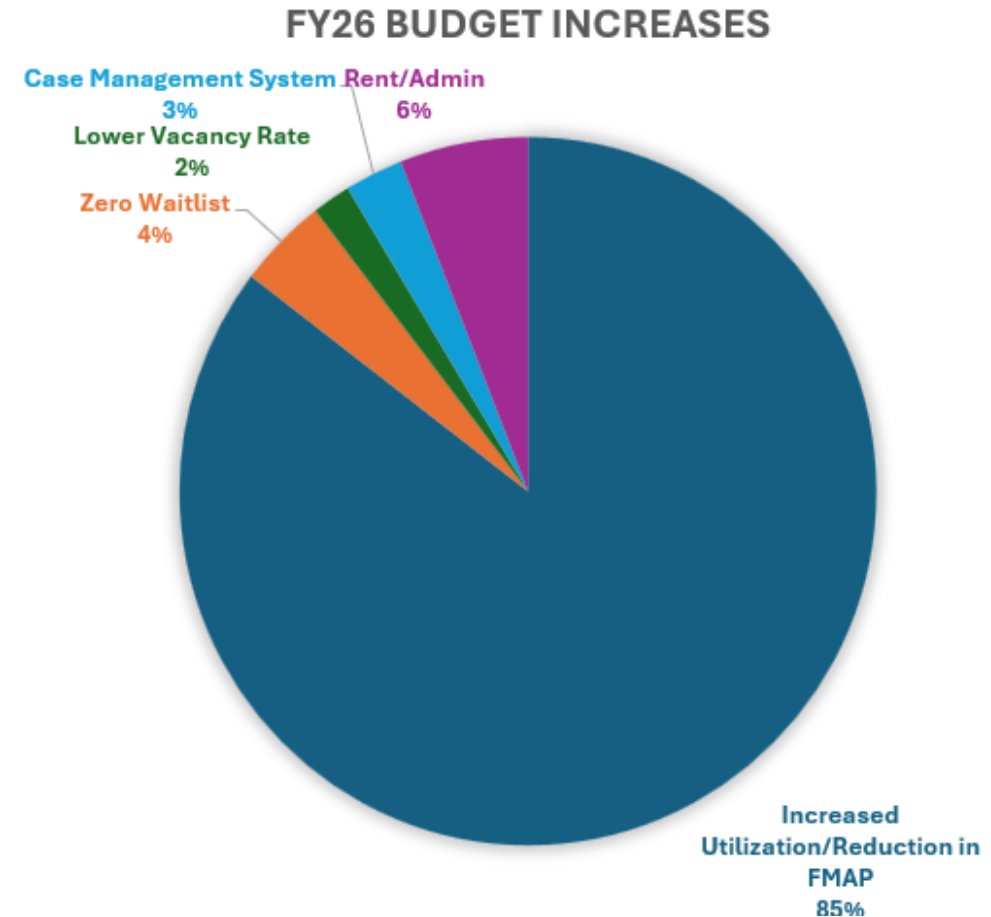
2023 Rate Study	16.5% <i>average</i> increase
2024 COLA	5.32% increase



COST AND SUSTAINABILITY

WAIVER COSTS AND SUSTAINABILITY

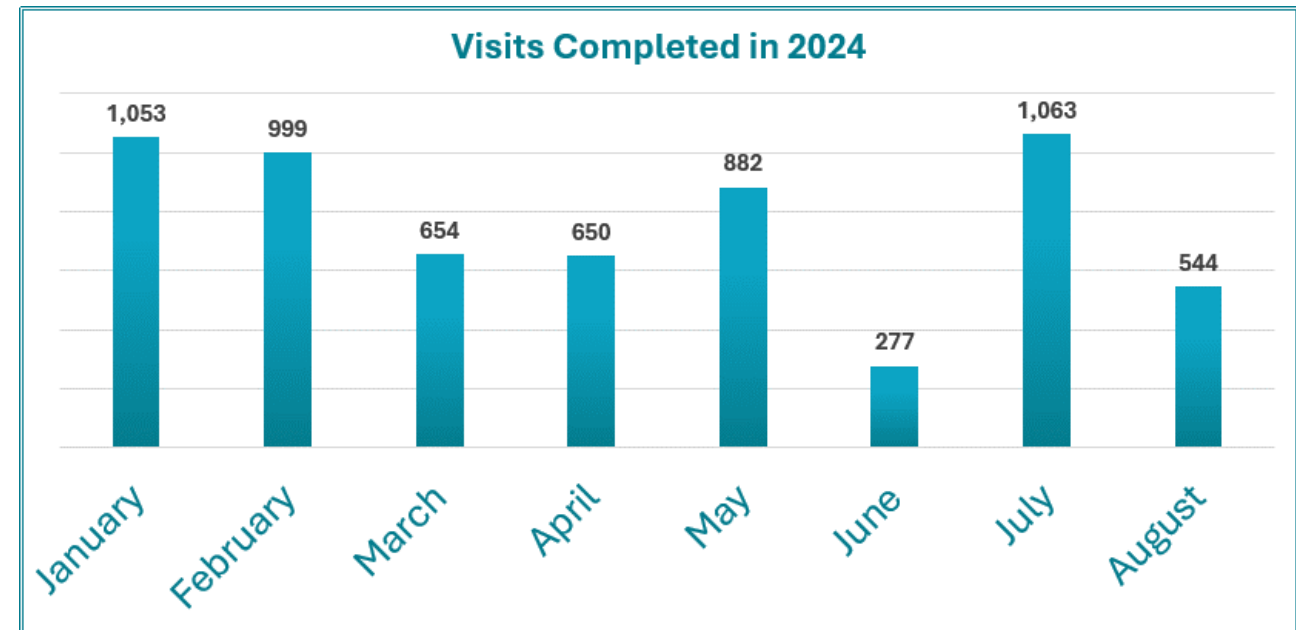
- FY26 budget request increased by \$80M General Fund to support the programs
 - Due to the Super Allocation, 3100 new people will be receiving waiver services, therefore, the cost of providing waiver supports will increase.
 - It takes new allocations three (3) years to fully utilize their budgets, after settling in their programs and understanding what they need and what services and supports work for them.
 - Reflection of rate increases.
 - Maintenance of flat waitlist.
 - Reduction in FMAP from previous year.
 - Increase in waiver participants results in needing fewer vacancies within DDSD.
 - Electronic case management system to accommodate growing waiver population.



ENSURING HEALTH & SAFETY OF WAIVER RECIPIENTS

ENSURING HEALTH & SAFETY OF WAIVER RECIPIENTS

- Revised DDSD Mission Statement and Guiding Principles to incorporate abuse, neglect or exploitation (ANE) prevention as a priority.
- Transitioned Litigation Management Bureau to the *Bureau of Individual Safety and Advocacy* (BISA) to focus on risk management and ANE prevention.
- On-going *Wellness Visits* by DDSD staff: Number of visits completed > 17,000 since March 2023
- Modified waiver service standards to assure in-person visits and visits in the home by providers.
- Predictive risk model development to utilize for visit scheduling.
- Formalized DDSD ANE Response process and developed corresponding training.



DDSD Mission: To serve those with intellectual and developmental disabilities by providing a comprehensive system of person-centered community supports so that individuals live the lives they prefer, where they are respected, empowered, and free from abuse, neglect, and exploitation.



- Put into practice using our electronic record to capture information from all waivers.
- Utilized \$10.2M General Fund for a Cost-of-Living Adjustment (COLA) rate increase for all providers.
- Incorporated DDSD programmatic and re-organizational recommendations to increase efficiencies and align organizational structure with organizational priorities and needs.
- Additional \$67 million appropriated in FY25 budget to cover:
 - Offering allocations to all on waitlist
 - Cover rate increases based on rate study
 - Cover all supports services

PARTNERSHIPS
Local Law Enforcement
Crisis Intervention Units
UNM Hospital
Presbyterian Hospital
NM Behavioral Health Institute
Attorney General's Office
Division of Health Improvement
Children, Youth & Families Department





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THANK YOU & QUESTIONS

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