

ACTION PLAN

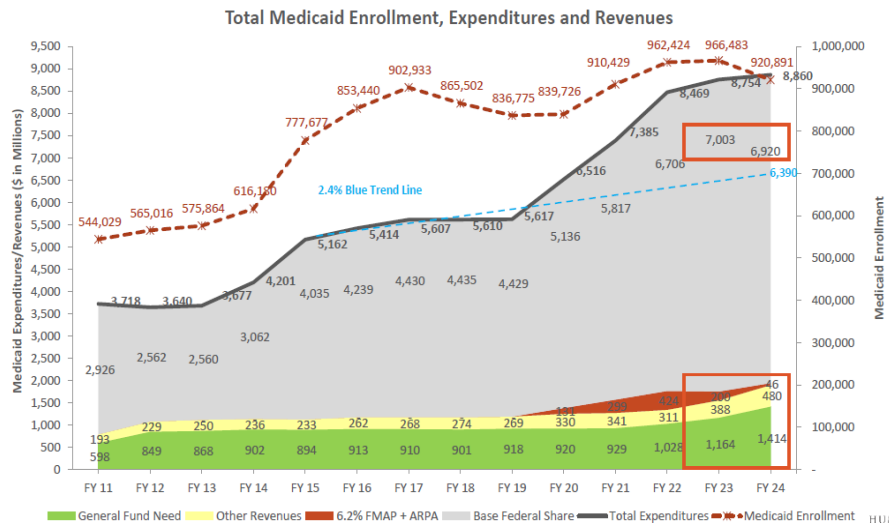
Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

The Human Services Department’s Medicaid Program enrolls almost 50 percent of New Mexicans, making it the largest per capita Medicaid Program in the country. The Medicaid Program also represents approximately 14 percent of the state’s general fund spending. However, much of Medicaid’s performance appears to be lagging behind the targets. HSD reports performance is improving on certain Medicaid performance measures when compared with the same time period last year.

Medicaid managed care organizations (MCOs) receive per-member per-month (PMPM) payments for most Medicaid enrollees regardless of if they access services. Notably, utilization rates appear well below the projected levels on which the PMPM rates were built, resulting in HSD clawing back MCO recoupments. Network adequacy must be ensured to enable Medicaid clients have access to services funded through the MCOs.

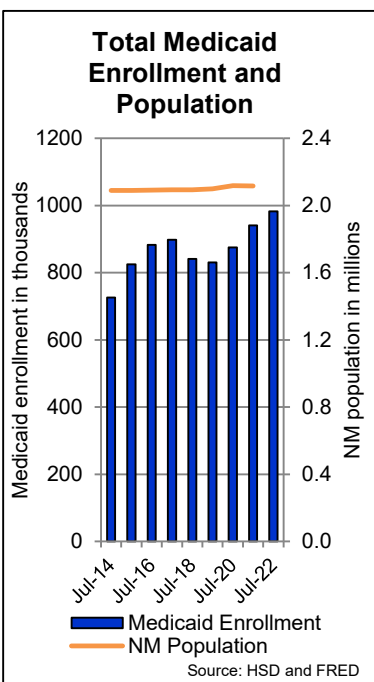
The Medicaid caseload in August 2022 was 975,093 individuals, a 3.8 percent increase over a year ago. The count of Medicaid recipients increased by 3,600, or 0.4 percent, over July 2022.

In August 2022, 386,023 children were on Medicaid, an increase of 3,545 children, or 11.7 percent, over August 2021. However, the number of children on Medicaid decreased by 36 members, from August 2022 to July 2022.



The content of these slides, specifically references to the end of the Public Health Emergency, 6.2% FMAP, and Maintenance of effort requirements and timelines, is subject to change as a result of evolving federal guidance, experience, new information, changes in process requirements, and the availability of resources.

Source: HSD

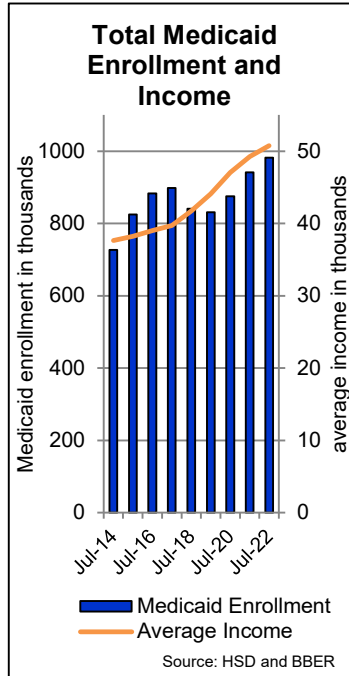


Source: HSD and FRED

Labor force participation is needed at all levels in the state. However, the Income Support Division’s (ISD) Temporary Assistance for Needy Families (TANF) Program reported 2.1 percent out of a targeted 37 percent of TANF recipients earned sufficient income to impact their eligibility to receive cash assistance. The Workforce Solutions Department is tasked with assisting TANF participants with workforce and educational opportunities. SNAP enrollments and recertifications are also lagging behind levels required by the federal government and under the *Debra Hatten-Gonzales* lawsuit.

Pandemic-Related Enrollment and Funds. The public health emergency (PHE), federal policy, and workforce participation greatly impact the Medicaid program’s enrollment, utilization, costs, and outcomes. In 2020, the federal Families First Coronavirus Response Act included a 6.2 percent increase in the federal Medicaid matching rate. States receiving the increase are required to continue Medicaid eligibility for any individuals enrolled during the public health emergency that ends May 11, 2023. During the PHE between March 2020 and March 2022, Medicaid enrolled over 160 thousand new members, for a total approaching 985 thousand. In addition, over 18 thousand people living out-of-state were incorrectly enrolled in Medicaid and the program is in the process of recouping PMPM funds from MCOs for these members.

HSD will begin unwinding or disenrolling ineligible Medicaid clients beginning in April 2023. In March 2023, HSD sent out over 40 thousand letters requesting Medicaid enrollees recertify their enrollment in the program. These letters targeted both the PHE “maintenance of effort” enrollees as well as regular Medicaid clients. More recertifications will be forthcoming during ensuing months.

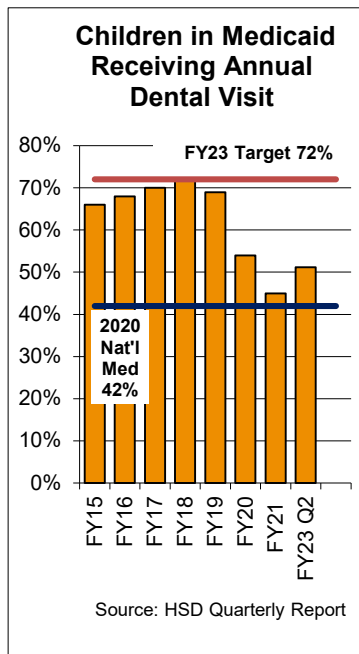


Medical Assistance Division

The Medicaid Program reported data for all performance measures in the first quarter. However, performance is not on trend to meet targeted levels. Notably, when comparing FY23 second quarter data with FY22 second quarter data, multiple performance measures show improvement and are trending in a positive direction.

For the second quarter, a reported 40.2 percent out of a targeted 67 percent of children received one or more well-child primary care visits. HSD reports this rate is based on Healthcare Effectiveness Data and Information Set (HEDIS) specifications, which are based on a calendar year and do not align with the state fiscal year quarterly reporting. MCO strategies to improve well-child visits include increasing outreach calls, instituting value-based contracts with providers, creating a reward program for well-child visit compliance, offering assistance with scheduling appointments and transportation, and implementing a member texting campaign.

Home Visiting. Participation in the Centennial Home Visiting program (CHV) remains low despite federal and Medicaid funding for the program. CHV, established in 2020, provides in-home services to young children, children with special healthcare needs, and parents and primary caregivers. CHV’s goals are to improve maternal and child health, promote child development and school readiness, encourage positive parenting, and connect families to support in their communities. MAD could leverage the Centennial Rewards program to incentivize CHV participation.



Budget: \$7,269,255.3 FTE: 219.5

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Q1	FY23 Q2	Rating
Infants in Medicaid managed care who had six or more well-child visits with a primary care physician during their first 15 months*	51%	49.6%	N/A	55%	61.3%	Y
Children and adolescents ages 3 to 21 enrolled in Medicaid managed care who had one or more well-care visits during the measurement year*	39.3%	16.7%	67%	28.7%	40.2%	Y
Children ages 2 to 21 enrolled in Medicaid managed care who had at least one dental visit during the measurement year	56%	37.7%	72%	44.7%	51.2%	Y
Hospital readmissions for children ages 2 to 17 within 30 days of discharge	6.7%	6.8%	<5%	7.3%	7.6%	R
Hospital readmissions for adults 18 and over within 30 days of discharge	8.8%	11%	<8%	11.2%	11.9%	R
Emergency department use categorized as nonemergent care	50%	53%	45%	53%	55%	R
Newborns with Medicaid whose mothers received a prenatal care visit in the first trimester or within 42 days of enrollment in the managed care organization*	70%	59.3%	83%	59.4%	63%	Y
Medicaid managed care members ages 18 through 75 with diabetes, types 1 and 2, whose HbA1c was >9 percent during the measurement year*	53%	77.4%	86%	72.8%	66.5%	R
Program Rating	Y	R				Y

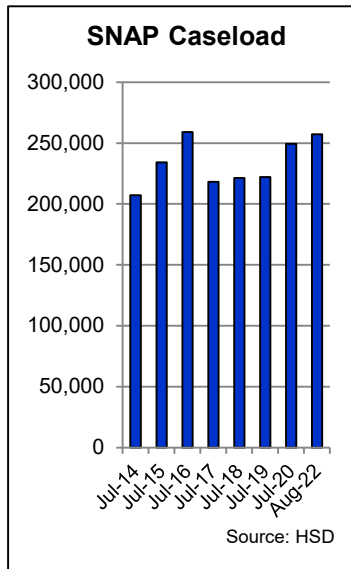
*Measures are HEDIS measures, which represent a tool used by more than 90 percent of America’s health plans to measure performance on important dimensions of care and service. The most recent unaudited data available reported under FY22 actuals includes the last two quarters of FY22. The data for HEDIS measures is preliminary and will be finalized in June 2023.

The Office of Superintendent of Insurance (OSI) implemented network adequacy compliance reporting requirements for commercial health insurance beginning January 1, 2022. OSI also implemented more rigorous standards for existing network adequacy compliance reporting.

Medicaid MCOs should be required to comply with OSI regulations for network adequacy and reporting as well as federal requirements.

The Supplemental Nutrition Assistance Program (SNAP) caseload in August 2022 was 257,176, a 7.2 percent decrease from a year ago and an increase of 6,517 cases, or 2.6 percent, over July.

The Temporary Assistance for Needy Families (TANF) caseload was 10,803 in August 2022, a decrease of 10.3 percent from a year ago and a decrease of 84 cases, or 0.8 percent, below July.



Income Support Division

The Income Support Division’s (ISD) Temporary Assistance for Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP) caseloads rose over the previous year but began declining at the end of FY22. The performance measure “TANF recipient’s ineligible for cash assistance due to work-related income” reflects adults whose new employment income exceeded TANF guidelines. Despite unemployment substantially declining in New Mexico, just 2 percent of TANF recipients were ineligible for cash assistance due to work-related income.

The Workforce Solutions Department (WSD) is partnering with ISD to establish employment placements for TANF Career Link Program and Wage Subsidy Program participants. WSD started a campaign called “Ready NM” with access to training, education, and employment resources that can assist TANF participants.

HSD reports it is not meeting timeliness requirements for SNAP enrollments. Enrolling expedited cases within a seven-day timeframe is required by the federal government, unless there is a waiver. ISD reports it has a special dedicated team to work on enrolling expedited cases and is also working with WSD and Department of Health to identify staff to work overtime to assist with outstanding recertifications as well as contracting with temporary staff.

Budget: \$1,086,913.5 **FTE:** 1,134

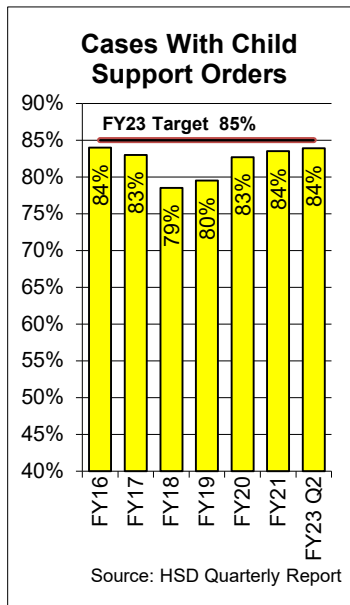
	FY21 Actual	FY22 Actual	FY23 Target	FY23 Q1	FY23 Q2	Rating
Regular Supplemental Nutrition Assistance Program cases meeting the federally required measure of timeliness of 30 days	98.6%	89%	98%	38.5%	66.5%	R
Expedited Supplemental Nutrition Assistance Program cases meeting federally required measure of timeliness of seven days	98.5%	75.5%	98%	62.5%	70.8%	R
Temporary Assistance for Needy Families recipients ineligible for cash assistance due to work-related income	7.6%	0.8%	37%	1.6%	2.1%	R
Two-parent recipients of Temporary Assistance for Needy Families meeting federally required work requirements	3.5%	2.9%	52%	10.6%	16.6%	R
All families receiving Temporary Assistance for Needy Families meeting federally required work requirements	4.2%	2.8%	37%	6.4%	7.3%	R
Program Rating	Y	R				R

Child Support Enforcement Division

The Child Support Enforcement Division (CSED) is modernizing the program to set accurate child support obligations based on the noncustodial parent’s ability to pay alongside increasing consistent and on-time payments to families, moving nonpaying cases to paying status, improving child support collections, and incorporating technological advances that support good customer service and cost-effective management practices. CSED expected performance to improve with these efforts; however, performance for all FY22 CSED performance metrics fell short of targeted levels.

HSD's partnership with the Workforce Solutions Department (WSD) does not yet appear to be positively affecting work program performance outcomes for TANF participants. WSD is slated to assist TANF participants with gaining skills, experience, and resources to improve the family's financial stability, find employment, and earn living wages.

WSD previously reported staffing issues. However, at the end of FY22, WSD's TANF program reported a vacancy rate of only 8 percent. With TANF caseloads declining, low statewide unemployment, and more WSD staff, hopefully TANF outcomes will rebound to pre-pandemic levels.



CSED reported child support collections totaled \$27.8 million which is on trend to fall short of the FY23 target of \$145 million. However, collections typically show an increase in the third and fourth quarters of the year. CSED is assisting unemployed or underemployed noncustodial parents through the Supporting, Training, and Employing Parents Up Program. The program is in collaboration with WSD to develop job opportunities to assist noncustodial parents with meeting their child support obligations. During the 2021 legislative session, statutory changes were made to assist CSED with setting orders based on new guidelines and reviewing cases for possible modifications for right-sized court orders that the noncustodial parents can pay on a more consistent basis. Implementation of those changes began in July 2021 and early data is showing promise for FY23 performance.

Beginning in January 2023, the distribution of child support payments will move to a Families First model, with more payments going directly to families and children rather than for TANF recoveries. This change should improve the performance of child support owed that is collected.

Total dollars collected per dollars expended is a federal fiscal year performance measure. The FY22 actual performance for this measure decreased from the previous fiscal year due to several IT expenditures for modernization projects, including the mainframe platform project implemented in February 2022. CSED is in the planning stages of replacing its current child support enforcement IT system, which should continue to enhance the program's performance efficiency.

Budget: \$35,995.4 FTE: 370

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Q1	FY23 Q2	Rating
Noncustodial parents paying support per total cases with support orders	55.7%	52.4%	58%	50.1%	50.3%	R
Total child support enforcement collections, in millions	\$147.4	\$130.3	\$145	\$28.7	\$27.8	Y
Child support owed that is collected	60.9%	57.6%	60%	56.8%	56.7%	R
Cases with support orders	83.5%	83.1%	85%	83.9%	84.1%	Y
Total dollars collected per dollars expended	\$2.90	\$2.69	\$4.00	No Report	No Report	R
Average child support collected per child	NEW	\$127.92	N/A	\$116.07	\$113.96	Y
Program Rating	R	R				Y

Note: Children with paternity acknowledged or adjudicated are reported in the federal fiscal year.