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FISCAL IMPACT REPORT

ORIGINAL DATE 02/14/14

SPONSOR Madalena **LAST UPDATED** _____ **HM** 84

SHORT TITLE Native American Medicaid Coverage **SB** _____

ANALYST Daly

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$31.4	\$31.4	\$31.4	\$94.2	Recurring	SGF and Federal matching funds

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SM 98
Relates to SB 284

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

House Memorial 84 asks the Human Services Department (HSD) to collect and publish in print and on its website a variety of data regarding Native Americans' experiences with Medicaid and the Centennial Care managed care program. Among the data requested are: Native American enrollment in both Centennial Care and the Medicaid Fee-for-Service (FFS) programs; expenditure data for services rendered on behalf of Native Americans under FFS, Centennial Care, and for Indian health care providers; data on the number and type of complaints and issues reported by Native Americans in Centennial Care, and the timeliness of reimbursement by Centennial Care Managed Care Organizations (MCOs) to providers of health care services.

HM 84 asks HSD to respond, in writing and in person to the Legislative Health and Human Services Committee, to a set of questions regarding Native Americans in Medicaid. The questions relate to benefits and risks of managed care systems and costs borne by HSD for maintaining a FFS system for Native Americans.

Finally, HM 84 asks that HSD meet on a quarterly basis with the Secretary of Indian Affairs Department, legislative leadership, leadership of New Mexico Indian nations, tribes, and pueblos, representatives of off-reservation Native Americans and the New Mexico Center on Law and Poverty to discuss the information contained in this memorial.

FISCAL IMPLICATIONS

HM 84 requires additional dedicated staff time to manage, collect, organize, publish and distribute the requested data, as well as prepare for and attend quarterly meetings. HSD estimates that it will need to allocate .25 FTE to this function, as well as requiring additional budget for printing costs, since HM 84 requests that the data be published in print.

The required staff cost for .25 FTE would be approximately \$9,675 GF (\$19,350 combined state and federal funds) per fiscal year, and the cost for printing and distribution would be approximately \$6,000 GF (\$12,000 combined state and federal funds) per fiscal year. The total fiscal impact to HSD would be approximately \$15,675 GF per fiscal year (\$31,350 combined state and federal funds).

SIGNIFICANT ISSUES

HSD advises that the collection, analysis, and dissemination requests in this memorial are redundant, as HSD is already collecting these data and will be making its analyses and findings public through existing channels. This includes making information available on its website and at public forums.

However, HSD notes not all individuals or providers of services making complaints or reporting issues regarding Medicaid will self-identify as Native American or as a tribal health care provider, tribal benefits coordinator, or other tribal employee, official or representative. The Department will collect, track, analyze, and report on complaints and grievances more broadly but may not be able to break out Native Americans for these measures.

HSD reports that Centennial Care requires all Medicaid recipients, including Native Americans who get long term care services or who are enrolled in both Medicare and Medicaid (dual eligibles), to be enrolled in Centennial Care managed care. All other recipients, except for Native Americans, are also required to be in managed care. HSD advises that, contrary to information contained in the memorial, Native American Medicaid recipients who are not otherwise required to be in managed care are placed in fee-for-service Medicaid unless they choose to be in Centennial Care managed care.

HSD also comments that enrollment in Centennial Care will increase provider choice for all Medicaid recipients. Specifically, in Centennial Care Native Americans may access care at the IHS, a Tribal 638 provider, an urban Indian program (together known as I/T/Us), as well as at a patient-centered medical home, a health home, or any other contracted provider in the member's MCO's network. Further, in Centennial Care, Native Americans will be able to access care at any I/T/U provider they choose, whether the provider has a contract with the member's MCO or not, and the Native American member can choose any I/T/U provider, contracted or not, as their primary care provider (PCP).

HSD reports that the Department's Section 1115 Centennial Care waiver was approved by CMS on July 12, 2013. CMS approved the required enrollment of dually eligible Native Americans and Native Americans who get long term services into Centennial Care managed care. The Department's Centennial Care waiver covers long term care services (home and community-based services and nursing home services) only in the Centennial Care managed care program. Individuals who need these services but choose to be in fee-for-service will not be able to get these services through the Medicaid program.

PERFORMANCE IMPLICATIONS

HSD states that the goals of Centennial Care align with the department's 2015 Strategic Plan goal to modernize and improve its medical assistance programs by improving health care quality, controlling costs, and implementing innovative models of cost-effective service delivery and payment reform in the Medicaid program.

ADMINISTRATIVE IMPLICATIONS

According to HSD, HM 84 will require the creation and management of regular data reporting that would seem duplicative with current practice. As noted in the Fiscal Implications section above, HM 84 will also require additional dedicated staff time to manage, collect, organize, publish and distribute the requested data.

DUPLICATION, RELATIONSHIP

This memorial duplicates SM 98, and relates to SB 284.

OTHER SUBSTANTIVE ISSUES

HSD comments that it is unclear how or to what extent it would be requested to distribute printed reports to the public. HSD currently makes data available in a readable and downloadable format on its website, but data are not generally made available or distributed in print.

MD/svb