SENATE JOINT MEMORIAL 50

42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996

INTRODUCED BY

JANICE D. PASTER

A JOINT MEMORIAL

REQUESTING THE HUMAN SERVICES DEPARTMENT TO REVIEW, WITH FULL
PUBLIC INVOLVEMENT, THE FULL ARRAY OF SERVICES AND MEDICAL
BENEFITS PROVIDED IN THE MEDICAID PROGRAM AND REQUESTING THE NEW
MEXICO HEALTH POLICY COMMISSION TO ESTABLISH A SUBCOMMITTEE TO
REVIEW MEDICAL BENEFITS FOR THE MEDICAID PROGRAM.

WHEREAS, the federal government is expected to make major changes to the medicaid program that will have a direct effect on the New Mexico medicaid program; and

WHEREAS, federal changes to the medicaid program may include giving more flexibility to states to determine medicaid reimbursement rates, eligibility standards and benefit design packages; and

WHEREAS, congress is expected to place a cap on the annual growth in the medicaid program or place a cap on per capita

spending in the program, which will limit the amount of federal dollars for New Mexico's medicaid program; and

WHEREAS, while congress is projecting a cap on medicaid growth that is between seven and nine percent, the New Mexico human services department reports that the state's medicaid program is growing each year at a rate between ten and twelve percent; and

WHEREAS, the expected cap on annual growth in the medicaid program at the federal level, compared to the growth in medicaid in New Mexico, will create a significant shortfall in federal dollars to the state; and

WHEREAS, the state executive and legislative branches must respond to changes occurring in the medicaid program at the federal level, as well as the potential shortfall in federal dollars to the New Mexico medicaid program; and

WHEREAS, the human services department must review the full array of services and medical benefits in the state medicaid program to address the shortfall in federal dollars, the level of growth in the medicaid program and the anticipated flexibility in medicaid program design; and

WHEREAS, a review of services and medical benefits in the medical program needs to include a full opportunity for broad public input prior to proposed revisions to the program; and

WHEREAS, the legislature needs to give prior approval to significant changes in covered services or eligibility before

the human services department proposes revisions to the medicaid program;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that the human services department, in consultation with other state agencies using medicaid funds, conduct a review that considers the full array of services and medical benefits provided in the medicaid program and the allocation of state and federal funds for the program, including:

A. the development, through a broad-based public process, of a consensus on values to guide medicaid spending and medicaid resource allocation taking into consideration all medicaid services, including:

- (1) medical benefits:
- (2) nursing facilities and home- and community-based services;
- (3) institutional and home- and community-based care for the developmentally disabled, the chronically mentally ill or emotionally disturbed and the treatment of alcohol- and drug-dependent persons;
 - (4) other categories of service;
- B. an analysis of the impact to other health services of the recommended changes to the medicaid program including:
 - (1) the costs incurred by the state, county

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- (2) the costs of uncompensated care incurred by
 - (3) use of emergency care;
- (4) the care received by persons affected by proposed changes in services, eligibility criteria or the imposition of co-payment requirements;
- (5) the care received by special needs populations and persons with terminal or progressive illnesses; and
- (6) rural health care infrastructure and provider participation in the medicaid program;
- C. a consideration of options to contain health care costs and expand medicaid coverage to persons without health insurance:
- D. the development and utilization of a public review process that includes a series of public hearings and seeks testimony and information from a wide range of interested persons, including legislative and executive representatives; advocates for senior citizens, handicapped persons, mental health consumers, low-income individuals and medicaid recipients; and providers or potential providers of services for the medicaid program; and
 - E. the use of committees of advisory groups as

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deemed necessary or appropriate to conduct a review of the medical d program for the purpose of making recommendations to the human services department regarding changes to services and medical benefits in the medical d program; provided that the membership of any committee or advisory group reflect the ethnic, economic and geographic diversity of New Mexico; and

BE IT FURTHER RESOLVED that the human services department work with the New Mexico health policy commission to establish a subcommittee to review medical benefits for the medical d program. The commission, in overseeing the work of the subcommittee, and the subcommittee are requested to:

- A. participate in the public review process developed by the department;
- B. recommend to the department the array of medical benefits for the medicaid program. The subcommittee is strongly recommended to accord priority attention to providing basic preventive and primary care medical benefits to all persons eligible for medicaid assistance taking into account special needs populations and persons with terminal illness. The advantages of each medical benefit to the population to be served by the medicaid program needs to be described;
- C. consider eligibility criteria for medical benefits for medicaid recipients; and
- D. consider patient co-payments and appropriate reimbursement rates for medical benefits for providers and plans

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that serve medicaid recipients; and

BE IT FURTHER RESOLVED that the human services department consider and incorporate, where appropriate, the opinions expressed in the public review process, as well as the recommendations of committees, advisory groups and the medical benefits subcommittee prior to reporting to the appropriate interim legislative committee; and

BE IT FURTHER RESOLVED that the human services department's completed review of services, benefits and the allocation of funds for the medicaid program be reported to the appropriate interim legislative committee before the department makes changes to the medicaid program; and

BE IT FURTHER RESOLVED that the conclusions of the human services department be reported to the appropriate interim legislative committee by October 1, 1997 and be revised by October 1, 1998 on the department's review of the recommendations concerning services, benefits and the allocation of funds for the medicaid program; and

BE IT FURTHER RESOLVED that copies of this memorial be sent to the secretary of human services and the director of the New Mexico health policy commission for distribution to commissioners.

SENATE JOINT MEMORIAL 50 has had it under consideration and reports same with Respectfully submitted, Gloria Howes, Chairman . 109747. 3 - 7 -

FORTY-SECOND LEGISLATURE

SECOND SESSION, 1996

February 3, 1996

(Chief Clerk) (Chief Clerk) Date _____ The roll call vote was $\underline{6}$ For $\underline{0}$ Against Yes: No: Excused: EJennings, Wray, Donisthorpe Absent: SJ050RU1

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State of New Mexico House of Representatives

FORTY-SECOND LEGISLATURE SECOND SESSION, 1996 February 13, 1996 Mr. Speaker: Your BUSINESS AND INDUSTRY COMMITTEE, to whom has been referred SENATE JOINT MEMORIAL 50 has had it under consideration and reports same with recommendation that it DO PASS. Respectfully submitted,

Fred Luna, Chairman

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FORTY- SECOND LEGISLATURE SECOND SESSION, 1996

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