

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 412

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Danice Picraux

FOR THE MEDICAID REFORM COMMITTEE

AN ACT

**RELATING TO HEALTH; DIRECTING THE HUMAN SERVICES DEPARTMENT TO
INITIATE THE STUDIES, ANALYSES AND PILOT PROJECTS
RECOMMENDATIONS OF THE MEDICAID REFORM COMMITTEE; MAKING AN
APPROPRIATION; DECLARING AN EMERGENCY.**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. STUDIES--ANALYSES--PILOT PROJECTS. --

A. The human services department shall, to the extent possible, carry out the studies, analyses and pilot projects recommended by the medicaid reform committee that was established pursuant to Laws 2002, Chapter 96 as follows:

(1) conduct a cost-benefit analysis of the carve out of the pharmacy drug benefit from the managed care system to a centralized administration of the benefit for the managed care system and the fee-for-service system;

underscored material = new
[bracketed material] = del ete

underscored material = new
[bracketed material] = delete

1 (2) conduct a comprehensive feasibility study
2 and cost-benefit analysis of the replacement of the managed
3 care system required pursuant to Section 27-2-12.6 NMSA 1978
4 with a statewide primary care case management model that
5 assigns responsibility for care coordination to primary care
6 providers and includes a medical and utilization review
7 component designed to assist primary care providers in case
8 management and that reimburses providers for these additional
9 responsibilities and establish an ongoing evaluation of the
10 primary care case management model's cost-effectiveness;

11 (3) implement a pilot project for a primary
12 care case management model for the fee-for-service population,
13 or a selected subpopulation, that:

14 (a) assigns responsibility for care
15 coordination to primary care providers;

16 (b) includes a medical and utilization
17 review component designed to assist primary care providers in
18 case management; and

19 (c) reimburses providers for these
20 additional responsibilities and evaluates the effectiveness of
21 the pilot project;

22 (4) conduct a cost-benefit analysis and
23 comparison of nonemergency transportation services under a
24 state-managed model, brokerage models and other models;

25 (5) conduct a pilot project in a rural area

. 143342. 3

underscored material = new
[bracketed material] = delete

1 and in an urban area for nonemergency transportation services
2 for selected medicaid recipients in the fee-for-service system;

3 (6) complete the analysis necessary for the
4 global funding waiver currently in process in the department
5 and review cost and effectiveness projections to determine
6 whether the department should proceed with a request to the
7 federal government for the waiver;

8 (7) conduct a cost-benefit analysis and
9 comparison of the personal care option's consumer-directed and
10 consumer-delegated care components and evaluate the respective
11 components for:

12 (a) cost-effectiveness as an alternative
13 to or intermediate step before institutional care;

14 (b) projected long-term costs as
15 currently operated;

16 (c) need for oversight to ensure
17 appropriate care for recipients and prevention of fraud or
18 abuse;

19 (d) the appropriateness of the
20 eligibility criteria; and

21 (e) anticipated savings, if any, with
22 greater use of the consumer-directed or consumer-delegated
23 model;

24 (8) identify options for limiting, reducing or
25 eliminating medicaid services, while ensuring that the most

. 143342. 3

underscored material = new
[bracketed material] = delete

1 vulnerable medicaid recipients are not adversely affected, and
2 determine the feasibility and advisability of a federal waiver
3 to implement proposed medicaid service changes;

4 (9) conduct an external analysis of selected
5 medicaid prescription drug use in New Mexico with respect to
6 trends in prescribing, utilization and costs and potential
7 cost-savings initiatives;

8 (10) determine the feasibility of a federal
9 waiver to include in the medicaid program persons currently
10 served solely with state general funds through the health care
11 programs and services of other agencies, including the
12 department of health, the children, youth and families
13 department and the state agency on aging; and

14 (11) work with counties to determine the
15 feasibility of a federal waiver to:

16 (a) include in the medicaid program
17 persons who would qualify under the provisions of the Indigent
18 Hospital and County Health Care Act;

19 (b) ensure that counties, in conjunction
20 with the department, retain sufficient flexibility and
21 accountability for the use of the county indigent hospital
22 claims fund; and

23 (c) ensure that county funds for
24 indigents not covered under the waiver are not diminished
25 through its implementation.

. 143342. 3

