

2016

Annual Report



New Mexico
Human Services
Department



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MESSAGE FROM THE OFFICE OF THE SECRETARY



**BRENT EARNEST,
CABINET SECRETARY**



MICHAEL NELSON



SEAN PEARSON

DEPUTY CABINET SECRETARIES

The New Mexico Human Services Department (HSD or Department) serves nearly two of every five New Mexicans through critical safety net programs and supportive services. While we face times of uncertainty, be it a challenging state budgetary environment or potential changes to key federal laws, we are committed to running the Department's programs as effectively as possible and to providing services for those who need them most.

There's a common saying, "may you live in interesting times," and we can surely relate to its sentiment. In response to projections that state general fund revenues would be significantly lower in 2016, state agencies were asked to tighten their belts. HSD did its part by carefully managing its budget, including delaying or deferring certain types of contract spending and only filling mission-critical positions. The Medicaid program had to reduce provider reimbursement rates. To accomplish this, the Medical Assistance Division (MAD) facilitated a discussion with provider and community stakeholders in an effort to be as inclusive and equitable as possible. The process resulted in deliberate decisions about reductions that met budget objectives but protected the program's core.

With a similar approach, MAD started gathering extensive feedback in 2016 from a wide array of interested parties on how the Department can improve Centennial Care, its Medicaid managed care program. Our 1115 Demonstration Waiver, specific to Centennial Care, expires at the end of next year. We're taking the feedback received and in 2017 will work with the federal Centers for Medicare and Medicaid Services to design Centennial Care 2.0 by building on and improving our current structure.

The HHS 2020 vision continues to pick up steam. The Department is releasing key requests for proposals (RFPs) to develop information systems that support our goal of creating more citizen-centric programs. Many of the people we serve benefit from multiple programs operated by HSD and often access support services from other state agencies as well. Our vision is that redesigned information systems and processes will create a more seamless and efficient experience for our programs' beneficiaries, HSD staff, and other agencies. This foundational work is happening, thanks in large part, to the hard work and input by HSD staff across all our divisions, subject matter expert representatives from other state agencies and people representing those we serve.

We are pleased with the advancements in HSD's important programs, but know there are always opportunities to improve. We believe one of the best ways to take advantage of these opportunities is to foster good communication and to seek input from our stakeholders. Stakeholders are not limited to companies we work with, but include our employees, sister agencies, and the New Mexican's we serve.

We hope this report is a useful summary of a few of our accomplishments (and some challenges) from the year just past, and that it illustrates our commitment to progressive and thoughtful improvements going forward. We also wish to take this opportunity to express our gratitude for the hard work and dedication of our team – the entire staff of the New Mexico Human Services Department.

NATIVE AMERICAN LIAISON PRISCILLA CAVERLY



The Human Services Department has worked to build a strong relationship with the 23 New Mexico Tribes, Pueblos and Nations. The Cabinet Secretary acknowledges the provision for conducting consultation in compliance with the State Tribal Collaboration Act (STCA) and renews commitment to the HSD State-Tribal Consultation, Collaboration and Communication Policy. HSD Native American Liaisons, who represent the Office of the Secretary, and our program divisions (Medical Assistance Division or MAD, Income Support Division or ISD, Child Support Enforcement Division or CSED, Behavioral Health Services Division or BHSD) work closely with tribal communities, facilitate consultations and collaborations, and are a direct resource to tribal leadership, Indian Health Service (IHS), tribal programs, and urban Indian programs (collectively known as ITUs).

The Department has worked with tribal leadership to create standing Native American committees and work groups for the purpose of identifying and addressing concerns. HSD decision-makers, tribal leadership appointees and IHS management continue to work on issues of common concern. The MAD and ISD Native American Technical Advisory Committee (NATAC), and the BHSD Native American Sub-Committee (NASC) are at the core of communication and collaboration. The NATAC meets quarterly and is an integral part of the Department’s work with ITUs. There are 16 tribal appointments to the Committee and leadership representation from both Navajo and Albuquerque Area Offices, as well as the All Pueblo Council of Governors (APCG).

Medicaid Services to Native Americans

The total Native American expenditures for Calendar Year 2016 were as follows; Fee For Service approximately \$309 million, Long-Term Services and Supports approximately \$16 million, and Personal Care Services approximately \$14 million. Medicaid is reimbursed at 100 percent Federal Medical Assistance Percentage (FMAP) match for Native Americans who receive services through an IHS, Indian Tribe or Tribal organization.

Total Native Americans Medicaid Enrollment 132,491	
Medicaid Fee-for-Service	Centennial Care
90,416	42,075

MAD has been working with IHS, 638 tribal clinics, APCG and other interested parties to implement a new federal policy related to the state matching funds for Native American services. This new policy allows for a FMAP match of 100 percent for Native Americans who receive services through an IHS, Indian Tribe or Tribal organization under certain procedural requirements.

Income Support Division Services to Native Americans

In 2016, Memorandums of Agreement for the ISD Food Distribution Program on Indian Reservations (FDPIR) and the Supplemental Nutrition Assistance Program (SNAP) were renewed with 15 Pueblos and the Navajo Nation. Governmental Service Agreements exist with the Albuquerque IHS Area Office to place Family Assistance Analyst employees on location for the purpose of accepting and processing applications for various program services including SNAP, General Assistance (GA), Temporary Assistance to Needy Family’s (TANF), and Medicaid.

**Native American Income Support Division Recipients
by Program**

January 1, 2016 to December 1, 2016

Program	Overall Enrollment (Monthly Average)	Expenditure
Education Works	57	\$81,150
General Assistance *	203	\$545,272
TANF *	2,347	\$2,882,743
LIHEAP *	1,085	\$899,545
SNAP	84,518	\$105,621,692
* This number does not include the tribally operated programs.		

Child Support Enforcement Division Services to Native Americans

CSED has a dedicated attorney who is licensed to practice in the tribal courts of Zia, Acoma, Isleta, and Laguna Pueblos. In 2016 there were more than 332 active child support cases in these Pueblos. The Pueblos of Zia, Acoma, and Laguna have entered into a formal Governmental Services Agreement with CSED. Revisions to a longstanding Joint Powers Agreement were finalized with the Navajo Nation.

Behavioral Health Services Division Services to Native Americans

The BHSD Native American Liaison ensures that urban programs as well as tribes, pueblos, and nations are being fairly considered for mental health and substance abuse funding and monitors programs for quality assurance. The following Native American programs receive Non-Medicaid funding:

- ◇ Five Sandoval Indian Pueblos, Inc.
- ◇ Dine Council of Elders
- ◇ First Nations Community Healthsource
- ◇ The Life Link
- ◇ PMS – Totah Behavioral Health Authority
- ◇ Pueblo of Isleta
- ◇ Pueblo of Zuni
- ◇ Eight Northern Indian Pueblos Council, Inc.
- ◇ Na Nizhoozhi Center, Inc. (NCI)
- ◇ Navajo Nation DBHS
- ◇ Pueblo of Jemez
- ◇ Four Winds Recovery Center, Inc.
- ◇ Mescalero Apache Tribe
- ◇ Native American Community Academy
- ◇ Santo Domingo Tribe
- ◇ Kewa Veteran Outreach

MEDICAL ASSISTANCE DIVISION NANCY SMITH-LESLIE, DIRECTOR



OVERVIEW

More than 44 percent of New Mexicans (approximately 886,000 individuals, including 385,000 children and 258,783 in the Adult Expansion) currently receive health insurance through Medicaid, the Children's Health Insurance Program, or other medical assistance programs administered by the Human Services Department's Medical Assistance Division. This represents an increase of 35,000 total recipients from last year and an overall increase of 340,000 recipients since 2013. The fiscal year 2017 budget for the Medicaid program is \$5.8 billion (state and federal dollars).

Centennial Care

HSD implemented its Medicaid managed care program, Centennial Care, on January 1, 2014. Approximately 687,000 members are enrolled in the program administered by four managed care organizations (MCOs). Over the past three years, Centennial Care has focused on 1) improving the delivery of care for New Mexicans through better care integration with its robust care coordination program and emphasis on patient-centered care; 2) increasing provider capacity by maximizing scopes of practice for certain providers, expansion of telehealth services and increased use of community health workers (CHWs); 3) advancing value-based purchasing initiatives that engage providers to move away from volume-based billing toward a model of care that aligns payment with enhanced performance and improved quality outcomes and 4) encouraging personal responsibility through a member rewards program that incentivizes member engagement in healthy behaviors.

Emphasizing Patient-Centered Care

- More than 900 care coordinators serve approximately 67,000 members in higher levels of care coordination.
- To date, 610,000 members have completed a Health Risk Assessment (HRA).
- Through an "Unreachable Member Campaign" (September 2014 through June 2016), 89 percent of active members who were identified as "unreachable" were reached and assessed.
- More than 300,000 members are receiving care through Patient-Centered Medical Homes (PCMH).
- Approximately 35,000 members are enrolled in the long-term care program with 27,800 members receiving home and community-based benefits.
- Five-hundred high need/high cost members were served in ECHO Care, a program administered by the University of New Mexico that provides access to an intensivist team including Primary Care Physicians (PCP), Behavioral Health counselors, specialists as needed, and CHWs.
- More than 100 CHWs are either contracted with or employed by the MCOs to assist members with referrals and educate them to navigate the healthcare system.
- Health Homes for individuals with complex behavioral health needs launched on April 1, 2016, serving approximately 350 members in San Juan and Curry counties.
- MCOs are partnering with community agencies, such as Emergency Medical Technicians, to visit members in their homes to conduct healthcare screenings and respond to health concerns.

Supporting Provider Capacity

- Maximizing Scopes of Practice for certain providers.
- MCOs are expanding their use of telemedicine office visits, including behavioral health visits, and launching virtual physician visits that may be accessed via an application on a smart phone.
- CHWs work with high Emergency Department utilizers to redirect them to PCPs in order to educate these particular patients about healthy behavior, disease management and community resources.
- Federally Qualified Health Centers (FQHCs) are actively engaging CHWs, including PMS, HMS and First Choice.
- MCOs are partnering with UNM to expand the role of CHWs – care coordination, health education, health literacy, translation and community supports linkages.
- Statewide implementation of the electronic visit verification system (EVV) for personal care services (PCS) providers was completed.

Advancing Value-Based Purchasing Projects

MCOs advanced multiple value-based purchasing arrangements that began in early 2015, including:

- Accountable Care-Like Models - performance-based models with partial payments paid as bonus for achieving quality outcomes.
- Bundled Payments for Episodes of Care – bariatric surgery, colonoscopy and maternity.
- PCMH Shared Savings – builds upon PCMH model by adding shared savings targets that reward achievement of utilization and quality targets.
- Sub-capitated arrangements with larger providers to manage the total cost and care of attributed members.
- Hospitals participating in a quality incentive pool that offers payments for achievement of certain quality measures.

Encouraging Personal Responsibility

- MCOs collaborated to select a single vendor, Finity, to administer the member rewards program, known as Centennial Rewards.
- Members earn rewards for completing certain health behaviors, such as an annual dental visit, bone density screening, diabetic screening and adherence to medications.
- Program participation is 70 percent with majority of members participating via mobile devices.
- Initial cost savings across the condition-specific healthy activities is about \$23 million, primarily from reductions in inpatient admissions.

Measures of Success

- Initial evaluation results from an independent evaluator of the Centennial Care program shows:
 - * Increases in EPSDT screening ratios over 2013 levels;
 - * Increases in monitoring rates of BMI and weight problems;
 - * Declines in short-term and long-term admission rates for diabetes complications, asthma, chronic pulmonary disease and hypertension;
 - * Declines in inpatient admissions for psychiatric hospital stays and residential treatment facilities; and
 - * CAPHs survey results indicating that members are generally satisfied with their providers and health care.
- MCO performance on HEDIS measures exceeded 2015 national benchmarks for:
 - * Annual dental visits;
 - * Behavioral health members with a follow up visit after an inpatient stay;
 - * Child immunization status;
 - * Well-child visits in first 15 months of life; and
 - * Alcohol and drug dependency treatment.

- In overall performance of its long-term care program, New Mexico ranks in the second best quartile in the nation. In the 2014 National State Long-term Scorecard published by the AARP and the Commonwealth Fund, New Mexico’s LTC system is especially strong in terms of:
 - * Affordability and access (top quartile);
 - * Choice of setting and provider (top quartile); and
 - * Effective transitions across settings of care (second quartile).
- New Mexico ranks first in the nation for spending more than 65 percent of its Medicaid long-term care dollars on home and community-based services.
- MCOs reported an average of 39 emergency room (ER) visits per 1,000 member months in 2013 compared to an average of 35 ER visits in 2014 with one MCO reducing the number of non-emergent ER visits by 14.6 percent
- Molina launched a care coordination pilot with the Metropolitan Detention Center in Albuquerque to link justice-involved individuals with care coordination prior to release.
- HSD conducted a Secret Shopper Survey of Medicaid providers in August 2016. More than 300 primary care providers (PCP) and specialty providers were randomly selected and contacted. On average, except for new patient cardiology appointments, appointment timeframes for new, established and urgent patient appointments were met, or appointments were offered earlier than contractual standards. Ninety-three percent of PCPs who were reached accept Medicaid, and of those, 88 percent are contracted with all four MCOs. On average, established patients who identified as sick or needing an urgent appointment could be seen within one business day.
- All MCOs met the Delivery System Improvement Target of increasing telemedicine office visits with specialists by 15 percent in 2015.

Telemedicine Professional Services - Managed Care Number of Visits

	Baseline			*Through CY16#3					
	2014 Behavioral Health	2014 Physical Health	2014 Total	2015 Behavioral Health	2015 Physical Health	2015 Total	2016 Behavioral Health	2016 Physical Health	2016 Total
BCBS				1,213	803	2,016	635	1,866	3,501
UHC	1,078	91	1,169	1,833	236	2,069	1,263	668	1,931
MHNM	1,046	96	1,142	2,132	75	2,886	2,476	121	2,597
PHP	1,909	324	1,941	3,809	134	3,943	3,657	202	3,859
Total	3,006	143	3,149	8,987	1,927	1,091	10,218	2,857	11,888

Centennial Care Waiver Renewal Subcommittee

In September 2016, HSD appointed a diverse group of stakeholders to participate on a subcommittee of the Medicaid Advisory Committee to provide feedback regarding the renewal of HSD’s Section 1115 Demonstration Waiver that authorizes Centennial Care. The subcommittee is charged with developing a set of recommendations for refining key initiatives of Centennial Care. Areas for refinement include: care coordination and care integration, population health, long-term services and supports, member engagement and personal responsibility, value-based purchasing, and other issues related to program design. HSD plans to release a waiver renewal concept paper in the spring of 2017.

Medicaid Expansion and the Affordable Care Act

By the end of 2016, more than 258,000 New Mexicans were enrolled in the Medicaid expansion program for adults. Most of the low-income adults who are eligible for the expanded Medicaid program receive their health care benefits through the Alternative Benefit Plan (ABP). The ABP includes doctor visits, preventive care, hospital care, emergency room and urgent care, mental health care and treatment for substance use, prescriptions and other services that are defined as “essential health benefits” by the Patient Protection and Affordable Care Act. In addition, the Medicaid adult dental benefit is included in the ABP.

Medicaid Eligibility and Enrollment Efforts

HSD improved its online screening tool and electronic application submission tool exclusively for the use of presumptive eligibility determiners (PEDs). This system, called YES New Mexico for PEDs (YESNM-PE), is available to PEDs statewide. It accurately screens individuals (or entire households) for possible Medicaid eligibility. Once the screening is complete, PE is granted to eligible individuals. The system then allows the information supplied for the screening to be used in an application for ongoing eligibility.

In addition, HSD has implemented multiple coverage efforts and IT system improvements aimed at facilitating eligibility and ensuring access to services for individuals who are involved in the criminal justice system. New Mexico has implemented presumptive eligibility programs in prisons, jails and other correctional facilities to assist justice-involved individuals in obtaining Medicaid immediate coverage. MAD has also completed requirements to automatically suspend Medicaid benefits for justice-involved individuals who are already enrolled in Medicaid, rather than close eligibility while incarcerated.

Medicaid Management Information Systems (MMIS) Replacement Project

MAD advanced the Medicaid Management Information System (MMIS) Replacement Project in 2016 by procuring an Independent Verification and Validation (IV&V) contractor and preparing RFPs for Systems Integrator (SI) and Enterprise Data Services (EDS) procurements. This modular, enterprise-wide information system is primarily funded by CMS, our federal partner, and will provide more efficient and effective technical capabilities to manage complex Medicaid business and technical processes. Once completed after several years of development and implementation, the new MMIS will provide: improved data analytics to support decision-making for cost savings and better health outcomes; capabilities for real-time eligibility and enrollment (through improvements to the ASPEN system); data-sharing among our State enterprise partners (such as Department of Health, Children, Youth and Families Department, and Aging and Long-Term Services Department); and improved financial management and public-interface capabilities.

CHILD SUPPORT ENFORCEMENT DIVISION LAURA GALINDO, DIRECTOR



OVERVIEW

The mission of the Child Support Enforcement Division, derived from Title IV-D of the Federal Social Security Act, is to enhance the well-being of children by assuring that assistance in obtaining support, including financial and medical, is available to children. This is accomplished by locating parents, establishing paternity, determining support obligations, and monitoring and enforcing those obligations. Successfully completing these activities improves the quality of the lives of children, increases the number of families who achieve self-sufficiency, and helps break the cycle of dependency on public assistance.

There were more than 68,000 families with child support cases in New Mexico in 2016, of which approximately 6,000 were Native American. CSED, New Mexico's IV-D agency, is required by federal and state laws to help families receiving TANF by collecting and disbursing child support payments. Families who are not receiving TANF or Medicaid may also apply to the CSED for services. Cases that involve TANF make up 9 percent of CSED's caseload and cases involving Medicaid benefits account for 22 percent of the caseload.

ACHIEVEMENTS

In State Fiscal Year 2016 (SFY2016), a record \$140.9 million in child support was collected, which is an increase of \$800,000 over State Fiscal Year 2015 collections. Eighty-five percent of the SFY2016 collections were received through wage withholdings and receipt of direct payments. The remaining 15 percent were collected through administrative actions such as tax intercepts, insurance match, lottery winnings, bank account garnishments, and unemployment compensation. There were more than 12,000 license suspensions enforced by 65 state agencies, which resulted in an additional \$1.55 million in payments in SFY2016. There were 5,372 Certificates of Compliance issued to obligors who brought an account current or entered into a payment agreement.

The 2016 Bench Warrant Roundup was successful and resulted in total collections of \$64,310. One-hundred and three (103) individuals were arrested; collectively they paid \$36,331 to be released. An additional \$27,979 was paid by 32 individuals to avoid arrest.

A needs assessment and a feasibility study were submitted to the Federal Office of Child Support Enforcement (OCSE) as part of the process for securing a replacement computer case management and monitoring system which is known as the Child Support Enforcement System (CSES).

INCOME SUPPORT DIVISION

SEAN PEARSON, ACTING DIRECTOR



OVERVIEW

The mission of the Income Support Division is to relieve, minimize or eliminate poverty and to make available certain services for eligible low-income individuals and families through statewide programs of financial assistance, food assistance, employment assistance, and training services.

In 2015, ISD provided these much needed services to more New Mexicans than ever before. In State Fiscal Year 2015, a total of 232,130 families (496,928 individuals) received Supplemental Nutrition Assistance Program benefits, and 12,754 families (33,019 individuals) Received Temporary Assistance for Needy Families benefits. In addition, 61,486 families received an average benefit of \$189 through the Low Income Home Energy Assistance Program.

ACHIEVEMENTS

In 2015, ISD served more than one million individuals at our 34 offices across the state. ISD recouped \$2,373,115 in Interim Assistance Reimbursement from Social Security in State Fiscal Year 2015.

New Mexico achieved work participation rates of 34.4 percent for all families and 33.5 percent for two-parent families and the New Mexico Works contractor, SL Start, averaged 257 new employments per month.

ISD distributed 6,849,906 pounds of commodity foods, valued at \$8,998,906, to New Mexico schools through the USDA Food Distribution to Schools program. Additionally, \$1,625,458 was allocated to the DOD Fresh Fruit and Vegetable Program, which resulted in State Fiscal Year 2015 ISD entitlement of \$10,719,202.

Through a statewide network of regional food banks, The Emergency Food Assistance Program distributed 3,863,728 pounds of household commodity entitlement food (valued at \$2,244,687), and 2,552,108 pounds of household bonus commodities (valued at \$1,752,873).

ISD provided funding to provide 500,453 meals at six shelters (homeless, day, and domestic violence) through the Homeless Meals Program.

Additionally, five agencies implemented the HSD administered SNAP Education (SNAP Ed) to provide nutrition education classes to low income families across the state. Nearly one million children and adults were introduced to SNAP Ed through education materials and events, and 257,278 individuals attended at least one class on topics such as nutrition, food budgeting, cooking, and the importance of healthy, active lifestyles.

BEHAVIORAL HEALTH SERVICES DIVISION & BEHAVIORAL HEALTH COLLABORATIVE



WAYNE W. LINDSTROM, Ph.D.,
DIRECTOR & CHIEF EXECUTIVE OFFICER

OVERVIEW

The purpose of the Behavioral Health Services Division is to manage the public behavioral health service system. BHSD currently has a staff of 30 that focuses on developing strategies for mental health promotion and substance abuse prevention and treatment for individuals in New Mexico. In its role as the state mental health and substance abuse authority, BHSD works in partnership with the MAD to oversee contracts with the four MCOs and to ensure provision through New Mexico's behavioral health statewide system of Medicaid benefits.

NM Behavioral Health Collaborative

The Behavioral Health Collaborative (the Collaborative or BHC) was created by the legislature, and brings together agencies across state government to plan, design, and direct a statewide behavioral health system. In Fiscal Year 2017, the Collaborative membership includes 16 state agency leaders- cabinet secretaries, directors, and administrators - with a collective interest in improving behavioral health care systems and services for all New Mexicans.

- The Collaborative is required to bring together state agencies, build partnerships, and blend funding streams to improve the State's behavioral health care systems.
- The Collaborative's work supports multiple statewide projects, including Centennial Care and statewide non-Medicaid behavioral health services. The Collaborative contracts with an Administrative Services Organization for non-Medicaid behavioral health services.
- New Mexico is participating in the Medicaid expansion under the provisions of the Affordable Care Act (ACA) which extends Medicaid coverage to adults with household incomes below 138 percent of federal poverty level. On January 1, 2014, Centennial Care was implemented as the statewide Medicaid managed care plan under an 1115 demonstration waiver. For the first time, behavioral health services were carved into the Medicaid managed care program. This expansion of Medicaid has relieved pressure on non-Medicaid behavioral health services that have traditionally been funded through federal block grants and state general fund appropriations.

The Collaborative has been engaged in discussing the three domains of the 2016-2017 Behavioral Health Strategic Plan which focuses on finance, regulation and workforce. It has received presentations from national experts in those areas to further inform and focus its quarterly review of the plan.

Behavioral Health Planning Council

The Behavioral Health Planning Council (BHPC) is a Governor-appointed Council of 51 percent consumers and family representation, along with providers, advocates and state agencies who advise the State (governor and legislature) on behavioral health services, including priorities for block grants and their accomplishments. It specifically advises the BHC on policies, programs, and funding; and provides input on an ongoing basis in all Collaborative involved and related initiatives. The Council has played key advisory roles on many initiatives in our state, both federally and locally funded, to help ensure

consumer voice and choice are meaningfully involved and have a central role in decision-making. They are focused on and will continue to be a potent voice for children, adults and families, and providers that serve New Mexico's consumer-centered, recovery and resiliency-focused coordinated quality behavioral health care system.

The BHPC operates through a number of active statutory subcommittees, including the Native American Subcommittee, the Adult/Substance Use/Medicaid Subcommittee, and the Children and Adolescent Subcommittee.

The Human Services Department's focus on behavioral health in 2017 is on strengthening communities' resources and expanding the workforce capacity statewide. Targeted efforts have included the development of a two-year Strategic Implementation Plan, the continued integration of behavioral health services through Centennial Care and a new federal grant, working with communities to develop new crisis and effective service models, and reducing administrative burdens to enable more behavioral health practitioners to serve the people of New Mexico. The Collaborative, BHSD, and the BHPC have each played an important role in the creation of a focused behavioral health strategy.

ACHIEVEMENTS

The New Mexico's Crisis and Access Line (NMCAL) began operations in February 2013. NMCAL is available 24 hours a day and seven days a week to respond to calls related to behavioral health crises and how to access services. It is staffed by mental health professionals who connect consumers to local providers and state agencies. NMCAL also has a peer-operated Warmline that connects callers with persons in recovery who are trained as Certified Peer Support Workers. In October of 2016, NMCAL handled 3,309 calls. This includes 1,194 calls on the Statewide Crisis and Access Line, 196 New Mexico calls for the National Suicide Prevention Lifeline (NSPL), 1073 calls for the Peer-to-Peer Warmline, and 846 after- hours calls forwarded from New Mexico's Behavioral Health Core Service Agencies (GSA's).

Established by House Bill 212, a Crisis Triage and Stabilization Center is a health facility that is licensed by DOH, is not physically part of an inpatient hospital or included in a hospital's license; and provides stabilization of behavioral health crises, including short-term residential stabilization. The enabling legislation calls for HSD to establish a reimbursement structure for this new Level of Care (LOC) and provided \$1.75 million towards their implementation. This is a LOC that has been missing in NM's behavioral health service system and was recommended for establishment by the House Joint Memorial 17 Task Force. HSD and DOH are drafting rules both for facility licensing and program reimbursement. The draft rules will allow a community to choose a variety of models of crisis triage and stabilization, including solely outpatient or ambulatory, residential with and without detox services, not to exceed medically monitored detox (ASAM level 3.7). The facilities will be licensed by the Department of Health, and the Program will be certified by the Human Services Department, Behavioral Health Services Division. While the initial phase of such centers will focus on adults, CYFD is continuing to investigate mechanisms that would allow for similar services for youth. Avenues allowing for prospective payment mechanisms are also being researched to identify other states that have used this form of payment mechanisms.

In 2015, the New Mexico Legislature appropriated \$1 million for Behavioral Health Investment Zones (BHIZ) to further invest in New Mexico communities that lead the state in deaths attributable to alcohol, drugs, or suicide. This initiative focuses on preventing adverse childhood experiences, building developmental assets, conducting early screening and assessments, improving access to quality trauma informed treatment services, diverting those with behavioral health conditions from emergency room utilization and incarceration, reducing serious and violent crime, integrating behavioral health with health care, leveraging private funding, and assisting local leaders in navigating appropriate federal and state programs.

The two counties, Rio Arriba and McKinley Counties have submitted their year 2 plans and budgets for review.

- The Rio Arriba County BHIZ convened "Our Enterprise" Table Top Sim Day, October 4th, which included approximately 50 representatives from BHIZ partner agencies, MCOs and other community providers. The group examined the different options available to someone needing detox resources – both services and gaps. The challenges which the BHIZ network core agencies will address is facilitating clients in their effort to be admitted to short-term detox or rehab, providing intensive case management support to clients as they access services. The also stressed the importance of intensive case management for clients at risk.

- McKinley County BHIZ has redesigned their approach after recognizing the breadth of the challenges that those with BH challenges face. The GMCKBHIZ year two plan includes the following goals:
 - * Provide direct, intensive services to the "top 200" chronic, repeat protective custody/public inebriation clients, moving 25 percent from the abuse/shelter cycle into the path of recovery along the continuum of services, and contribute toward sustenance of core operations of the Gallup NCI Shelter care & Detox Center;
 - * Identify the social detox clients with the highest annual rate of utilization of the NCI facility/program;
 - * Establish a cost basis for providing both standard social detox/sheltercare services and intensive services to the "Top 200" clients;
 - * Establish cost of "next step" residential treatment services for a pilot sample of 24 (12 percent) of the "Top 200" clientele; and
 - * Establish BHIZ contribution to core therapeutic and paramedical operations of the Gallup Sheltercare & Detox Center.

HSD supported providers to improve system stability by initiating a monthly meeting with the Behavioral Health Provider Association to collaborate on finding solutions to provider concerns and common ground on ways to address the needs of the behavioral health system.

Since 2015 a process has been in place to address workforce shortages, particularly in rural and frontier areas, by allowing certain non-independently licensed professionals to provide behavioral health services under the direction of an independently licensed clinician. BHSD continued to train and certify Peer Support Workers and completes its final year of the "Healthy Homes" federal transformation grant, creating a new group of certified peer support workers with specialized expertise in supportive housing. BHSD's Director continues to participate in the New Mexico Health Care Work Force Committee.

New Mexico Behavioral Health Health Homes project, CareLinkNM, continues to develop beyond its initial sites in Cloves and McKinley counties. By July 2017, it is anticipated that an additional five sites will be added to CareLinkNM. The Steering Committee for the project met with the two current health homes sites to identify lessons learned from their experience and areas in which future health home processes can be improved. Some of the areas identified for future improvement include: release of information processes and lack of familiarity with Memoranda of Understanding in small primary care practices, changes to the application process for new health homes, experiences with community liaison and health promotion staff, use of peer support, and a need for more flexibility in staffing. Providers also indicated that integrated care and the relationships with small providers is a culture change and will take time, though some progress in both communities has been made.

The Behavioral Health Network of Care (BH NOC) is operating as the official website for the BHC. This portal can be accessed at <http://www.newmexico.networkofcare.org/mh/>. Development of the BH NOC is ongoing. There have been several provider additions and requests continue to come in. We continue to encourage provider participations in the Resource Directory, the Job Board, and the Community Calendar. The Veterans NOC continues to improve, sharing crucial information about services and opportunities with veterans, family members, active-duty personnel, reservists, members of the NM National Guard, employers, service providers, and the community at large. This site is available at <http://newmexico.networkofcare.org/Veterans/>. The NM Department of Aging and Long Term Services has opted to become NM's 3rd NOC web portal for Seniors and People with Disabilities with site.

The "Treat First" model of care is an approach to clinical practice improvement. The successful six-month pilot with six agencies was led by BHSD. The organizing principle has been to ensure a timely and effective response to a person's needs as a first priority in approach. It was structured as a way to achieve immediate formation of a therapeutic relationship while gathering needed historical, assessment and treatment planning information over the course of a small number of therapeutic encounters. It has been shown to achieve one of the primary goals - to decrease the number of members that are "no shows" for the next scheduled appointment because their need was not met upon initial intake. Three new agencies in the southern part

of the state have joined the Treat First learning community. Additional expansion is anticipated. A second evaluation of its impact is scheduled for early July.

Prevention “Partnership for Success”: BHSD’s Office of Substance Abuse Prevention (OSAP) has been awarded this SAMHSA grant of \$1.68 annually for 5 years (\$8 million total) to address underage drinking and youth prescription drug abuse. In August 2016, nine local providers and five schools from the Higher Education Prevention Consortium participated in a two-day technical assistance training to support their future prevention initiatives.

BHSD’s Office of Substance Abuse Prevention (OSAP) successfully applied for and received SAMHSA’s competitive Grant to Prevent Prescription Drug/Opioid Overdose-Related Deaths, winning this \$1 million annual award for five years along with ten other states beginning September 1, 2016. The purpose of the grant is to reduce the number of prescription drug/opioid overdose-related deaths and adverse events among individuals 18 years of age and older by training first responders and other key community sectors on the prevention of prescription drug/opioid overdose-related deaths and implementing secondary prevention strategies, including the purchase and distribution of naloxone to first responders.

Based on the 2016 consumer and provider satisfaction survey conducted by BHSD, 84 percent of the family/caregivers surveyed indicated that they were satisfied with the services their child received, and 86 percent of adults surveyed indicated that they were satisfied with their services.

ADMINISTRATIVE SERVICES DIVISION DANNY SANDOVAL, DIRECTOR & CHIEF FINANCIAL OFFICER



OVERVIEW

The Administrative Services Division (ASD) provides HSD with support services, financial control, and reporting activities for a budget of over \$6.9 billion. ASD is responsible for ensuring compliance with directives from the Department of Finance and Administration (DFA), the State Treasurer's Office, the Office of the State Auditor, and federal oversight agencies related to financial reporting. ASD management conveys a positive control environment by maintaining Chief Financial Officer (CFO) Directives and HSD model accounting practices that establish a control framework for the financial functions of HSD. In 2016, ASD provided timely complete, and accurate financial information by reviewing the following with HSD program divisions:

- Budget to actual schedules throughout the year;
- Federal financial reports on a quarterly and annual basis;
- Trial balances and account schedules on a monthly and quarterly basis; and
- Changes that impact the HSD's Public Assistance Cost Allocation Plan and cost impact to HSD programs on a quarterly basis.

ASD has two CFOs approved by the DFA and the financial reporting noted above is approved at a CFO level.

ACHIEVEMENTS

In 2016 ASD resolved three of six of the 2015 audit findings. ASD implemented process change which allowed the Department to recover hundreds of thousands of dollars in overpayments through the Treasury Offset Program by working with IT staff, program staff and accounting staff to meet the requirements of the federal program. The 2016 audit had no findings related to federal reporting for any programs.

ASD led the way to submitting the 2016 Single and Financial Statement Audit to the Office of the State Auditor by an accelerated deadline of December 1, 2016. The auditor's opinion was that the financial statements present fairly the financial position of all HSD funds. The overview of financial activities for State Fiscal Year 2016 can best be seen in the statement of activities for the year ending June 30, 2016. The statement of activities classifies HSD programs as healthcare services financial assistance and general government. "Healthcare services" refers primarily to transactions in the Medicaid Fund, and "financial assistance" refers primarily to Low Income Home Energy Assistance Program, Temporary Assistance for Needy Families and Supplemental Nutritional Assistance Program (SNAP) benefits. Transactions classified as "general government" in all other funds account for the administrative expenses to support those program functions. The large increase in expenses is due mainly to Medicaid expansion and the increase in SNAP benefits.

The ASD was also able to submit year-end deliverables to DFA on November 4, 2016 for inclusion in the Statewide Comprehensive Annual Financial Report.

FAIR HEARINGS BUREAU CONSUELO LOWE, BUREAU CHIEF



OVERVIEW

The Fair Hearings Bureau (FHB) processes hearing requests for public assistance programs administered by the Human Services Department, as well as hearings requested by Providers contracted by the Medical Assistance Division in partnership with the Department of Health. The FHB plays an integral role in providing impartial recommendations for program recipients, health care providers, and various divisions in and outside of HSD.

The FHB has 17 FTEs, consisting of the Bureau and Assistance Bureau Chief; the Administrative hub, formed by three Management Analysts and one Administrative Secretary, and multiple Hearing Officers located in both Santa Fe and Albuquerque offices. FHB employees, (i.e., supervisory/hearing officers/administrative), are dedicated to the constant improvement of their scope of work via monthly staff meetings, voluntary enrollment in training courses, and federal advisory summits, as well as adhering to program policies. These measures are taken to ensure synergy within the division.

During the hearing process, cases are reviewed based upon a number of aspects which include but are not limited to: the validity of the request as it corresponds with the requestor's benefits or services received/rendered; merit, proposed exhibits, impact of adverse case-action on recipients and their families; timeliness of request, and overall effective communication between requestors and the FHB. Summaries of Evidence are required on all hearing requests. The Summary of Evidence is the first step that provides specifics of the case before a Hearing Officer. Some cases are automatically dismissed for administrative reasons. Other cases are abandoned or withdrawn, due to lack of participation from requestors or because the issue was resolved prior to the scheduled hearing date. As cases progress from the initial request, to the participation in the telephonic or in-person hearing, the Hearing Officer consistently and systematically reviews the case for updates; motions, appearance by legal representation, proposed exhibits, grievances, withdrawals, etc. These updates, along with the study of case law (policy and regulations), contribute to the Hearing Officer's final recommendation.

ACHIEVEMENTS

There have been a total of 10,800 requests in 2016. This equals to roughly 900 requests per month. These requests are received by Fair Hearings via phone calls, postal delivery, voicemail, fax, email, or through submittals from the various Income Support Offices located throughout the state.

The FHB has produced timely final decisions on all administrative disqualification hearings consistently for the years 2014 through 2016.

OFFICE OF HUMAN RESOURCES

JOHNNA PADILLA, DIRECTOR



OVERVIEW

The focus of the Office of Human Resources (OHR) is on providing strong customer service to the employees of the Human Services Department. OHR's work in 2016 has targeted the development of leaders, increased accountability, and streamlining administrative practices. The OHR Operations Section continues to analyze hiring processes to ensure HSD is promptly processing all paperwork and hiring the best suited individuals for department positions. Additionally, the Staff Development and Training Section works to train all HSD managers to become strong, effective leaders.

ACHIEVEMENTS

The OHR Operations Section professionally managed a variety of functions in support of human resources including recruitments, classification and compensation actions, benefit administration, hires, and terminations while adhering to state and federal regulations, policies and rules. The Operations Section posted 422 recruitments through the state's recruiting system, NEOGOV, focusing on multi-hiring and continuous job postings to minimize the length of time it takes to fill critical field office positions.

In 2016, the HSD OHR implemented the U.S. Citizenship and Immigration Services E-Verify, an internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify ensures compliance with laws requiring companies to employ only individuals who may legally work in the United States – either U.S. citizens, or foreign citizens who have the necessary authorization.

The Operations Section also became directly involved in several major ongoing projects including the digitization of personnel files and the SHARE 9.2 Upgrade, slated to be executed in April, 2017.

In July, 2016, the HSD OHR Classification and Compensation unit implemented the SPO IT-specific salary structure, providing market-competitive salaries and greater opportunities for recruiting and retaining IT talent. The newly adopted structure and classifications also created more career growth opportunity for state employees.

In FY 2016, HSD achieved its highest recorded compliance rate of 91 percent for federal, state, Department, and union mandated trainings through utilization of the department online training program. Online training has been available at HSD for 7 years, and is managed for the department by the OHR Training Unit, saving the department money in labor, time, and travel for mandated trainings including HIPAA, IRS Disclosure, ITD Privacy and Security, and Defensive Driving Certification. The Training Section continued to collaborate with HSD divisions on development, administration and support of online and blended learning.

The Training Section also achieved its highest recorded number of attendees in instructor-led classes with a total of 2417 attendees statewide. Of this, 1449 employees attended trainings focused on requests to promote customer service, teamwork, respect, and morale in field offices. Quarters 1 and 2 were most productive with 1090 attendees. The Unit responded in

Quarters 3 and 4 to reduction in training personnel and travel restrictions by discontinuance and/or adjustment of instructor-led classes for non-management personnel. The focus turned to continuance of the HSD Leadership Development Program (HLDP) with training opportunities adjusted to supervisors in the central part of the state without travel requirements. A total of 968 attendees were recorded in the Leadership Program sessions and Managing Employee Performance.

The Employee and Labor Relations (ELR) Section works with managers and employees to comply with all Federal and state employment laws, appropriate application of HSD Policies and Procedures, and provides coaching and mentoring to help managers effectively address personnel issues. ERL has also continued to assist the Department's employees with medical leave approvals. ELR has seen an increase in medical approvals completed for employees in 2016. There have been a total of 425 approvals, up from 396 in 2015, completed by the Medical Issues Coordinators for 2016. This is nearly a 10 percent increase of medical approvals. ELR has also continued to assist managers by drafting all written disciplinary actions. In 2016, ELR completed 114 disciplinary actions ranging from Letters of Concern to Dismissals.

OFFICE OF INSPECTOR GENERAL ADRIAN GALLEGOS, INSPECTOR GENERAL



OVERVIEW

The Office of Inspector General (OIG) is one of the largest state agency compliance divisions in New Mexico. The OIG is responsible for auditing the New Mexico Human Services Department's programs and operations as well as investigating allegations of fraud, waste and abuse in HSD administered public assistance programs, to include Medicaid and the Supplemental Nutrition Assistance Program. The OIG is comprised of the Internal Review Bureau (IRB), which includes the Medicaid Program Integrity Unit (PIU), Investigations Bureau (IB), which includes the Technology Crimes Unit (TCU), and Central Office.

ACHIEVEMENTS

The OIG's IRB, in coordination with HSD's Information Technology Division (ITD), continues to automate several manual processes of extracting and analyzing data from the Automated System Program and Eligibility Network (ASPEN). The user-specified reports now being generated have significantly decreased the amount of time and resources the OIG previously allocated to extracting data. The IRB has continued to work with the Centers for Medicare and Medicaid Services (CMS) on the CMS Medicaid and Children's Health Insurance Program (CHIP) Eligibility Review Pilot which will continue into 2017 with the completion of phase four and the beginning of phase five. The purpose of these CMS pilots is to prepare HSD's Income Support and Medical Assistance Divisions for future CMS audits.

The IRB's PIU provides resources dedicated to the auditing of Medicaid providers and Centennial Care Managed Care Organizations (MCOs), and the intake of provider complaints and referral of those complaints to the New Mexico Office of the Attorney General (OAG). In 2016, the PIU, in coordination with other partners, provided specialized training to the OAG, specifically investigators from the Medicaid Fraud and Elder Abuse Division, to help increase the quality and efficiency of their investigations. The PIU also provided leadership, direction and training to the four MCO integrity units. The PIU was the coordinator of the CMS New Mexico Focused Program Integrity Review, the CMS Federal Fiscal Year 2014 Payment Error Rate Management (PERM) Data Processing Review, and the CMS PERM Fiscal Year 2012 Corrective Action Plan for Medicaid and CHIP.

The IB plays a significant role within the OIG in conducting investigations and identified more than \$652,000 in fraud, waste, and abuse in 2016. The IB also reviewed and analyzed more than 1,800 complaints. The IB assigned 33 complaints as cases for investigation with one of those cases being significant, and drawing state and federal attention. The IB referred 32 investigations for criminal prosecution, submitted five investigations for administrative disqualification hearings, closed four unsubstantiated claims, completed and referred seven Medicaid provider fraud investigations, and completed and referred one internal employee investigation to HSD for potential administrative action. The IB's investigations resulted in 16 fraud convictions.

Two OIG staff make up the IB's TCU and are certified Digital Forensic Examiners (DFEs) and in 2016, the DFEs completed additional training to maintain their certifications. The DFEs conducted two Digital Forensic Analyses on two

HSD employees that resulted in one resignation. The DFE's were also instrumental in the significant case mentioned above and dedicated much of their time in 2016 acquiring potential electronic evidence and performing forensic analysis in that matter. 2016 also allowed the OIG to add equipment capability through the addition of a computer and forensic software, and computer acquisition equipment. This expansion allowed the DFEs to effectively and efficiently analyze acquired data and to acquire data faster.

The OIG's Central Office, amongst other duties, houses the Public Assistance Reporting Information System (PARIS) matching activities for HSD. The purpose of PARIS matching is to ensure public assistance benefits, to include Medicaid, are not duplicated between states. PARIS matching activities involved the review of more than 3,000 cases in 2016 which resulted in federal and state funding being reallocated back to HSD administered public assistance programs.