

***Health Care Reform Leadership Team  
STRATEGIC PLAN  
&  
HJM 43 – Native American Medicaid Category***

Presentation to the  
Legislative Health and Human Services Committee

Katie Falls, Secretary HSD  
August 4, 2010



**New Mexico Human Services Department**

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# Today's Discussion

- ◆ Health Care Reform State Leadership Team
  - Strategic Plan
  - Master Matrix
  - Next Steps
  
- ◆ House Joint Memorial (HJM) 43 – Native American Medicaid Category



# Patient Protection and Affordable Care Act (PPACA) and State Implementation

April 20, 2010 Executive Order 2010-012

- ◆ Establishes the Health Care Reform (HCR) Leadership Team to:
  - Develop a strategic plan, coordinate across state agencies, be accountable for recommendations
  - Oversee development, planning and implementation of federal health reform
  
- ◆ Membership
  - Secretaries from the Department's of: Health; Children, Youth and Families; Aging and Long Term Services; Taxation and Revenue; Workforce Solutions; Indian Affairs; Information Technology; Human Services; the Superintendent of the PRC Division of Insurance; Behavioral Health Collaborative CEO and a representative Governor's office.
  - 3 meetings held in May and June 2010
  - Meeting information can be found at:  
<http://www.hsd.state.nm.us/nhcr/nhcrlao.htm>



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# HCR State Leadership Team

- ◆ Recommendations Governor directs we move forward with:
  1. Continue convening the Health Care Reform Leadership Team
  2. Expand membership of the HCR Leadership Team
  3. Create an Office of Health Care Reform
  4. Host the Office of Health Care Reform at the Human Services Department.
  5. Determine state statutes requiring amendment/enactment to be in compliance with the PPACA.
  6. Conduct tribal consultation regarding health care reform initiatives and policies that will impact American Indians.



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# Links to HCR Information

- ◆ Strategic Plan July 2010, *Implementing Federal Health Reform—A Roadmap for New Mexico*,  
<http://www.hsd.state.nm.us/nhcr/nhcrlao.htm>
- ◆ Next meeting scheduled for August 18, 2010
  - Expanded membership includes representation from the NM Higher Education Department; Public Education Department; Department of Finance and Administration; General Services Department, Risk Management Division; Office of the Governor's Council on Women's Health; and the Worker's Compensation Administration.



# Decision Points – Administrative Activities

DATE	ACTION
By 7/31/10	<ul style="list-style-type: none"> <li>◆ Continue convening the Health Care Reform Leadership Team</li> <li>◆ Expand membership of the HCR Leadership Team</li> <li>◆ Create an Office of Health Care Reform</li> </ul>
By 11/10 and ongoing	Determine state statutes requiring amendment/enactment
1/11 & Ongoing	Conduct fiscal analysis of PPACA in New Mexico
2011 & Ongoing; Enact 1/14	Hold tribal consultation as needed to determine if legislation is required to reduce cost-sharing for individuals enrolling in qualified health plans; determine the special rules for Indian health care, items or services furnished through Indian health providers; and adopt no-cost sharing for Indians with incomes at or below 300% FPL through the state Exchange



# Decision Points - New Mexico and Financing of Health Care Reform

DATE	ACTION
By 12/31/10	Undertake a mapping of where New Mexicans will enter the health care market and determine the impact on the Medicaid program, potential Basic Health Plan and private and group markets
By 12/31/10	<ul style="list-style-type: none"> <li>◆ Conduct a detailed fiscal analysis of the federal tax and subsidy options and their impact in New Mexico.</li> <li>◆ Develop a list of options for Medicaid, SCI and other programs.</li> <li>◆ Analyze cost and feasibility of options</li> </ul>
1/11 & Ongoing	Enact legislation as needed to update Medicaid, SCI and other <i>Insure NM!</i> programs
2011 & Ongoing; Enact 1/14	Decision on whether to develop a Basic Health Plan and enactment of the Plan



# Decision Points – Health Exchange

DATE	ACTION
By 12/31/10	<ul style="list-style-type: none"> <li>◆ Decision to create an Exchange and whether one Exchange or two; decision to create a New Mexico-only Exchange or join in a regional Exchange</li> <li>◆ Form planning group to develop Exchange; create work plan</li> <li>◆ Secure federal planning funds</li> </ul>
9/10 & Ongoing	Decision on where Exchange should be housed
9/10 & Ongoing	Continue efforts to implement new state HSD Medicaid and other public programs' eligibility systems, as needed to comply with federal law; Issue RFP for new IT HSD eligibility system by Fall 2010
1/1/12	Enact legislation creating Exchange
1/1/14	Launch Exchange





## Individual Health Exchange

## Business Health Exchange

1. Does NM Want One or Two Exchanges?
2. What Type of Exchange do we want?
3. Which Model below should we choose?

**Exchange Operated by the Feds**

**Exchange operated by a non-profit agency**

**Exchange operated within a state agency**

**Join in a Regional Exchange with other States**

**Create regional exchanges within NM**

4. What legislation is needed to create the Exchange?
5. Determine functions within the Exchange (see # 2) and relationship to HSD

HSD



Exchange

6. Who will determine Medicaid eligibility?
7. Who will determine eligibility for the tax subsidies?
8. How will consumer education and protection be coordinated?
9. How will individuals move between the Exchange and HSD without loss of health care coverage?
10. Will individuals maintain some consistency in health care benefits when they move back and forth from the Exchange to Medicaid?



HJM 43: ENCOURAGING THE CREATION OF A SEPARATELY ADMINISTERED NATIVE AMERICAN MEDICAID CATEGORY TO AVOID THE LOSS OF SERVICES TO PEOPLE WHOSE ENTIRE MEDICAID EXPENDITURE DOLLARS ARE MATCHED BY THE FEDERAL GOVERNMENT (Sponsor Rep. Begaye)

- ◆ Medicaid be fully funded to meet enrollment needs and avoid cuts to eligibility and services;
- ◆ That the state restore funds to establish the baseline of funding for the program and ensure that these funds are not reduced again if the federal stimulus is extended into fiscal year 2011;
- ◆ That no major changes be made to tribal health services delivery or funding absent a formal tribal consultation to establish a process to develop a Native American coverage program utilizing the state consultation process
- ◆ That the legislature protect the Medicaid program from structural changes that would reduce coverage and services and develop an approach toward Medicaid that is aligned with the purposes of national health care reform to ensure health care coverage for low-income people;
- ◆ That revenues be raised for Medicaid through options that create a more fair tax system and alleviate the burden on working families and low-income New Mexicans;



# Actions on HJM 43

- ◆ March 29, 2010 – First meeting of the Tribal-State Workgroup on Medicaid Issues (5 meetings to date)
- ◆ Representation from all but 4 tribes
- ◆ Goals of the Work Group
  1. Develop and Recommend Protected Indian Plan within State Medicaid Plan, with focus on IHS and tribal facilities.
  2. Review and make recommendations regarding cost-containment proposals for Medicaid, including those down through rulemaking.
  3. Plan for National Health Care Reform and Authorization of Indian Health Care Improvement Act and other legislation



## ***Actions and Next Steps***

- ◆ Concept Paper drafted by Work Group
- ◆ Letter submitted to the Center for Medicare and Medicaid Services (CMS) by HSD
- ◆ Meeting with tribal leaders on August 5, 2010
- ◆ Formal Tribal Consultation scheduled for August 25, 2010
- ◆ Pending outcome of consultation, plan to be submitted to CMS and discussion initiated
- ◆ Ruling by CMS

