Table of Contents

A. Managed Care Background/Overview

1. On August 1, 2008, the State of New Mexico implemented the Coordination of Long Term Services program (CoLTS). CoLTS covers primary, acute, and long-term services in one coordinated and integrated program, incorporating Medicaid and Medicare services and funding. The State phased-in all geographic areas over the first year of implementation, with all counties phased in by April 1, 2009.

2. The State's goals for the implementation of CoLTS include the following:

   - Rebalance Medicaid long-term supports and services system from a primary reliance on nursing facility services to support the increased use of community-based supports and services.
   - Increase coordination between Medicaid and Medicare services.
   - Improve and expand coordination of acute care and community-based supports and services for all.
   - Offer seamless access to a choice of culturally responsive, appropriate, and quality long-term services.
   - Provide a system of services that minimizes stays in institutional settings, such as a nursing home, by increasing access to less restrictive home- and community-based services.
   - Promote improved health status and quality of life and reduced dependency on institutional care.
   - Use best practices from other states seeking to improve coordination and reduce fragmentation.

3. The Medical Assistance Division (MAD) of New Mexico's Human Services Department (HSD) is responsible for operating and administering the program including financial oversight and performance measurement.

4. The CoLTS program operates under concurrent 1915(b) and (c) Medicaid waivers from the U.S. Health & Human Services Department, Centers for Medicare and Medicaid Services (CMS).

    - The 1915(b) waiver allows the state to operate a managed care delivery system. Medicaid State Plan services are provided under this waiver. The State must demonstrate "cost effectiveness" in order to be approved for a 1915(b) waiver and each time the waiver is renewed. Specifically, states must demonstrate that waiver expenditure projections are reasonable and consistent with statute, regulation, and guidance, and—for renewals—that actual waiver expenditures were less than or equal to projected waiver expenditures for the prior waiver period.

    - The 1915(c) waiver allows the state to provide home and community-based services to individuals who require the level of care provided in a nursing facility. For a 1915(c) waiver, the state must demonstrate "cost neutrality" both for initial waiver approval and for each renewal. That is, the state must show that the estimated average per capita cost of providing services to an individual in the waiver is projected to be equal to or less than the estimated average per capita cost of providing institutional care to the same population.

5. HSD contracts with two Managed Care Organizations (MCOs) to provide CoLTS services.

AMERIGROUP Community Care Inc.	**UnitedHealthcare Community Plan of New Mexico Inc.**
AMERIGROUP's mission is to operate a community-focused managed care company with an emphasis on the public sector health care market. The Company will coordinate our members' physical and behavioral health care, offering a continuum of education, access, care and outcome, resulting in lower costs, improved quality and better health of Americans. Amerigroup serves more than 1.9 million people in the Florida, Georgia, Maryland, Nevada, New Jersey, New Mexico, New York, Ohio, Tennessee, Texas, and Virginia.	UnitedHealthcare Community Plan is one of the nation's largest care coordination programs for people who have long-term or advanced illnesses, are older or have disabilities. Our Medicare and Medicaid plans and services enhance health and independence by providing a Nurse Practitioner or Care Manager (depending on the individual's needs) as the member's personal guide through the complex world of health care. Started in 1987, UnitedHealthcare Community Plan today serves more than 120,000 people nationwide through a variety of Medicaid, Medicare, and private-pay health plans, programs and services in the home, the community, and skilled nursing facilities.

B. Enrollment

1. The CoLTS program currently serves 39,530 individuals inclusive of 6,951 Native American members (18%). Data as of December 2011.

CoLTS Enrollees

	TOTAL: 12/11	MEDICARE/MEDICAID STATUS MEDICAID ENROLLEES ONLY	% MEDICAID ENROLLEES ONLY	MEDICAID and MEDICARE ENROLLEES	% MEDICAID and MEDICARE ENROLLEES
Medicaid and Medicare Enrollees	17,045		0%	17,045	100%
NURSING FACILTY LEVEL OF CARE					
Self-Directed Home and Community Based - Mi Via	748	183	24%	565	76%
Traditional Home and Community Based CoLTS C	2,252	264	12%	1,988	88%
Living in Nursing Facility	4,081	431	11%	3,650	89%
Receiving Personal Care Plans	15,404	5,703	37%	9,701	63%
TOTAL	39,530	6,581	17%	32,949	83%

C. Medicaid Covered Services

1. CoLTS 1915 (b) State Plan – Medicaid Covered Services

(a) General Health Care Benefits

- Ambulatory Surgical
- Anesthesia
- Audiology
- Case Management for
  - EPSDT
  - Pregnant women and their infants
  - Adults with developmental disabilities
  - Traumatic brain injured adults
  - Children up to age 3
- Dental
- Dialysis
- Disease Management
- Durable Medical Equipment and Medical Supplies
- Emergency
- Laboratory
- Nursing Facilities and Swing Bed Hospital
- Nutrition
- Occupational Therapy
- Pharmacy
- Physical Health
- Preventive Health
- Prosthetics and Orthotics
- Physical Therapy
- Rehabilitation
- Reproductive Health
- School-Based
- Service Coordination
- Skilled Maintenance Therapy
- Special Rehabilitation

- Health Education and Home Health
- Hospice
- Hospital Outpatient
- Hospital Inpatient
- Speech Language Therapy
- Transplant
- Transportation
- Vision

(b) Personal Care Option (PCO) Service Benefits
(If meeting qualifying Nursing Facility Level-of-Care – 2 ADLs)

- Individualized Bowel and Bladder Services
- Meal Preparation and Assistance
- Eating
- Household Support Services
- Hygiene/Grooming
- Supportive Mobility Assistance

2. Home and Community Based Waiver – 1915 (c) CoLTS (CCW) Services

(a) CCW was previously known as the Disabled and Elderly (D&E) HCBS Waiver.

(b) Not all CoLTS members receive CCW services. Like all Medicaid Waiver programs, CCW is not an entitlement program. The numbers of slots are limited and dependent upon federal approval and state appropriations.

(c) Individuals who receive a CoLTS Waiver allocation may choose between traditional delegated CCW services or self-directed services through the CCW Mi Via Waiver. Participants in Mi Via receive their 1915 (b) state plan Medicaid services under CoLTS. As of December 2011, there were 748 individuals allocated in the CoLTS (c) Waiver who chose Mi Via.

(d) Persons interested in applying may have their names placed on a central registry until slots become available. As of January 2012, there are 16,980 names on the central registry.

Allocation types:

- Regular (based on date of registration) – Currently "frozen" due to budget constraints
- Expedited (based on approved criteria) – Currently "frozen" due to budget constraints
- Community Re-integration (for individuals residing in a nursing facility who want to return home)
- Brain Injury – currently frozen due to budget constraints

(e) To qualify for CCW, a person must meet both financial and medical nursing facility level of care. Financial eligibility is determined by the HSD Income Support Division (ISD) after a registrant is offered a slot allocation by HSD/MAD.

- Income eligibility is limited to 3x the Federal Benefit Rate (FBR) currently $2022
- Resource limit of $2,000.

Medical Eligibility is determined by a contracted Third Party Assessor (TPA), now Molina Healthcare. An applicant must require daily, direct and hands-on assistance with two (2) Activities of Daily Living (ADLs):

- Mobility
- Transfers
- Bathing, hygiene, grooming
- Eating
- Daily, prescription meds
- Dressing
- Toileting, bowel, bladder care
- Meal acquisition/prep

(f) CCW Long Term Care (LTC) Services Include:

- Adult Day Health
- Assisted Living Services
- Emergency Response
- Environmental Modifications
- Respite Care
- Private Duty Nursing
- Maintenance Therapies
- Service Coordination
- Community Transition Goods/Services and Relocation Specialist

D. Related Medicare Coordination

1. The U.S. Health & Human Services, Centers for Medicare and Medicaid (CMS) administers Medicare, the nation's largest health insurance program. Medicare is a Health Insurance Program for people age 65 or older, some disabled people under age 65, and people of all ages with End-Stage Renal Disease (permanent kidney failure treated with dialysis or a transplant). Approximately 85% of CoLTS members are on Medicare. Therefore, for many physical health benefits, Medicare or a Medicare Advantage Plan is that participant's primary insurance.

2. The Social Security Administration (SSA) determines eligibility and enrollment for Medicare.

3. Each MCO is required to offer coordination across payers to assure that the state does not take on unnecessary costs. Given the large number of consumers dually eligible for Medicare and Medicaid in CoLTS, special emphasis is placed on Medicare coordination.

4. Medicare has four (4) separate coverage parts, Part A, Part B, Part C and Part D. Each year CMS sets Medicare premiums, deductibles and coinsurance amounts each year to be paid by Medicare recipients.

   Medicare Part A - Hospital Insurance
   Medicare Part B - Medical Insurance
   Medicare Part C - Medicare Advantage (MA) Plans
   - Combines all of Part A with Part B Medicare benefits in a managed care environment, offered by private companies approved by Medicare
   - CMS pays a fixed amount every month to the companies offering Medicare Advantage Plans. These companies must follow rules set by CMS for Medicare.
   - May offer extra coverage, such as vision, hearing, dental, and/or health/wellness programs
   - Can include Part D prescription drug coverage in one monthly premium

   Medicare Part D - Medicare Prescription Drug Coverage:
   - A prescription drug option offered by private companies approved by Medicare

5. **Medicare Special Needs Plans (SNPs)** – A type of Medicare Advantage Plan (Part C) for people with certain chronic diseases and conditions or who have specialized needs (such as people who have both Medicare and Medicaid or people who live in certain institutions).

   Medicare SNPs provide their members with all Medicare Part A, B and D services. Medicare SNPs were created to give certain groups of people better access to Medicare by enrolling in a plan designed to meet their unique needs.

6. **Medicare Improvements for Patients and Providers Act of 2008 (MIPPA)** - In July 15, 2008, Congress enacted MIPPA, making changes to the Medicare program. Some of the provisions that impact state Medicaid agencies:

    a. SNP organizations entering the market or expanding into new service areas are required to enter into an agreement with the state's Medicaid agency to define services and service areas.
    b. All beneficiaries enrolled in SNP must be offered care management.
    c. Although there are several MA/SNP Plan organizations in New Mexico, HSD has offered and entered into MIPPA SNP Memorandums of Understanding (MOUs) with only the two CoLTS MCOs due to the common goals of the CoLTS managed care program and the SNP benefits. There is no exchange of funds within the MOUs.
    d. The following provides information on both the Amerigroup and the UnitedHealthcare Community Plan Special Needs Plans available in some New Mexico counties. SNPs can simplify care and reduce program costs:

AMERIGROUP **Service Area**	**UnitedHealthcare Community Plan** **SNP Service Areas**
Bernalillo, Otero, Sandoval, Santa Fe, Socorro, Torrance and Valencia counties	Bernalillo, Dona Ana, Grant, Hildago, Luna, Sandoval, Santa Fe, Sierra and Valencia counties
SNP Enrollment as of 1-1-12	**SNP Enrollment as of 1-1-12**
1,063	3,433

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