HUMAN SERVICES DEPARTMENT

# NEW MEXICO MEDICAID ADVISORY COMMITTEE (MAC) MEETING
# JANUARY 19, 2021

MEDICAL ASSISTANCE DIVISION

*INVESTING FOR TOMORROW, DELIVERING TODAY.*

# MEETING PROTOCOLS

# MEETING PROTOCOLS

- Join GoToMeeting
- Mute Microphones
- Update Name and Address
- Committee Member Questions
- Chat Function for Public Comments
- Presenters and Slide Transition
- Meeting is Recorded

# INTRODUCTIONS

# AGENDA AND APPROVAL

# MEETING AGENDA AND APPROVAL

1. Meeting Protocols
2. Introductions
3. Agenda and Approval
4. November 2020 Minutes
5. MAD Director Update
6. 1115 Demonstration Waiver Amendment 2
7. Formal Public Comment
8. Medicaid Budget Projections
9. Public Comment
10. Adjournment

# NOVEMBER 2020 MINUTES

# MAD DIRECTOR UPDATE

# COVID-19 POLICY UPDATE

# MEDICAID 6.2% INCREASED MATCH: MAINTENANCE OF EFFORT REQUIREMENT

- States must attest compliance with the statutory requirements below to receive this increase and if they violate these terms, they will be required to return all additional federal funds:
  - **No new eligibility and enrollment requirements** that are more restrictive than were in place prior to the Public Health Emergency (PHE)
  - No cost-sharing for testing
  - No increases in premiums
  - **No disenrollment** during PHE declaration
    - Prior to the emergency, NM averaged 7,000 disenrollment per month = 0.84% of membership. Over 87,000 not disenrolled to date.

# 6.2% FMAP EXTENSION TIMELINE

**January 31, 2020**

- Secretary Azar first declared COVID-19 a nationwide public health emergency (PHE) on January 27, 2020 utilizing his authority under Sec. 319 of the Public Health Service Act.

**April 21, 2020**

- Secretary Azar issued a renewal of the determination which was scheduled to expire on July 25, 2020.

**July 23, 2020**

- Secretary Azar issued a renewal of the determination which was scheduled to expire on October 23, 2020.

**October 2, 2020**

- Secretary Azar issued a renewal of the determination which was scheduled to expire on October 23, 2021. This renewal will be effective through January 21, 2021

**January 7, 2021**

- Secretary Azar issued a renewal of the determination which was scheduled to expire on January 21, 2021. This renewal will be effective through April 21,2021

https://www.phe.gov/emergency/news/healthactions/phe/Pages/covid19-07Jan2021.aspx

# COVID-19 RESPONSE EFFORTS

- COVID-19 Federal Waivers
  - 2 Approved §1135 Waivers
  - 5 Approved Appendix K Waivers
- State Plan Amendments (SPAs)
  - 10 Approved Disaster SPAs
    - 1 Pending
  - 3 Approved Regular SPAs
    - 5 Pending
- See Appendix A for the full list of federal authorities sought
- See Conduent provider portal for Letters of Direction and other guidance
  - https://nmmedicaid.portal.conduent.com/static/covid.htm

# VACCINE PLAN IMPLEMENTATION

- New Mexico Medicaid is making a change in benefit coverage by adding the COVID vaccine and vaccine administration.
- COVID vaccine and vaccine administration will be covered in accordance with Medicare's billing and reimbursement guidance.
- The estimated financial impact is $10,183,789 (in federal funds) for FFY 21 and $15,133,020 (in federal funds) for FFY 22.
- 1115 to ensure coverage for limited benefit populations.

# IT UPDATE: ELECTRONIC VISIT VERIFICATION (EVV) GO-LIVE 1/1/2021

# TIMELINE / ISSUES THE STATE HAS FACED

- Federal Mandate- Implement by 1/1/2021 or face monetary penalties
- Contracting/Timing
- Impact of Open HSD IT projects
- COVID-19 Pandemic
  - Priority of the State to continue services for our waiver participants and continued support and payment to providers

# PHASE 1 AND PHASE 2 COMPONENTS

| PHASE 1 |
| --- |
| ▪ January 1 - March 31, 2021 |
| ▪ Collection of required six (6) data elements via Interactive Voice Recognition (IVR)/telephony **1-800-222-2943** |
| ▪ Call IVR/telephone from landline or mobile/cell phone |
| ▪ EOR can continue to view time captured in FocosOnline and make corrections as necessary |

| PHASE 2 |
| --- |
| ▪ April 1, 2021 |
| ▪ Full EVV functionality |
| ▪ Call IVR from landline only or use mobile/cell phone Authenticare app |
| ▪ For Mi Via, Supports Waiver (Participant-directed) and SDCB, the EOR and employees begin using Palco's system for all budget management, both EVV and non-EVV services |

# EVV IMPLEMENTATIONS

| Managed Care | | FFS | |
|---|---|---|---|
| **Agency Based** | **Self-Direction** | **Agency Based** | **Self-Direction** |
| Agency Based Community Benefit | Self Directed Community Benefit | Developmentally Disabled Waiver | Mi Via Self Directed Waiver |
| | | Supports Agency Based Waiver | Supports Participant Directed Waiver |
| 2016 | 1/1/21 | 1/1/21 | 1/1/21 |

# WHERE TO FIND MORE INFORMATION

- Additional information such as enrollment packets, user guides, FAQs, training presentations, and training recordings can be found on the *Palco* website as shown below at https://palcofirst.com/new-mexico

- Conduent- https://nmmedicaid.portal.conduent.com/static/ProviderInformation.htm#Self-DirectionForms

- The Consolidated Customer Service Center (CCSC) is available to provide information about all Medicaid programs, including EVV. Beginning January 4th, 2021, for Electronic Visit Verification questions related to IVR logins or technical issues please call:

**1-800-283-4465 and Press ***

(IVR or technical issues will be transferred to Palco)

# 2021 LEGISLATIVE SESSION

# 2021 LEGISLATIVE SESSION DATES

- **January 4, 2021 - January 15** Legislation may be pre-filed
- **January 19** Opening day (noon)
- **February 18** Deadline for introduction
- **March 20** Session ends (noon)

# GOVERNOR'S LEGISLATIVE PRIORITIES

- Pandemic relief for small businesses
- Expand opportunity for more NM business owners and keeping local dollars local
- Establish an essential new revenue source for the state and employment source for tens of thousands of New Mexicans
- Ensure every New Mexican has the opportunity to create a fulfilling career with the required education and skills and without burdensome debt
- Protect New Mexico consumers by reforming lending practices
- Invest in generational improvements in education and well-being for New Mexico children

# GOVERNOR'S LEGISLATIVE PRIORITIES

- Invest in generational improvements in education and well-being for New Mexico children
- Reduce the cost of health insurance and medical expenses for working families
- Boost economically disadvantaged school districts and communities
- Address needs of differently abled New Mexico students
- Protecting health care providers
- Acknowledge and reduce institutional racism within government
- Creating a Clean Fuel Standard

**For more detail**: https://www.governor.state.nm.us/2021/01/13/gov-lujan-grisham-priorities-for-2021-session-sustaining-key-investments-regaining-economic-momentum/

# 1115 DEMONSTRATION AMENDMENT #2

# FORMAL PUBLIC HEARING

# FORMAL PUBLIC HEARING

- HSD is accepting comments from the public for the 1115 Demonstration Amendment #2 also known as the Medicaid program Centennial Care 2.0 through January 31, 2021.
  - Upon CMS approval, the 1115 Demonstration Amendment #2 will be effective on July 1, 2021.
- HSD is conducting two public hearings via GoTo Meeting due to the COVID-19 pandemic:
  - January 19, 2021 (1:00 – 4:00 p.m.)
  - January 28, 2021 (9:30 – 10:30 a.m.)

# FORMAL PUBLIC HEARING COMMENTS

- Comments are being accepted directly via email at HSD-PublicComment@state.nm.us or by mail:

  Human Services Department

  ATTN: HSD Public Comments

  PO Box 2348

  Santa Fe, NM 87504-2348

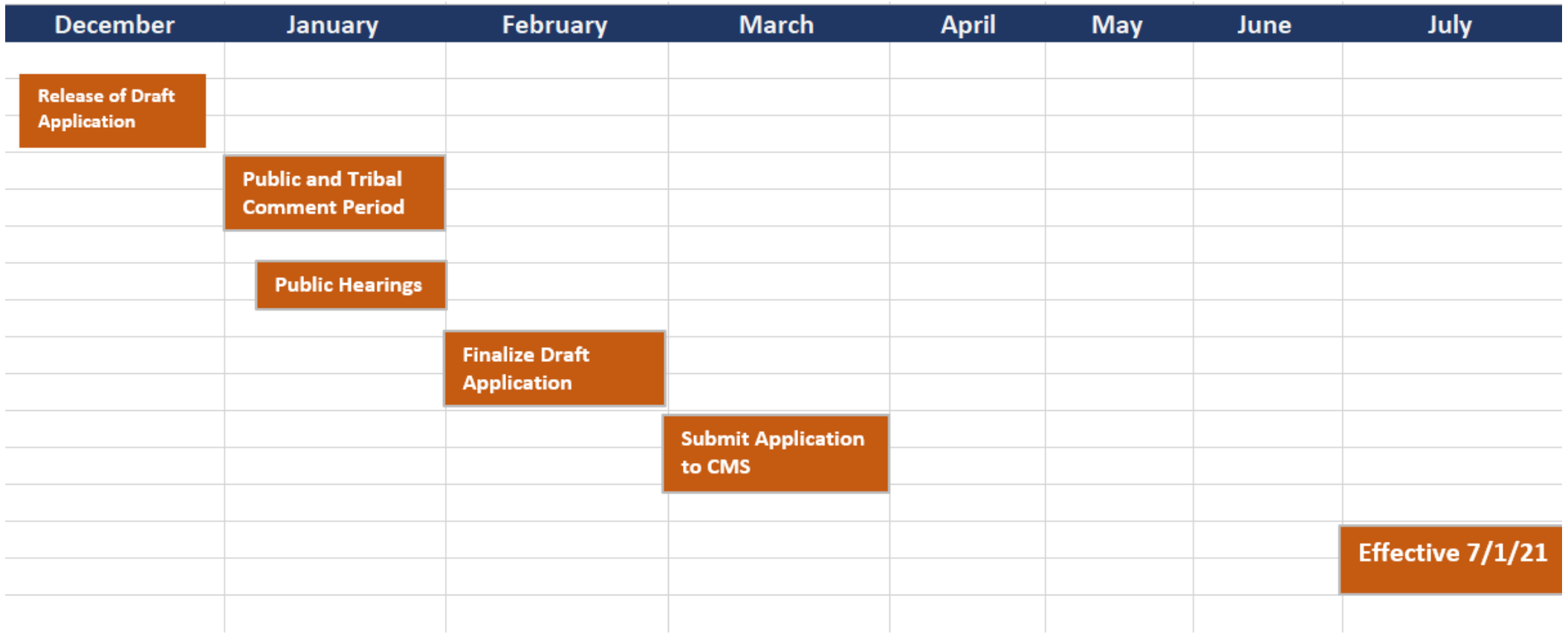
- Comments are also being accepted via phone at (505) 827-1337.
- More information about the waiver amendment and public comment process may be found on the Department's website:

  https://www.hsd.state.nm.us/centennial-care-2-0.aspx

# FORMAL PUBLIC HEARING PROCESS

- The Public Hearing process is a formal process that state utilizes to obtain public feedback.
- Today's presentation is a summary of the proposed changes to the 1115 Demonstration Amendment #2 that were released on December 31, 2020 and are available to review on the HSD website.
- As part of the formal hearing process, we will accept and record all of your comments but will not engage in a discussion about the comments today.
- Our response to the comments will be documented in a section of the final 1115 waiver amendment application that is submitted to the Centers for Medicare and Medicaid Services in March 2021.

# PROPOSED TIMELINE OF THE 1115 DEMONSTRATION WAIVER AMENDMENT #2 PROCESS



# 1115 DEMONSTRATION AMENDMENT #2 PROPOSED CHANGES

The New Mexico Human Services Department (HSD) Medical Assistance Division (MAD) is seeking federal authority to amend the 1115 Centennial Care 2.0 Waiver (Project Number 11W-00285/6) to make the following changes:

1. Institution for Mental Disease (IMD)Waiver;
2. High Fidelity Wraparound (HFW) Services
3. Expansion to Primary Care Graduate Medical Education (GME)
4. COVID-19 Vaccine Coverage

# PROPOSED CHANGE #1 – IMD WAIVER

- Seeking a waiver of the Institution for Mental Disease (IMD) exclusion for all Medicaid beneficiaries aged 21-64 by allowing Medicaid reimbursement for stays in excess of fifteen (15) days for individuals with Serious Mental Illness (SMI)/Serious Emotional Disorder (SED).
- Examples of IMDs:
  - Psychiatric hospital;
  - Nursing facility; and
  - Residential treatment centers.
- Access to Care:
  - Maintain managed care members' access to care in IMDs by requesting CMS to allow federal funding for stays in IMDs longer than 15 days.
  - Removal of comorbidity to improve access to care for individuals.

# PROPOSED CHANGE #1 – IMD WAIVER

- IMD Exclusion
  - Federal law prohibits federal funding for services that members aged 21-64 receive in Institutions for Mental Disease
  - Legislative intent was for states to be responsible for the institutional care of people with metal illness

# PROPOSED CHANGE #1 – IMD WAIVER

- What is an IMD
  - "**a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental diseases**, including medical attention, nursing care and related services. Whether an institution is an institution for mental diseases is determined by its overall character as that of a facility established and maintained primarily for the care and treatment of individuals with mental diseases, whether or not it is licensed as such. An institution for Individuals with Intellectual Disabilities is not an institution for mental diseases."
  - 42 C.F.R. 435.1010

# PROPOSED CHANGE #1 – IMD WAIVER

- CMS Managed Care Rule
  - New managed care regulations issued July 5, 2016, restrict federal funding for IMD stays to stays of less than 15 days for adults aged 21-64
    - Eliminates existing "in lieu" option which allowed states that contract with managed care entities to allow the MCOs to provide services a different way than is specified under federal law

# PROPOSED CHANGE #1 – IMD WAIVER

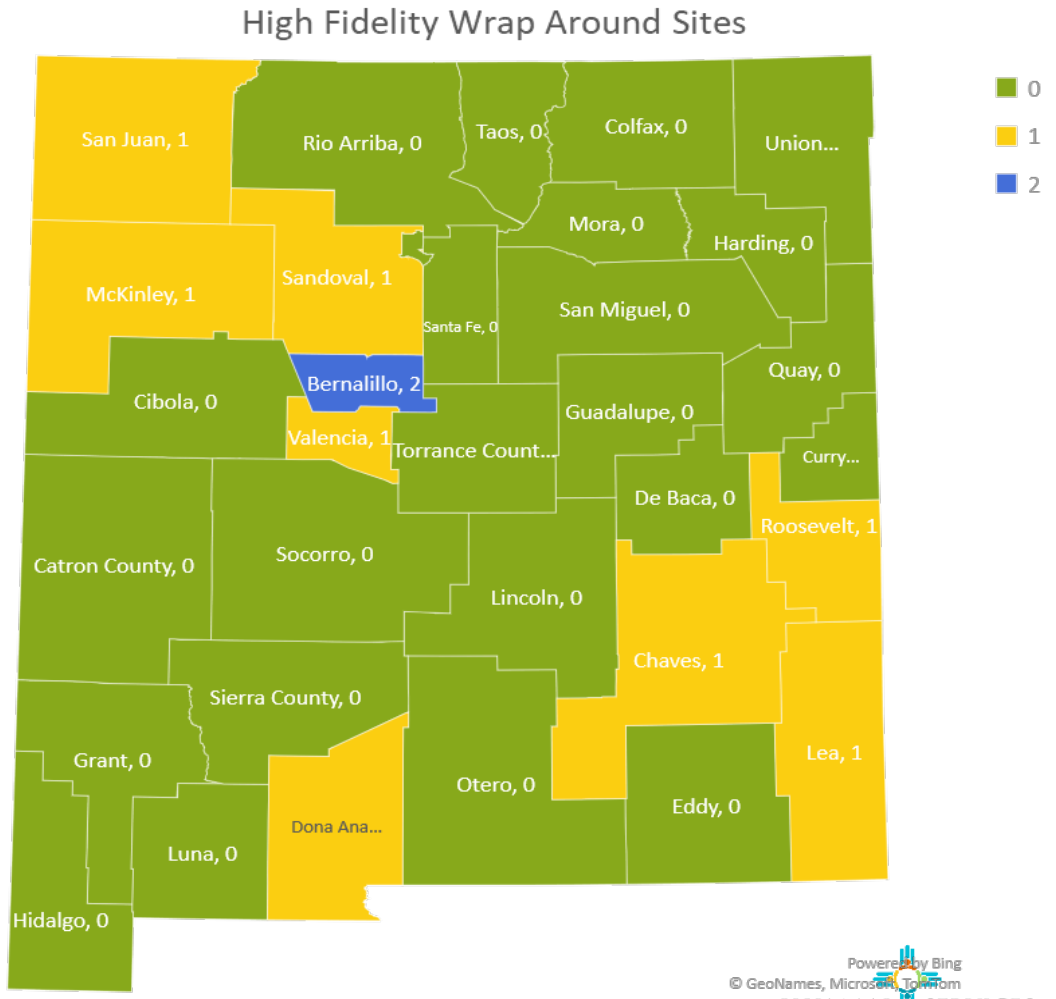
- Impact of the Managed Care Rule Change
  - If a member's stay in IMD is longer than 15 days, the State must recoup the ENTIRE capitation payment from the MCO for the month (not just the amount associated with the IMD stay)
    - Member still enrolled with plan
    - Plan still responsible for care, but it's uncompensated
  - Can result in members being discharged too early and needing emergency care later
  - Challenges include developing adequate network of nonIMD alternatives and the higher cost of alternatives

# PROPOSED CHANGE #1 – IMD WAIVER

- To maintain managed care members' access to care in IMDs, requesting CMS to allow federal funding for stays in IMDs longer than 15 days
- Also requesting federal funding for FFS members so they have equal access to care

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

Establish High-Fidelity Wraparound (HFW) as an intensive care coordination approach for children and youth who have high intensity needs.

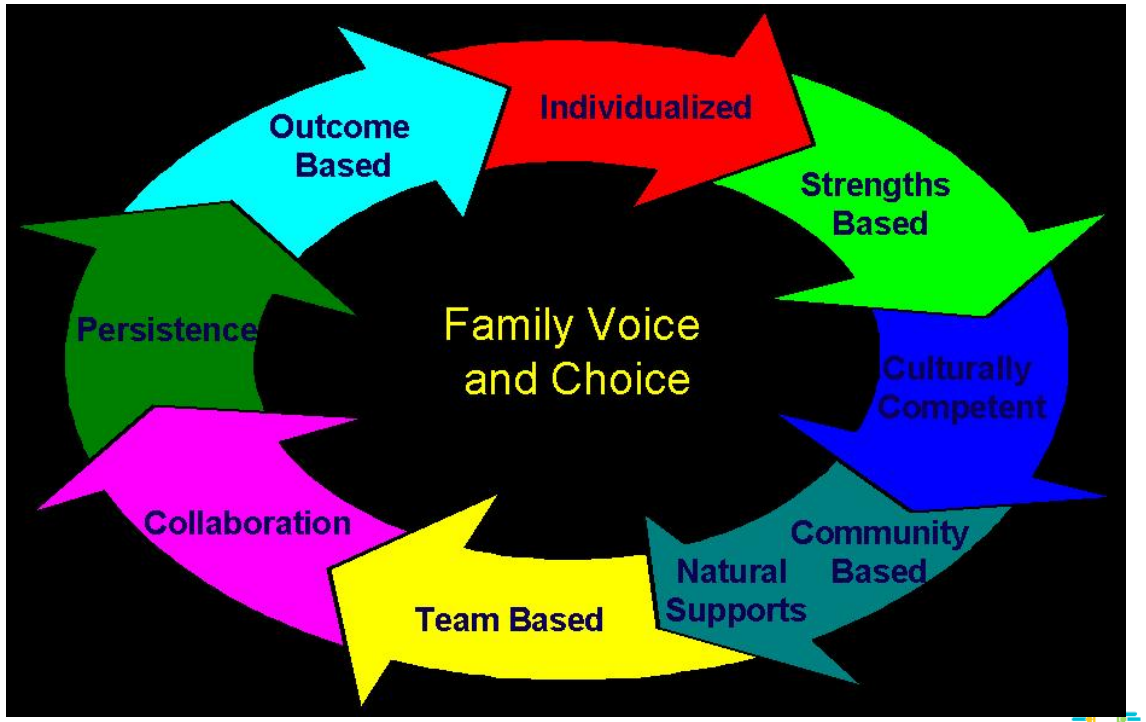


# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

## INTENSIVE CARE COORDINATION USING WRAPAROUND

- Is a team-based, structured best practice approach for the planning and coordination of services and supports; can be applied to any population of children and families with or at risk for intensive service needs; puts system of care values and principles into practice for youth with complex needs.

## 10 PRINCIPLES OF WRAPAROUND

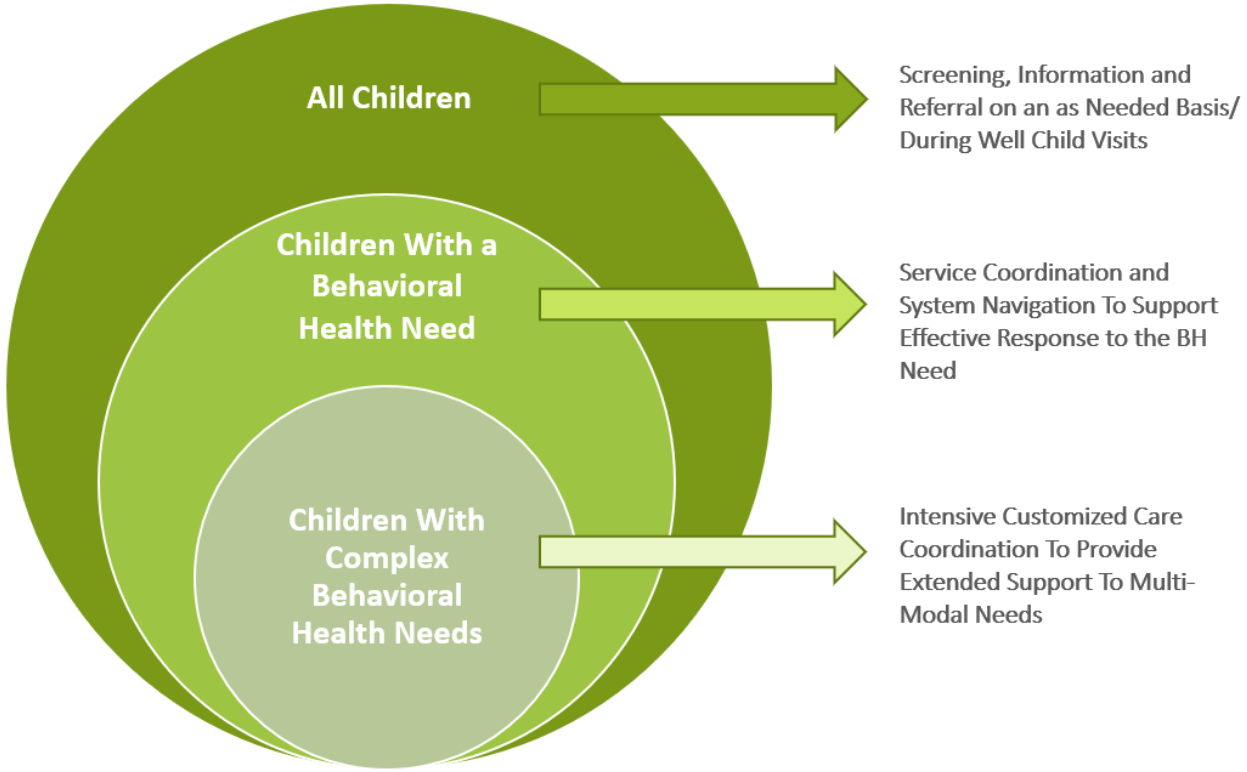


# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

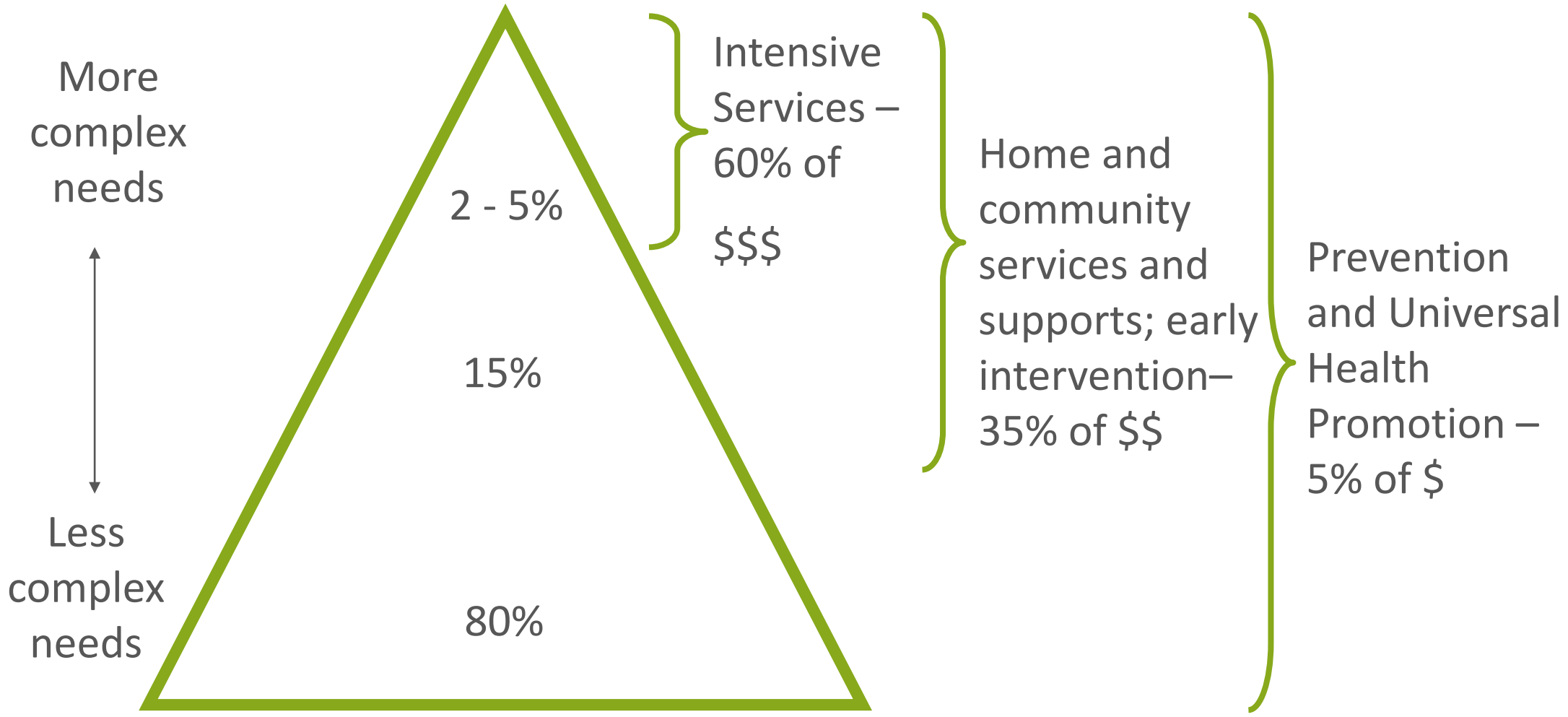
- Important Points About the Wraparound Process
  - Wraparound is a defined, team-based service planning and coordination process
  - The Wraparound process ensures that there is one coordinated plan of care and one accountable care coordinator
  - Wraparound is not a service per se, it is a structured approach to service planning and care coordination with teams having access to a robust provider network
  - Wraparound focuses holistically across life domains (e.g., SDoH)
  - The ultimate goal is both to improve outcomes and per capita costs of care
    - Adapted from Bruns, E. National Wraparound Initiative

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

- Care Coordination Continuum Who and What Belong Where?



# PREVALENCE/UTILIZATION TRIANGLE




Pires, S. (2010). *Building systems of care: A primer, 2nd Edition.* Washington, D.C.: Human Service Collaborative for Georgetown University National Technical Assistance Center for Children's Mental Health.

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

- Children Using Behavioral Health Care in Medicaid with Top 10% Highest Expenditures
  - Have mean expenditures of $46,959
    - BH expense: $36,646
    - PH expense: $10,314

*Expense is driven by use of behavioral health, not physical health care*

Pires, S., Gilmer, T., McLean, J. and Allen, K. 2018. *Faces of Medicaid Series: Examining Children's Behavioral Health Service Use and Expenditures:, 2005-2011.*
Center for Health Care Strategies: Hamilton, NJ.
Available at: https://www.chcs.org/resource/faces-medicaid-examining-childrens-behavioral-health-service-utilization-expenditures/

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND
## UNMET NEED FOR CARE COORDINATION

- Unmet need for care coordination is high for children and youth with mental health conditions

- Family-centered care can be mitigating

American Academy of Pediatrics (Brown, N. et. al. 2013)

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

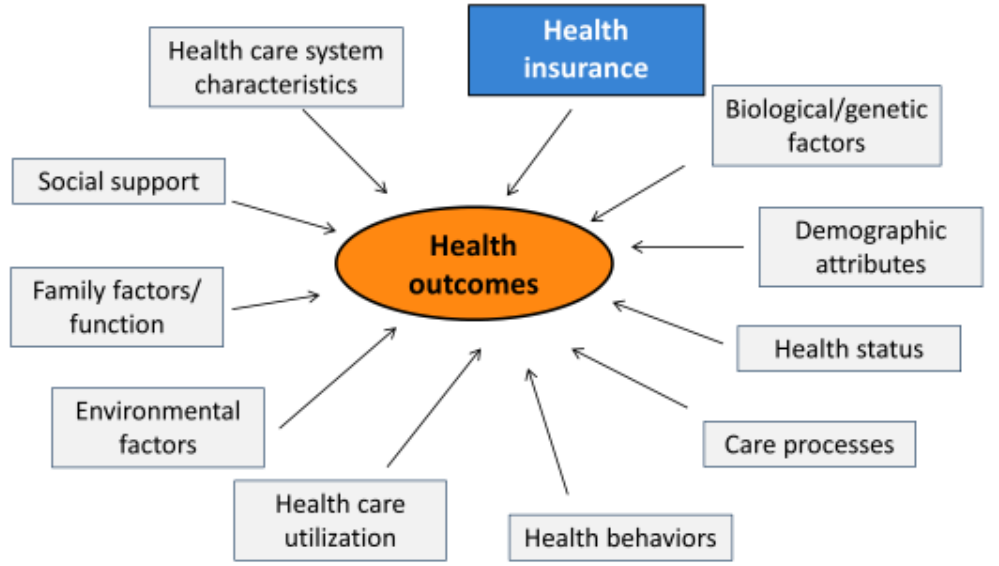
- Unmet Need for Children with Significant Behavioral Health Challenges: Not Met by Usual Approaches
  - Neither traditional case management, MCO care coordination, nor health home approaches for adults have proven sufficient for children and youth with significant behavioral health needs
  - Need:
    - Lower case ratios (Missouri health home care coordination ratio is 1:250*; Wraparound is 1:10)
    - Higher payment rates (Missouri health home per member per month rate is $78*; CHCS national scan of Wraparound care coordination rate ranges from $780 pmpm to $1300 pmpm)
    - Approach based on evidence of effectiveness, i.e. fidelity Wraparound
    - Intensity of approach that is largely face-to-face, not telephonic
    - Intensity of involvement with family, schools, other systems like child welfare

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

- Social Determinants of Health
  - Wraparound focuses across life domains, including social determinants of health

Figure 1

**Health insurance is one of many factors that contribute to health outcomes.**



# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

- **Outcomes Depend on Implementation: "Full Fidelity" is Critical**
- Research shows
  - Provider staff whose families experience better outcomes score higher on fidelity tools (Bruns, Rast et al., 2006)
  - Wraparound initiatives with positive fidelity assessments demonstrate more positive outcomes (Bruns, Leverentz-Brady, & Suter, 2008)
- Much of Wraparound implementation is in name only
  - Don't invest in workforce development such as training and coaching to accreditation
  - Don't follow the research-based practice model
  - Don't monitor fidelity and outcomes and use the data for CQI
  - Don't have the necessary support conditions to succeed (e.g., fiscal supports, comprehensive service array)
    - Bruns, E. NWI

# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

## ELIGIBILITY CRITERIA/PREVALENCE FOR NM WRAPAROUND

- SED (Severe/Serious Emotional Disturbance)
- Functional Impairment in two or more domains (CANS)
- Involved in multiple systems (BH, Special Ed, PS, JJ)
- At risk or in an out of home placement

- New Mexico currently has 10 teams with 61 current facilitators
- To serve Phase One (Protective Services Custody) an additional 100 facilitators are needed across the State

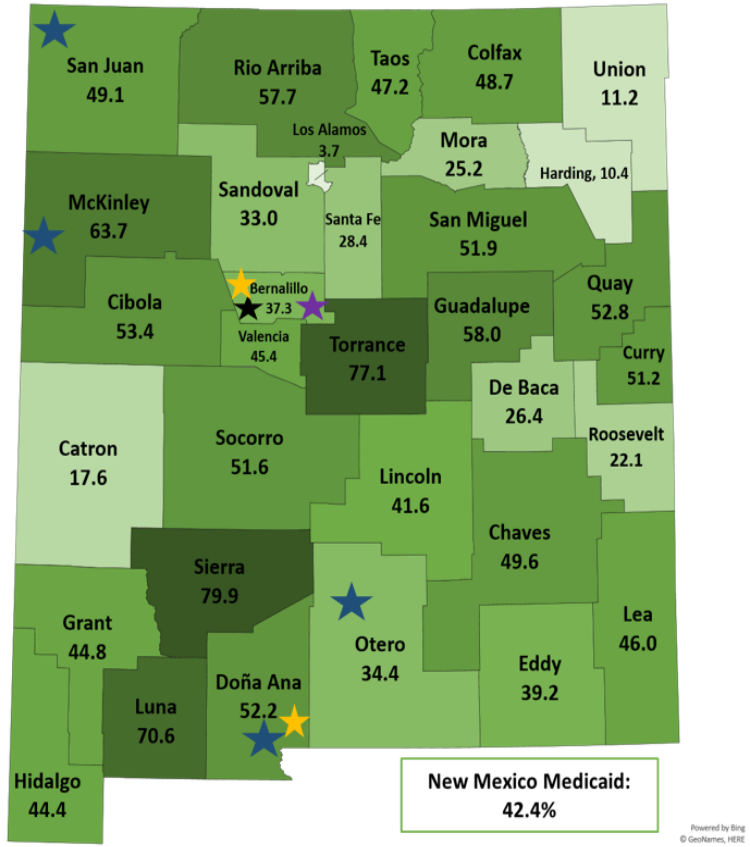
# PROPOSED CHANGE #2 – HIGH FIDELITY WRAPAROUND

- Current Status and Next Steps
  - Submitted to CMS with 1115 Medicaid Waiver amendment
  - HSD/CYFD working with Mercer to determine rate (including training, coaching, fidelity, CANS and Family Peer Support)
  - Statewide expansion effort:
    - NMSU Center of Innovation (COI)
    - Interagency Council (HSD/CYFD/NMSU/DOH)

# PROPOSED CHANGE #3 - PRIMARY CARE GRADUATE MEDICAL EDUCATION (GME)

Establish GME expansion funding mechanism designed to develop new and/or expanded GME programs focusing on the specialties of General Psychiatry, Family Medicine, General Pediatrics, and General Internal Medicine.

*New and Expanding GME Programs as of November 2020; Medicaid and Children's Health Insurance Program (CHIP) Enrollment as a Percentage of Population by County as of October 2020*




*Source: New Mexico Human Services Department, Income Support Division. Recipients as of October 2020. U.S. Census Bureau, Population Estimates Program (PEP), Vintage 2019, QuickFacts. Retrieved from https://www.census.gov/quickfacts, December 10, 2020.*

# PRIMARY CARE GRADUATE MEDICAL EDUCATION EXPANSION

**What is Primary Care Graduate Medical Education Expansion?**

HSD, through its Graduate Medical Education (GME) Expansion Program, funds new and expanding primary care GME programs and provides technical assistance to the program network. GME is the physician training period after medical school and before independent practice; and research demonstrates 55% of medical residents will stay within 100 miles of their residency program. Building on the 2019 GME Expansion in NM Five-Year Strategic Plan, it is anticipated primary care programs will grow from 8 to 13 (63% increase) by 2025.

**General Fund and Federal Fund (FY2021, 2022, Difference)**

| | FY 2021 | FY 2022 | Difference |
|---|---|---|---|
| General Fund | $500,000.0 ($150,000.0 appropriated; $350,000.0 special appropriation request) | $500,000.0 ($150,000.0 appropriated; $350,000.0 special appropriation request) | $0.0 |
| Federal Fund | $0.0 | $0.0 | $0.0 |
| **Total** | **$500,000.0** | **$500,000.0** | **$0.0** |

**Financial Benefits to New Mexicans**

- Each physician supports $3,166,901 in output, an average of 17.07 jobs, ~$1.4 million in total wages and benefits, and $126,000 in state and local tax revenues.
- Primary care workforce propels growth in other aspects of the healthcare system, generating $784,752 in billed charges for a hospital and $241,276 in professional fees for specialty consultants.

**Benefits to New Mexicans**

- Positive impact on population health because individuals with a primary care physician are healthier, regardless of health status or demographics
- Bridge the gap in physician shortages, which exist across all specialties. NM has the oldest physician population, a shortage of providers particularly in rural and frontier communities, and an on-going need for 100 –200 primary care physicians and a similar number of psychiatrists.

**Frequently Asked Questions**

**Q. Have any primary care GME programs received funding for expansion support?**

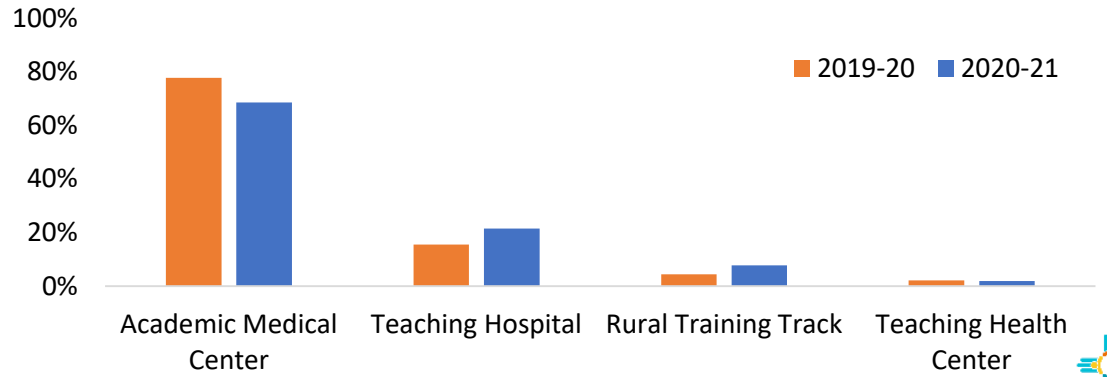
**A.** Yes, in FY20 three programs were selected to receive funding, totaling $1,000,035:

- Burrell College of Osteopathic Medicine (Las Cruces) to add a total of 12 new Family Medicine residency positions. Anticipated date of arrival of first resident: Summer 2021.
- Memorial Medical Center (Las Cruces) to add a total of 12 new General Psychiatry residency positions. Anticipated date of arrival of first resident: Summer 2022.
- Rehoboth McKinley Christian Health Care Services (Gallup) to add a total of 12 new General Psychiatry residency positions. Anticipated date of arrival of first resident: Summer 2024.

**Q. What is NM doing to recruit and retain primary care residents from New Mexico?**

**A.** As primary care GME programs expand, it is important that a statewide academic network be established to provide staff and financial support to community-based programs. The NM Primary Care Training Consortium is working with the State to provide technical assistance to programs related to student and faculty recruitment and retention, as well as curriculum development. HSD is prioritizing funding programs that commit to actively placing residents in New Mexico upon program competition.

**NM Distribution of First-Year Primary Care Residents by Specialty, 2019-20 & 2020-21 Years (%)**




HUMAN SERVICES DEPARTMENT

*Investing for tomorrow, delivering today.*

# PROPOSED CHANGE #4 – COVID-19 VACCINE COVERAGE

Expand COVID-19 vaccine coverage to individuals who have limited benefits including:

- Family Planning Category of Eligibility (COE);
- Emergency Medical Services for Aliens (EMSA);
- Uninsured Individuals – COVID-19 testing and related services (FFCRA); and
- Pregnancy related services.

# PUBLIC COMMENT

# MEDICAID BUDGET PROJECTIONS

# FY20, FY21 & FY22
# BUDGET OVERVIEW

*Investing for tomorrow, delivering today.*

# GENERAL FUND IMPACT FROM 6.2% FMAP INCREASE

## FY2020

| FY20 6.2% FMAP Impact by Program ($000s) | |
|---|---|
| Fee for Service | 14,933.8 |
| *DOH Waivers* | *15,301.9* |
| CC - Physical Health | 49,877.5 |
| CC - LTSS | 38,090.9 |
| CC - Behavioral Health | 11,428.5 |
| CC- Health Insurance Providers Fee | 2,945.0 |
| Medicare | 3,953.6 |
| Others | 2,082.1 |
| **Total Medicaid + DOH** | **138,612.8** |
| **Total Medicaid Only** | **123,311.0** |

## FY2021

| FY21 6.2% FMAP Impact by Program ($000s) | |
|---|---|
| Fee for Service | 26,557.6 |
| *DOH Waivers* | 30,910.1 |
| CC - Physical Health | 116,619.6 |
| CC - LTSS | 85,140.3 |
| CC - Behavioral Health | 25,741.6 |
| CC- Health Insurance Providers Fee | - |
| Medicare | 8,545.3 |
| Others | 2,219 |
| **Total Medicaid + DOH** | **293,514.6** |
| **Total Medicaid Only** | **262,604.5** |

The 6.2% FMAP increase is included from January 2020 – June 2021.
DOH Waivers impact DOH GF.

# MEDICAID BUDGET UPDATE: EXPENDITURES

- The estimated expenditures in FY20 are $6.6 billion.
- The estimated expenditures in FY21 are $7.3 billion.
- The estimated expenditures in FY22 are $7.2 billion.

| Budget Projection – Expenditures ($000s) | FY2020 | FY2021 | FY2022 |
|---|---|---|---|
| Fee-For-Service | $740,128 | 734,727 | 735,244 |
| DD & MF Traditional, and Mi Via Waivers | $442,500 | 510,726 | 550,304 |
| Centennial Care MCO | $5,148,770 | 5,812,787 | 5,810,076 |
| Medicare | $195,519 | 203,649 | 232,796 |
| Other | $97,918 | 53,513 | 18,272 |
| Total Projection | $6,624,836 | 7,315,403 | 7,346,693 |
| Prior Projection | $6,636,090 | 7,336,127 | 7,232,119 |
| Change from Prior | ($11,254) | (20,724) | 114,573 |
| *The current quarterly budget projection is updated with data through November 2020. | | | |

*FY20 impact is primarily due to HIPF

# MEDICAID BUDGET UPDATE: REVENUES

- The estimated state revenue surplus in FY20 is $19.4 million after a $52.5 million reversion
- The estimated state revenue surplus is $45.8 million
- The projected state revenue shortfall in FY22 is $169.7 million

| Budget Projection - Revenues | FY2020 | FY2021 | FY2022 |
|---|---|---|---|
| Federal Revenues | $5,348,869 | $6,045,234 | $5,764,885 |
| All State Revenues | $1,264,127 | $1,256,898 | $1,565,223 |
| Operating Transfers In | $244,150 | $284,712 | $333,762 |
| Other Revenues | $72,272 | $65,841 | $65,437 |
| General Fund Need | $947,706 | $906,345 | $1,166,023 |
| Appropriation | $1,019,697 | $952,168 | $996,353 |
| Reversion | $52,549 | | |
| State Revenue Surplus/(Shortfall) | $19,443 | $45,822 | -$169,671 |
| Change from Prior | $5,425 | $67,317 | -$7,872 |
| *The current quarterly budget projection is updated with data through November 2020. | | | |

*FY20 impact is primarily due to HIPF

# ENROLLMENT PROJECTION

# MEDICAID ENROLLMENT IN CONTEXT

- 900,000 total beneficiaries in November 2020
- 931,000 anticipated by June 2021
- 883,000 anticipated by September 2021 after MOE ends
- 82% are enrolled in managed care
- 43% (up from 40% pre-COVID) of all New Mexicans are enrolled in Medicaid
- 43% of beneficiaries are children
- 58% (up from 56% pre-COVID) of New Mexico children are enrolled in Medicaid
- 72% of all births in New Mexico are covered by Medicaid

# MEDICAID ENROLLMENT CHANGES

- COVID-19, MOE requirements, the current economic outlook, and stimulus policies are influential factors in the current FY20, FY21, and FY22 enrollment and budget projections.
- Growth in Medicaid/CHIP enrollment over this time-period reflects the effects of the Public Health Emergency, Schooling decisions (virtual vs in person) impacting workforce participation of low-income parents (full-time vs part-time status), and incentives for job search activity associated with stimulus/relief policies.

# NM MEDICAID ENROLLMENT PROJECTION FY20

| | | Medicaid Base Population & CHIP | | | | | | Medicaid Expansion (FFS & MCO) | | All Medicaid & CHIP | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Full Benefit | | Partial Benefit | | | | | | | | | |
| | Month-Year | Reported | Estimated | Family Planning Estimated | QMBs Estimated | SLIMBs &QI1s Estimated | Estimated Total Base Population (D+E+F+G) | Reported | Estimated | Estimated (H+J) | Change from Prior Projection | Month over Month Change | % Change Yr./Yr. |
| SFY 2020 | Jul-19 | 478,253 | 478,273 | 58,214 | 23,571 | 12,348 | 572,406 | 258,255 | 258,309 | 830,715 | - | (54) | -1.2% |
| | Aug-19 | 479,197 | 479,159 | 56,202 | 24,363 | 12,536 | 572,260 | 258,555 | 258,624 | 830,884 | (1) | 169 | -1.0% |
| | Sep-19 | 479,958 | 479,928 | 55,275 | 25,136 | 12,621 | 572,960 | 259,920 | 259,977 | 832,937 | (38) | 2,053 | -0.2% |
| | Oct-19 | 479,647 | 479,612 | 53,699 | 25,841 | 12,709 | 571,861 | 260,888 | 260,946 | 832,807 | (31) | (130) | -0.4% |
| | Nov-19 | 479,030 | 479,043 | 51,768 | 26,550 | 12,783 | 570,144 | 262,276 | 262,335 | 832,479 | (3) | (328) | -0.6% |
| | Dec-19 | 479,349 | 479,349 | 50,112 | 27,232 | 12,858 | 569,551 | 264,562 | 264,621 | 834,172 | (6) | 1,693 | -0.6% |
| | Jan-20 | 479,991 | 479,977 | 48,712 | 27,893 | 12,930 | 569,512 | 265,979 | 266,050 | 835,562 | (21) | 1,390 | -0.4% |
| | Feb-20 | 479,078 | 479,153 | 48,786 | 27,962 | 13,002 | 568,903 | 266,478 | 266,522 | 835,425 | (33) | (137) | -0.3% |
| | Mar-20 | 480,597 | 480,508 | 49,307 | 28,055 | 13,073 | 570,943 | 266,329 | 266,355 | 837,298 | (55) | 1,873 | 0.1% |
| | Apr-20 | 487,817 | 487,727 | 47,155 | 28,825 | 13,144 | 576,851 | 271,435 | 271,431 | 848,282 | (71) | 10,984 | 1.5% |
| | May-20 | 495,363 | 495,051 | 46,186 | 29,293 | 13,214 | 583,744 | 274,469 | 274,456 | 858,201 | (95) | 9,919 | 3.0% |
| | Jun-20 | 500,886 | 500,385 | 45,763 | 29,685 | 13,285 | 589,118 | 276,364 | 276,332 | 865,450 | (119) | 7,250 | 4.2% |



% Change Yr./Yr. = Change from month one year ago

# NM MEDICAID ENROLLMENT PROJECTION FY21

| | | Medicaid Base Population & CHIP | | | | | | Medicaid Expansion (FFS & MCO) | | All Medicaid & CHIP | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Full Benefit | | Partial Benefit | | | Estimated Total Base Population (D+E+F+G) | | | | | | |
| | Month-Year | Reported | Estimated | Family Planning Estimated | QMBs Estimated | SLIMBs &QI1s Estimated | | Reported | Estimated | Estimated (H+J) | Change from Prior Projection | Month over Month Change | % Change Yr./Yr. |
| SFY 2021 | Jul-20 | 507,141 | 506,474 | 45,773 | 30,031 | 13,356 | 595,634 | 278,517 | 278,489 | 874,123 | (103) | 8,673 | 5.2% |
| | Aug-20 | 513,298 | 512,531 | 45,540 | 30,289 | 13,427 | 601,787 | 280,363 | 280,365 | 882,152 | (257) | 8,029 | 6.2% |
| | Sep-20 | 517,974 | 517,342 | 45,401 | 30,557 | 13,497 | 606,798 | 281,292 | 281,544 | 888,342 | (2,850) | 6,190 | 6.7% |
| | Oct-20 | 522,245 | 521,769 | 45,343 | 30,811 | 13,568 | 611,492 | 282,175 | 282,755 | 894,247 | (2,009) | 5,905 | 7.4% |
| | Nov-20 | 525,065 | 524,630 | 45,439 | 31,065 | 13,639 | 614,773 | 283,562 | 284,976 | 899,749 | (1,256) | 5,502 | 8.1% |
| | Dec-20 | | 530,064 | 45,404 | 31,073 | 13,710 | 620,250 | | 287,179 | 907,429 | 1,528 | 7,680 | 8.8% |
| | Jan-21 | | 532,564 | 45,399 | 31,091 | 13,780 | 622,834 | | 288,548 | 911,382 | 2,734 | 3,953 | 9.1% |
| | Feb-21 | | 534,314 | 45,363 | 31,099 | 13,851 | 624,627 | | 289,566 | 914,192 | 834 | 2,811 | 9.4% |
| | Mar-21 | | 535,814 | 45,368 | 31,111 | 13,922 | 626,215 | | 290,338 | 916,552 | (1,360) | 2,360 | 9.5% |
| | Apr-21 | | 539,314 | 45,332 | 31,129 | 13,993 | 629,767 | | 291,764 | 921,531 | 17,929 | 4,979 | 8.6% |
| | May-21 | | 542,814 | 45,329 | 31,135 | 14,063 | 633,341 | | 293,193 | 926,534 | 36,928 | 5,003 | 8.0% |
| | Jun-21 | | 546,314 | 45,310 | 31,143 | 14,134 | 636,901 | | 294,604 | 931,504 | 55,709 | 4,971 | 7.6% |

# NM MEDICAID ENROLLMENT PROJECTION FY22

| | | Medicaid Base Population & CHIP | | | | | | Medicaid Expansion (FFS & MCO) | | All Medicaid & CHIP | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Full Benefit | | Partial Benefit | | | Estimated Total Base Population (D+E+F+G) | | | | | | |
| | Month-Year | Reported | Estimated | Family Planning Estimated | QMBs Estimated | SLIMBs &QI1s Estimated | | Reported | Estimated | Estimated (H+J) | Change from Prior Projection | Month over Month Change | % Change Yr./Yr. |
| SFY 2022 | Jul-21 | | 534,318 | 45,286 | 31,151 | 13,356 | 624,110 | | 289,922 | 914,032 | 40,259 | (17,472) | 4.6% |
| | Aug-21 | | 523,254 | 45,261 | 31,171 | 13,427 | 613,112 | | 285,393 | 898,505 | 25,854 | (15,527) | 1.9% |
| | Sep-21 | | 512,514 | 45,246 | 31,189 | 13,497 | 602,446 | | 280,555 | 883,001 | 11,643 | (15,504) | -0.6% |
| | Oct-21 | | 511,809 | 45,207 | 31,208 | 13,568 | 601,792 | | 279,874 | 881,665 | 11,432 | (1,335) | -1.4% |
| | Nov-21 | | 510,928 | 45,208 | 31,223 | 13,639 | 600,998 | | 279,348 | 880,346 | 11,350 | (1,319) | -2.2% |
| | Dec-21 | | 510,050 | 45,164 | 31,245 | 13,710 | 600,169 | | 278,823 | 878,992 | 11,285 | (1,354) | -3.1% |
| | Jan-22 | | 509,174 | 45,120 | 31,248 | 13,780 | 599,322 | | 278,300 | 877,622 | 11,077 | (1,370) | -3.7% |
| | Feb-22 | | 508,299 | 45,100 | 31,262 | 13,851 | 598,512 | | 277,777 | 876,290 | 10,993 | (1,332) | -4.1% |
| | Mar-22 | | 507,426 | 45,089 | 31,279 | 13,922 | 597,716 | | 277,256 | 874,972 | 10,942 | (1,317) | -4.5% |
| | Apr-22 | | 506,555 | 45,067 | 31,294 | 13,993 | 596,909 | | 276,736 | 873,645 | 10,755 | (1,328) | -5.2% |
| | May-22 | | 505,686 | 45,050 | 31,319 | 14,063 | 596,119 | | 276,216 | 872,335 | 10,596 | (1,310) | -5.8% |
| | Jun-22 | | 504,819 | 45,007 | 31,344 | 14,134 | 595,304 | | 275,698 | 871,002 | 10,407 | (1,333) | -6.5% |

# NM MEDICAID MANAGED CARE ENROLLMENT FY20

| | | Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Physical Health | | | Long Term Services and Supports | | | Medicaid Expansion | | | Total CC MCO | | | | |
| | Month-Year | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | Month over Month Change | % Change Yr./Yr. |
| SFY 2020 | Jul-19 | 386,651 | 386,643 | (8) | 48,226 | 48,197 | (29) | 232,535 | 232,559 | 24 | 667,412 | 667,399 | (13) | 1,226 | 0.5% |
| | Aug-19 | 387,410 | 387,379 | (31) | 48,344 | 48,316 | (28) | 232,846 | 232,823 | (23) | 668,600 | 668,518 | (82) | 1,119 | 0.7% |
| | Sep-19 | 388,456 | 388,404 | (52) | 48,512 | 48,499 | (13) | 234,003 | 233,950 | (53) | 670,971 | 670,853 | (118) | 2,335 | 1.3% |
| | Oct-19 | 388,408 | 388,334 | (74) | 48,588 | 48,584 | (4) | 235,101 | 235,045 | (56) | 672,097 | 671,963 | (134) | 1,110 | 0.5% |
| | Nov-19 | 388,306 | 388,210 | (96) | 48,657 | 48,666 | 9 | 236,380 | 236,270 | (110) | 673,343 | 673,146 | (197) | 1,183 | 1.4% |
| | Dec-19 | 388,945 | 388,831 | (114) | 48,717 | 48,738 | 21 | 238,689 | 238,567 | (122) | 676,351 | 676,136 | (215) | 2,990 | 1.7% |
| | Jan-20 | 391,465 | 391,343 | (122) | 48,860 | 48,880 | 20 | 237,958 | 237,819 | (139) | 678,283 | 678,042 | (241) | 1,906 | 1.9% |
| | Feb-20 | 391,137 | 390,988 | (149) | 48,865 | 48,893 | 28 | 238,656 | 238,476 | (180) | 678,658 | 678,356 | (302) | 314 | 1.9% |
| | Mar-20 | 392,524 | 392,344 | (180) | 48,934 | 48,979 | 45 | 239,011 | 238,793 | (218) | 680,469 | 680,117 | (352) | 1,761 | 2.2% |
| | Apr-20 | 395,637 | 395,249 | (388) | 49,003 | 49,055 | 52 | 248,017 | 247,701 | (316) | 692,657 | 692,006 | (651) | 11,889 | 3.6% |
| | May-20 | 404,945 | 404,669 | (276) | 49,214 | 49,289 | 75 | 248,135 | 247,823 | (312) | 702,294 | 701,780 | (514) | 9,774 | 5.2% |
| | Jun-20 | 409,858 | 409,844 | (14) | 49,560 | 49,393 | (167) | 249,788 | 249,515 | (273) | 709,206 | 708,753 | (453) | 6,972 | 6.4% |
| | **Total MM** | 4,713,742 | 4,712,238 | (1,504) | 585,480 | 585,490 | 10 | 2,871,119 | 2,869,341 | (1,778) | 8,170,341 | 8,167,069 | (3,272) | 181,316 | 2.3% |

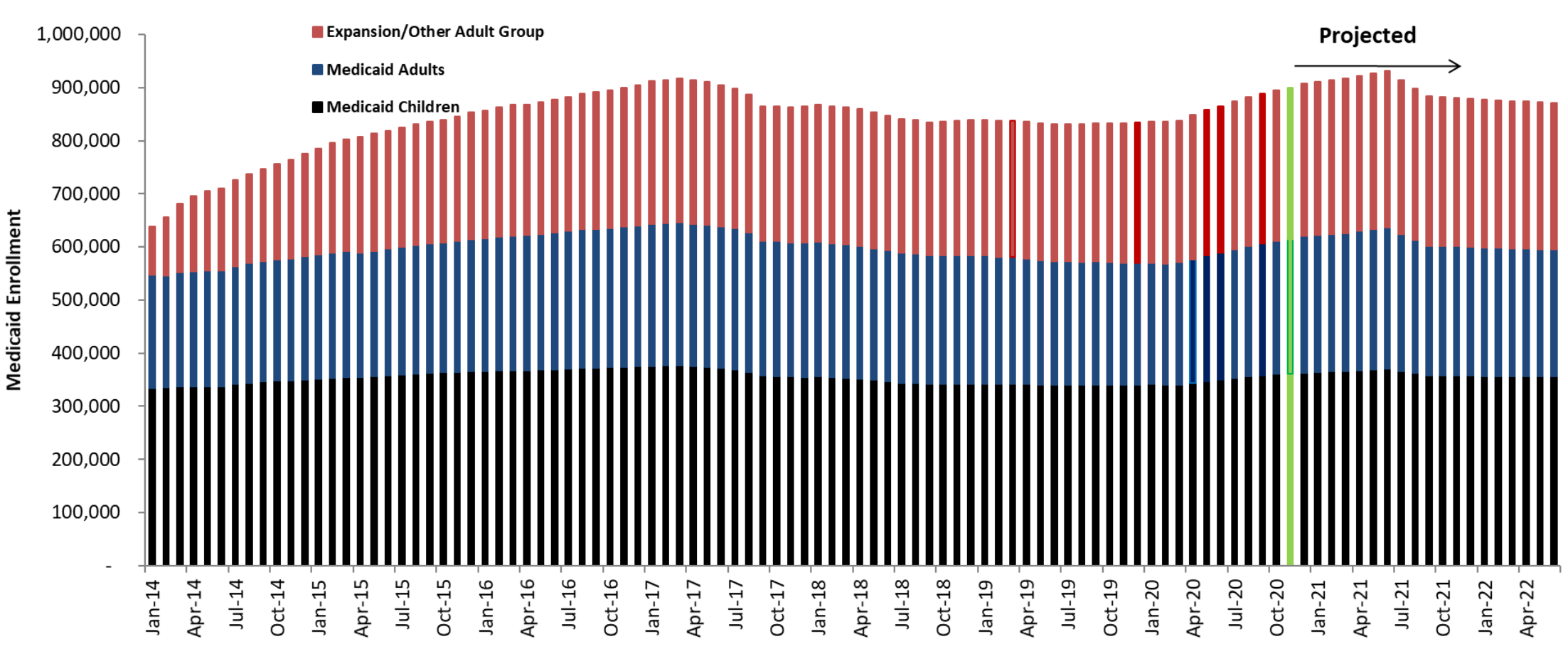
# NM MEDICAID MANAGED CARE ENROLLMENT FY21

| | | Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Physical Health | | | Long Term Services and Supports | | | Medicaid Expansion | | | Total CC MCO | | | |
| | Month-Year | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | Month over Month Change | % Change Yr./Yr. |
| SFY 2021 | Jul-20 | 417,088 | 415,309 | (1,779) | 49,993 | 49,597 | (396) | 253,069 | 251,576 | (1,493) | 720,150 | 716,483 | (3,667) | 7,730 | 7.4% |
| | Aug-20 | 421,938 | 420,920 | (1,019) | 50,076 | 49,655 | (421) | 255,328 | 253,491 | (1,837) | 727,342 | 724,065 | (3,277) | 7,583 | 8.3% |
| | Sep-20 | 426,938 | 425,435 | (1,504) | 50,159 | 49,965 | (195) | 257,105 | 254,481 | (2,624) | 734,202 | 729,880 | (4,322) | 5,815 | 8.8% |
| | Oct-20 | 432,688 | 429,771 | (2,917) | 50,243 | 50,211 | (32) | 257,775 | 255,309 | (2,466) | 740,706 | 735,290 | (5,416) | 5,410 | 9.4% |
| | Nov-20 | 437,188 | 434,649 | (2,539) | 50,327 | 50,493 | 166 | 259,311 | 257,194 | (2,117) | 746,826 | 742,336 | (4,490) | 7,046 | 10.3% |
| | Dec-20 | 440,938 | 440,083 | (855) | 50,411 | 50,495 | 84 | 260,713 | 259,180 | (1,533) | 752,062 | 749,758 | (2,304) | 7,422 | 10.9% |
| | Jan-21 | 443,438 | 442,583 | (855) | 50,474 | 50,558 | 84 | 261,963 | 260,430 | (1,533) | 755,875 | 753,571 | (2,304) | 3,813 | 11.1% |
| | Feb-21 | 445,188 | 444,333 | (855) | 50,537 | 50,621 | 85 | 262,963 | 261,430 | (1,533) | 758,688 | 756,384 | (2,304) | 2,813 | 11.5% |
| | Mar-21 | 446,688 | 445,833 | (855) | 50,600 | 50,684 | 85 | 263,713 | 262,180 | (1,533) | 761,001 | 758,697 | (2,303) | 2,313 | 11.6% |
| | Apr-21 | 438,688 | 449,333 | 10,645 | 50,663 | 50,748 | 85 | 256,213 | 263,580 | 7,367 | 745,564 | 763,661 | 18,097 | 4,963 | 10.4% |
| | May-21 | 432,688 | 452,833 | 20,145 | 50,726 | 50,811 | 85 | 249,213 | 264,980 | 15,767 | 732,627 | 768,624 | 35,997 | 4,963 | 9.5% |
| | Jun-21 | 428,688 | 456,333 | 27,645 | 50,790 | 50,875 | 85 | 242,713 | 266,380 | 23,667 | 722,191 | 773,588 | 51,397 | 4,964 | 9.1% |
| | Total MM | 5,212,156 | 5,257,411 | 45,255 | 604,998 | 604,713 | (285) | 3,080,079 | 3,110,213 | 30,134 | 8,897,233 | 8,972,337 | 75,104 | 805,268 | 9.9% |

# NM MEDICAID MANAGED CARE ENROLLMENT FY22

| | | Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO) | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Physical Health | | | Long Term Services and Supports | | | Medicaid Expansion | | | Total CC MCO | | | | |
| | Month-Year | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | (Prior) | (Current) | Change from Prior | Month over Month Change | % Change Yr./Yr. |
| SFY 2022 | Jul-21 | 427,795 | 445,333 | 17,538 | 50,853 | 50,938 | 85 | 242,207 | 261,880 | 19,673 | 720,856 | 758,151 | 37,296 | (15,436) | 5.8% |
| | Aug-21 | 426,904 | 434,333 | 7,429 | 50,917 | 51,002 | 85 | 241,703 | 257,380 | 15,678 | 719,523 | 742,715 | 23,192 | (15,436) | 2.6% |
| | Sep-21 | 426,014 | 423,333 | (2,682) | 50,981 | 51,066 | 85 | 241,199 | 252,880 | 11,681 | 718,194 | 727,279 | 9,085 | (15,436) | -0.4% |
| | Oct-21 | 425,127 | 422,451 | (2,676) | 51,044 | 51,130 | 85 | 240,697 | 252,353 | 11,657 | 716,868 | 725,934 | 9,066 | (1,345) | -1.3% |
| | Nov-21 | 424,241 | 421,571 | (2,670) | 51,108 | 51,194 | 85 | 240,195 | 251,828 | 11,632 | 715,544 | 724,592 | 9,047 | (1,342) | -2.4% |
| | Dec-21 | 423,357 | 420,692 | (2,665) | 51,172 | 51,258 | 86 | 239,695 | 251,303 | 11,608 | 714,224 | 723,253 | 9,029 | (1,339) | -3.5% |
| | Jan-22 | 422,475 | 419,816 | (2,659) | 51,236 | 51,322 | 86 | 239,195 | 250,780 | 11,584 | 712,907 | 721,917 | 9,010 | (1,336) | -4.2% |
| | Feb-22 | 421,595 | 418,941 | (2,654) | 51,300 | 51,386 | 86 | 238,697 | 250,257 | 11,560 | 711,592 | 720,584 | 8,992 | (1,333) | -4.7% |
| | Mar-22 | 420,717 | 418,068 | (2,648) | 51,364 | 51,450 | 86 | 238,200 | 249,736 | 11,536 | 710,281 | 719,254 | 8,973 | (1,330) | -5.2% |
| | Apr-22 | 419,840 | 417,197 | (2,643) | 51,428 | 51,514 | 86 | 237,704 | 249,215 | 11,512 | 708,972 | 717,927 | 8,955 | (1,327) | -6.0% |
| | May-22 | 418,966 | 416,328 | (2,637) | 51,493 | 51,579 | 86 | 237,208 | 248,696 | 11,488 | 707,667 | 716,603 | 8,937 | (1,324) | -6.8% |
| | Jun-22 | 418,093 | 415,461 | (2,632) | 51,557 | 51,643 | 86 | 236,714 | 248,178 | 11,464 | 706,364 | 715,282 | 8,918 | (1,321) | -7.5% |
| | Total MM | 5,075,124 | 5,073,524 | (1,600) | 614,453 | 615,481 | 1,028 | 2,873,415 | 3,024,487 | 151,072 | 8,562,992 | 8,713,491 | 150,500 | (258,846) | -2.9% |

# NM MEDICAID ENROLLMENT




**June 2022 Projected Enrollment**

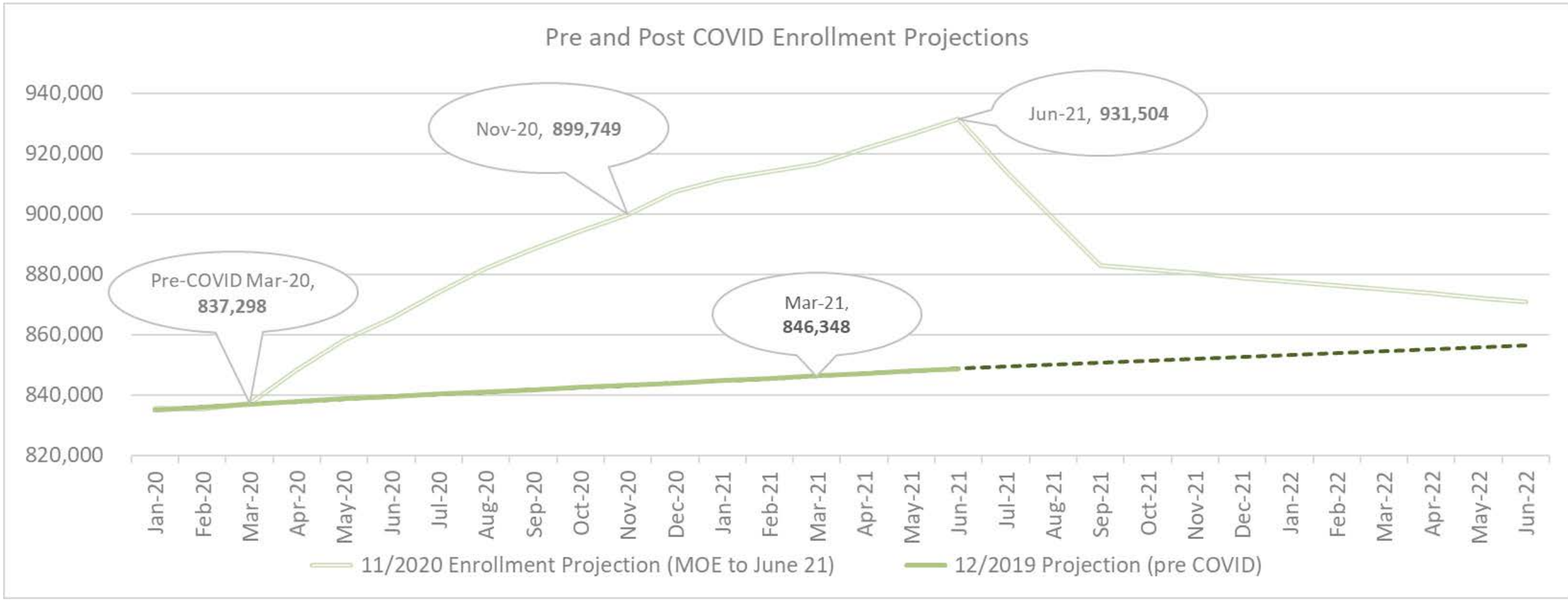
**Expansion/OAG:** 275,698

**Medicaid Adults:** 239,430

**Medicaid Children:** 355,874

HUMAN SERVICES DEPARTMENT

# ENROLLMENT - PRE AND POST COVID




HUMAN SERVICES DEPARTMENT

# FY2020 PROJECTION

# MEDICAID BUDGET PROJECTION FY20 EXPENDITURES

| Description | FY20 Total ($000s) | % Change from FY19 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| Outpatient Hospital | 42,910 | 2.74% | 44,189 | (1,279) |
| **Fee-For-Service Subtotal** | **740,128** | **2.32%** | **743,568** | **(3,440)** |
| DD and MF and Mi Via Waiver | 442,500 | 8.31% | 441,399 | 1,101 |
| **Waiver Subtotal** | **442,500** | **8.31%** | **441,399** | **1,101** |
| CC Medicaid Expansion-Physical Health | 1,506,601 | 18.27% | 1,501,043 | 5,559 |
| Health Insurance Providers Fee | 80,122 | -- | 95,000 | (14,878) |
| **Centennial Care MCO Subtotal** | 5,148,770 | 20.35% | 5,159,706 | (10,936) |

# MEDICAID BUDGET PROJECTION
# FY20 REVENUES

| Description | FY20 Total ($000s) | Change from Previous |
|---|---|---|
| Department of Health Additional Need /(Surplus) | (9,041) | 350 |
| General Fund Need | 947,706 | (5,425) |
| State Revenue Surplus / (Shortfall) | 71,992 | 5,425 |
| Reversion | (52,549) | - |
| Surplus after Reversion | 19,443 | 5,425 |

# FY2021 PROJECTION

# MEDICAID BUDGET PROJECTION
# FY21 EXPENDITURES

| Description | FY21 Total ($000s) | % Change from FY20 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| UC Pool/TAP | 22,173 | -64.94% | 31,202 | (9,029) |
| Outpatient Hospital | 46,839 | 6.00% | 49,367 | (2,527) |
| **Fee-For-Service Subtotal** | **734,727** | **-0.73%** | **747,111** | **(12,384)** |

# MEDICAID BUDGET PROJECTION
# FY21 EXPENDITURES

| Description | FY21 Total ($000s) | % Change from FY20 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| DD & MF Traditional, and Mi Via Waivers | 507,630 | 15.00% | 510,273 | (2,643) |
| Supports waiver | 3,095 | -- | 25,904 | (22,808) |
| **Waivers Subtotal** | **510,726** | **15.71%** | **536,177** | **(25,451)** |

# MEDICAID BUDGET PROJECTION FY21 EXPENDITURES

| Description | FY21 Total ($000s) | % Change from FY20 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| CC - Physical Health | 2,042,584 | 16.35% | 2,008,682 | 33,902 |
| CC - LTSS | 1,389,856 | 11.56% | 1,375,906 | 13,950 |
| CC - Behavioral Health | 440,826 | 12.46% | 451,117 | (10,291) |
| CC Medicaid Expansion-Physical Health | 1,731,911 | 14.95% | 1,717,142 | 14,769 |
| CC Medicaid Expansion-Behavioral Health | 207,609 | 23.12% | 200,305 | 7,304 |
| **Centennial Care MCO Subtotal** | **5,812,787** | **12.90%** | **5,753,152** | **59,635** |

# MEDICAID BUDGET PROJECTION FY21 EXPENDITURES

| Description | FY21 Total ($000s) | % Change from FY20 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| Medicare Part D | 33,468 | -11.52% | 35,993 | (2,525) |

# MEDICAID BUDGET PROJECTION
# FY21 REVENUES

| Description | FY21 Revenues ($000s) | Change from Previous |
|---|---|---|
| UNM IGT | 65,772 | (2,801) |
| DOH Additional Need/Surplus | (18,424) | (11,278) |
| Supports Waiver Additional Need/Surplus | (5,392) | (5,024) |
| General Fund Need | 906,345 | (67,317) |
| **State Revenue Surplus / (Shortfall)** | **45,822** | **67,317** |

# FY2022 PROJECTION

# MEDICAID BUDGET PROJECTION FY2022 EXPENDITURES

| Description | FY22 Total ($000s) | % Change from FY21 | Previous Projection | Change from Previous |
|---|---|---|---|---|
| CC - Physical Health | 2,062,987 | 1.00% | 2,040,036 | 22,950 |
| CC - LTSS | 1,419,586 | 2.14% | 1,390,401 | 29,185 |
| CC - Behavioral Health | 422,522 | -4.15% | 449,908 | (27,386) |
| CC Medicaid Expansion-Physical Health | 1,694,602 | -2.15% | 1,625,681 | 68,921 |
| CC Medicaid Expansion-Behavioral Health | 210,378 | 1.33% | 190,596 | 19,783 |
| **CC MCO Subtotal** | **5,810,076** | **-0.05%** | **5,696,623** | **113,454** |

# MEDICAID BUDGET PROJECTION
# FY2022 REVENUES

| Description | FY22 Revenues ($000s) | Change from Previous |
|---|---|---|
| Department of Health Additional Need /(Surplus) | 941 | (865) |
| | | |
| FY2021 Appropriation | 1,076,462 | |
| FY2021 3% reduction from 2020 Special Session | (32,294) | |
| Tobacco Swap (reflected in operating transfers) | (17,000) | |
| FY21 Adjusted Operating Budget | 1,027,168 | |
| FY2022 3% reduction from FY2021 | (30,815) | |
| **FY2022 Appropriation Projection** | **996,353** | |
| General Fund Need | **1,166,023** | **7,872** |
| **State Revenue Surplus / (Shortfall)** | **(169,671)** | **(7,872)** |

# RISK FACTORS IN THE BUDGET

# RISK FACTORS IN THE BUDGET

- Built into FY21 and FY22 budget:
  - Prolonged Health and Economic Crisis
  - Employment and Unemployment Uncertainty
  - Continued Enrollment Changes
  - Duration and amount of increased federal match
  - Future Managed Care Rates
- Potential Future Risks:
  - Financial Wellbeing of Providers
  - General Fund Revenue uncertainties
  - FY22 General Fund Appropriation
  - Vaccine Distribution Plan/costs
  - Indian Managed Care Entity

# COST CONTAINMENT

# POTENTIAL COST CONTAINMENT

| Combination of options to balance budget in FY22 with $165M shortfall |
|---|
| Reduce all codes by at least 14% (from 90 to 76% of Medicare; some providers are currently above 90%) |
| Reduce hospital rates by 16% |
| Reduce Hospital Access Payment (HAP) and Targeted Access Payment (previously SNCP) by 6% each |
| Reduce  Programs of All-Inclusive Care for the Elderly (PACE) rates by 6% |
| Reduce Nursing Facility and Skilled Nursing Facility  rates by 6% |
| Reduce MCO care coordination staffing levels by 6% |
| Move MCOs down the capitation rate range by 1% reduction |
| Reduce MCO CY20 Admin Cost and Trend Adjustment by 4% |
| Eliminate Centennial Rewards program |
| Eliminate Home Visiting Pilot Program |
| Eliminate Health Home Program |
| Recoup Health Home Overpayments for 2019 |
| Suspend Behavior Management Skills Pilot (CYFD) |
| Introduce $5 co-pays |
| Introduce $50 annual premiums |
| Eliminate adult dental, vision, and hearing aid benefits |

# PUBLIC COMMENT

HUMAN SERVICES DEPARTMENT

# ADJOURNMENT

*INVESTING FOR TOMORROW, DELIVERING TODAY.*

# APPENDIX A

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

**CY 2020 Pre-Prints**

- University of New Mexico Medical Group (UNMMG) Uniform Percent Increase
- Nursing Facility Value-Based Purchasing (NF VBP) Payment Arrangement
- Community Tribal Hospital
- University of New Mexico Hospital (UNMH) ACR 2020 Uniform Percentage Increase
- Not-For-Profit (NFP) Hospital Uniform Percent Increase
- Health Care Quality Surcharge (HCQS - SB246)
- Hospital Access Program - (Safety Net Care Pool Hospitals)
- Min Fee Schedule SNCP
- Trauma Hospital

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

**CY 2021 Pre-Prints**

- University of New Mexico Medical Group (UNMMG) Uniform Percent Increase
- Nursing Facility Value-Based Purchasing (NF VBP) Payment Arrangement
- Community Tribal Hospital
- University of New Mexico Hospital (UNMH) ACR 2020 Uniform Percentage Increase
- Not-For-Profit (NFP) Hospital Uniform Percent Increase
- Health Care Quality Surcharge (HCQS - SB246)
- Hospital Access Program - (Safety Net Care Pool Hospitals)
- Trauma Hospital

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

**State Plan Amendments (SPAs)**

**CY 2020 SPAs**

- 20-0002 – LARC Reimbursement
- 20-0003 – Vision Screening Reimbursement
- 20-0004 – NM Disaster Relief #1:  PE Qualified Entities
- 20-0005 – NM Disaster Relief #2: DRG & DSH
- 20-0007 – NM Disaster Relief #3: COVID Testing Group
- 20-0008 – NM Disaster Relief #5: UPL Payments
- 20-0009 – NM Disaster Relief #4: : NF Rate Increase
- 20-0010 - NM Disaster Relief #6: Inpatient Hospital Rate Increase
- 20-0011 – Family Infant Toddler (FIT) Rate Increase
- 20-0013 – NM Disaster Relief #8: Non-hospital providers
- 20-0014 – NM Disaster Relief #9: Pharmacy Curbside

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

**CY2020 SPAs (continued)**

- 20-0016 – Elimination of MSP Resource Standard
- 20-0017 – DRG Payments
- 20-0018 – NF Payments
- 20-0019 – GME
- 20-0020 – Air Ambulance
- 20-0021 – NM Disaster Relief #7: FIT Rate Increase
- 20-0022 – FHQC Designation
- 20-0023 – Vaccine Coverage
- 20-0024 – NM Disaster Relief #10: Targeted Access Payments
- 20-0025 – NM Disaster Relief #11:  Vaccine Coverage

**Proposed CY2021 SPAs**

- 21-0001 – I.H.S. & Tribal Pharmacy Payment
- 21-0002 – Health Homes

# FEDERAL AUTHORITIES FOR CY 2020 AND CY 2021

**CY 2021**

***1115 Demonstration Amendment #2 to include the following proposed changes:***

- SMI/SED Demonstration
- Establishing High Fidelity Wraparound
- Establishing a Primary Care Graduate Medical Education (GME)
- Expand coverage of the Coronavirus (COVID-19) vaccines to limited benefit plan coverage

***1115 Demonstration COVID-19 Public Health Emergency***

- Expand coverage of the Coronavirus (COVID-19) vaccines to limited benefit plan coverage

**CY 2020**

***1915 C Waiver***

- Mi Via Waiver Renewal
- Developmental Disabilities Waiver Amendment
- Medically Fragile Waiver Amendment
- CMS Approval for Supports Waiver

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

***1135 Waiver for the following:***

- Suspending prior authorizations and extending existing authorizations;
- Suspending PASRR Level I and II screening assessments for 30 days;
- Extension of time to request fair hearing of up to 120 days;
- Enroll providers who are enrolled in another state's Medicaid program or who are enrolled in Medicare;
- Waive screening requirements (i.e. Fingerprints, site visits, etc.) to quickly enroll providers;
- Cease revalidation of currently enrolled providers;
- Payments to facilities for services provided in alternative settings;
- Temporarily allow non-emergency ambulance suppliers;
- Temporarily suspend payment sanctions; and
- Temporarily allow legally responsible individuals to provide PCS services to children under the EPSDT benefit.

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

***Appendix Ks***

***1915c Waivers (Medically Fragile, Mi Via, Developmental Disability, and Supports Waiver)***

- 1915c Waivers (Medically Fragile, Mi Via, Developmental Disability, and Supports Waiver)
  - Exceed service limitations (i.e. additional funds to purchase electronic devices for members, exceed provider limits in a controlled community residence and suspend prior authorization requirements for waiver services, which are related to or resulting from this emergency)
  - Expand service settings (i.e. telephonic visits in lieu of face-to-face and provider trainings also done through telehealth mechanisms.)
  - Permit payment to family caregivers
  - Modify provider enrollment requirements (i.e. suspending fingerprinting and modifying training requirements)
  - Reducing provider qualification requirements by allowing out-of-state providers to provide services, allowing for an extension of home health aide supervision with the ability to do the supervision remotely
  - Utilizing currently approved Level of Care Assessments to fulfil the annual requirement or completing new assessments telephonically
  - Modifying the person-centered care plan development process to allow for telephonic participation and electronic approval
  - Modifying incident reporting requirements

# FEDERAL AUTHORITIES FOR CY2020 AND CY2021

- 1115 Demonstration Waiver for Home Community Benefit Services (HCBS)
  - Expand service settings (i.e. telephonic visits in lieu of face-face and provider trainings also done through telehealth mechanisms.)
  - Permit payment for services rendered by family caregivers or legally responsible individuals if not already permitted under the waiver.
  - Modifying provider qualifications to allow provider enrollment or re- enrollment with modified risk screening elements.
  - Modification to the process for level of care evaluations or re-evaluations
  - Modifying person-centered service plan development process to allow for telephonic participation and electronic approval
  - Modifying incident reporting requirements
  - Allow for payment for services
  - Retainer payments for personal care services

**CY 2021**

- ***1915 C Waiver***
- Medically Fragile Waiver Renewal
- Developmental Disabilities Waiver Renewal