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**New Mexico Receives Final Sign-off on “Centennial Care”**  
*Medicaid Reforms Designed to Improve Quality of Care for New Mexicans in Need*

**Santa Fe, New Mexico** – The federal Centers for Medicare & Medicaid Services (CMS) has approved the New Mexico Human Services Department’s (HSD) 1115 Waiver, known as “Centennial Care.” The improvements in New Mexico’s Medicaid program are designed to enhance the state’s ability to deliver quality care in a more coordinated, patient-centered manner for New Mexicans in need.

The final signature on the waiver, from CMS Administrator Marilyn Tavenner, completes a more than two year process, during which the state held community meetings, tribal consultations, and working groups to develop a sustainable and more efficient Medicaid program and reduce the rate of Medicaid cost growth in the years to come. It also wraps up nearly a full year of negotiations with CMS.

“I spoke with Health and Human Services Secretary Kathleen Sebelius, and I am pleased that the federal government has approved our innovative and reform-driven improvements to the delivery of health care services for those in need in New Mexico,” said Governor Susana Martinez. “Among states, we are leading the way in the effort to reform Medicaid in a responsible way that protects services for children and families, and encourages greater care coordination by health care practitioners and the most appropriate use of health care services by patients.”

The key goals of Centennial Care include:

- A requirement of care coordination among providers for each Medicaid recipient, utilizing a comprehensive and integrated health care delivery system, whereby Managed Care Organizations (MCOs) are responsible for all aspects of a person’s health care;
- A strong move toward increasing overall health and wellness in New Mexico by paying for quality care and outcomes;
- Greater administrative simplicity and a reorganization within the Human Services Department to manage Medicaid more efficiently
- A more streamlined Medicaid administration as a result of operating largely under one global waiver, as opposed to 11 different health care waivers – allowing for greater focus on contractor oversight and compliance; and

Some features of the new Medicaid program include:

- An incentives program that rewards healthy behaviors and the use of primary care facilities in order to prevent health problems and reduce chronic disease;
- Incentives to hospitals to reduce the costly re-hospitalization rate in New Mexico by encouraging follow-up care after discharge;



- Small co-pays for some recipients when the emergency room is used for non-emergency purposes;
- Integrated behavioral and physical health services through care coordination in order to achieve better overall health outcomes for each patient;
- Greater use of technology to expand the ability of health care specialists to reach rural areas, through programs like Project ECHO; and
- Increased access to a full array of home and community based services.

“We undertook this effort in order to make Medicaid a sustainable program in New Mexico for recipients on the program today and into the future,” said HSD Secretary Sidonie Squier. “We want them to receive the right care, at the right time, in the right place in order to lead more healthy lives. Coordination of care is central to this innovative solution for New Mexico, and I look forward to full implementation beginning next year.”

HSD is currently participating in a readiness year with its MCOs in order to prepare for full implementation of the program beginning January 1, 2014. With implementation, Centennial Care will also include the potentially 170,000 individuals who will become eligible under Medicaid expansion.

Documents related to the approval can be found at <http://www.hsd.state.nm.us/CentennialCare>.

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