



HUMAN
SERVICES
DEPARTMENT



NEW MEXICO MEDICAID ADVISORY COMMITTEE (MAC) MEETING
AUGUST 8 2022

MEDICAL ASSISTANCE DIVISION

INVESTING FOR TOMORROW, DELIVERING TODAY.

BEFORE WE START...

On behalf of all colleagues at the Human Services Department, we humbly acknowledge we are on the unceded ancestral lands of the original peoples of the Apache, Diné and Pueblo past, present, and future.

With gratitude we pay our respects to the land, the people and the communities that contribute to what today is known as the State of New Mexico.



Evening drive through Corrales, NM in October 2021.

By HSD Employee, Marisa Vigil



MISSION

To transform lives. Working with our partners, we design and deliver innovative, high quality health and human services that improve the security and promote independence for New Mexicans in their communities.

GOALS



We help NEW MEXICANS

1. Improve the value and range of services we provide to ensure that every qualified New Mexican receives timely and accurate benefits.



We communicate EFFECTIVELY

2. Create effective, transparent communication to enhance the public trust.



We make access EASIER

3. Successfully implement technology to give customers and staff the best and most convenient access to services and information.



We support EACH OTHER

4. Promote an environment of mutual respect, trust and open communication to grow and reach our professional goals.

MEETING PROTOCOLS

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

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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

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

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MEETING AGENDA AND APPROVAL

LARRY MARTINEZ, MAC CHAIRMAN

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MEETING AGENDA AND APPROVAL

1. Welcome
2. Meeting Protocols & Introductions
3. Meeting Agenda and Approval
4. May 2022 Minutes
5. Public Health Emergency (PHE)
6. Budget & Enrollment Projection Assumptions
7. Medicaid Dashboards
8. 1115/Procurement update/timeline
9. Home and Community-Based Services (HCBS) American Rescue Plan Act (ARPA) Update
10. Supplements and State Plan Amendments since the last MAC meeting
11. MCO Letters of Direction issued since last MAC meeting
12. Interim legislative activity
13. Obstetrical Care access
14. Provider Rate Review Phase II
15. Public Comment
16. Breakout Session Provider Rate Benchmarking
17. Adjournment

MAY 2022 MINUTES

LARRY MARTINEZ, MAC CHAIRMAN

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PUBLIC HEALTH EMERGENCY UPDATE

LORELEI KELLOGG, MAD DEPUTY DIRECTOR

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6.2% FMAP EXTENSION TIMELINE



- <https://www.phe.gov/emergency/news/healthactions/phe/Pages/default.aspx>
- 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.
- Letter from CMS on extension: “To assure you of our commitment to the ongoing response, we have determined that the PHE will likely remain in place for the entirety of 2021, and when a decision is made to terminate the declaration or let it expire, HHS will provide states with 60 days’ notice prior to termination” (August 14, 2022)
- CURRENT GUIDANCE 8/13/21: states have up to 12 months from end of PHE to roll off MOE population

PUBLIC HEALTH EMERGENCY UPDATES

End of PHE
End of the Month in Which the PHE Ends

States only initiating renewals

States initiating and completing renewals

States only completing renewals

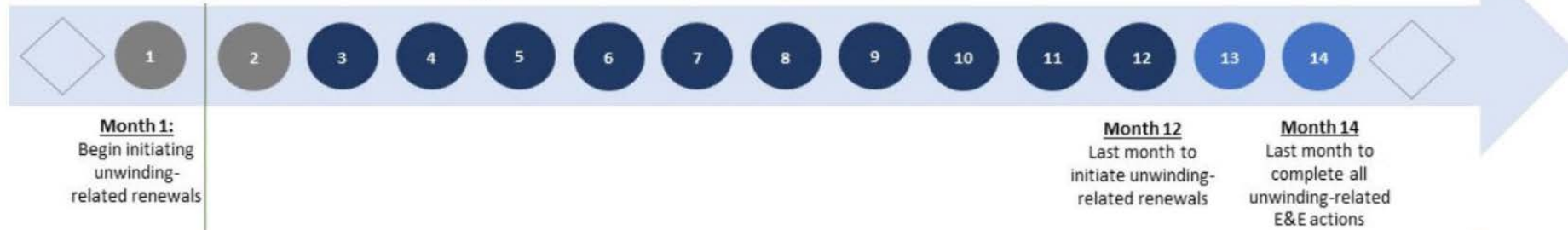
12 month unwinding period

No unwinding-related E&E actions

Option A: State begins 12-month unwinding period two months prior to the end of the PHE



Option B: State begins 12-month unwinding period one month prior to the end of the PHE



Option C: State begins 12-month unwinding period the month after the PHE ends



MEDICAID BUDGET PROJECTION & ASSUMPTIONS

- The projection is produced quarterly by economists in the Budget Planning and Reporting Bureau of the Medical Assistance Division of the New Mexico Human Services Department.
- Unwinding assumptions are based on current law.

Timeline	Assumption
10/15/2022	Public Health Emergency (PHE) ends
12/31/2022	6.2% enhanced FMAP ends
10/31/2022	MOE requirements end
9/1/2022	Eligibility redetermination process begins for Medicaid renewals in September 2022 resulting in closures no earlier than 11/1/2022, impacting enrollment over a 4 month-period.
10/1/2022-12/30/2022 (Q2 FY23)	Assumes 6.2% enhanced FMAP
(Q2 FY23)	HB2 \$40M per quarter contingent on the PHE not being extended in FY23

BUDGET & ENROLLMENT PROJECTION ASSUMPTIONS 12-MONTH UNWINDING (FIRST 4-MONTHS BEGIN WITH THE LIKELY INELIGIBLE POPULATION)

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR
ELISA WALKER-MORAN, MAD DEPUTY DIRECTOR

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DURATION OF FMAP INCREASES

	FFY 2021	FFY 2021 6.2% increase	FFY 2022	FFY2022 6.2% increase	FFY2023	FFY2023 6.2% increase	FFY2024 Preliminary
FMAP	73.46%	79.66%	73.71%	79.91%	73.26%	79.46%	72.92%
E-FMAP	81.42%	85.00%	81.60%	85.00%	81.28%	85.00%	81.04%
CHIP E-FMAP	81.42%	85.00%	81.60%	85.00%	81.28%	85.00%	81.04%
Expansion FFP CY	90.00%	-	90.00%	90.00%	90.00%	90.00%	90.00%
HCBS FMAP + 10%		89.66%		89.91%	-		

▪ CHIP E- FMAP

- 100% expired September 30, 2019.
- Phase-out increased to states' E-FMAP by 11.5% through September 30, 2020.
- E-FMAP reverted back on October 1, 2020.

▪ Expansion FMAP - is in effect by calendar year (CY) starting in 2014.

- **6.2% FMAP increase** - Families First Coronavirus Response Act (FFCRA) increased FMAP through the end of the quarter in which the public health emergency ends.
- COVID-19 testing and related services for uninsured are 100% FFP

MEDICAID FMAP AND 6.2% INCREASE IMPACT

Federal Fiscal Year FMAP Changes

	FFY 2022 Pre-PHE Federal and State FFP			FFY 2022 Policy Adjusted Federal and State FFP			FFY 2023 Policy Adjusted Federal and State FFP		
	Federal Match %	State Match %	Ratio (Federal to State)	Federal Match %	State Match %	Ratio (Federal to State)	Federal Match %	State Match %	Ratio (Federal to State)
Traditional (PH & LTSS)	73.71%	26.29%	2.80	79.91%	20.09%	3.98	79.46%	20.54%	3.87
Chip EFMAP	81.60%	18.40%	4.43	85.00%	15.00%	5.67	85.00%	15.00%	5.67
Other Adult Group (CY21)	90.00%	10.00%	9.00	90.00%	10.00%	9.00	90.00%	10.00%	9.00
State FY Blended FFP	78.47%	21.53%	3.64	83.43%	16.57%	5.04	80.23%	19.77%	4.06

The content of these slides, specifically references to the end of the Public Health Emergency, 6.2% FMAP, and Maintenance of effort requirements and timelines, is subject to change as a result of evolving federal guidance, experience, new information, changes in process requirements, and the availability of resources.

FY21, FY22 & FY23
BUDGET OVERVIEW WITH 4-MONTH MOE UNWINDING

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MEDICAID BUDGET UPDATE: EXPENDITURES

- **This projection presents a 4-month MOE unwinding of ineligible population**
- The estimated expenditures in FY21 are \$7.39 billion
- The estimated expenditures in FY22 are \$8.39 billion
- The estimated expenditures in FY23 are \$8.54 billion

Budget Projection – Expenditures (\$000s)	FY2021	FY2022	FY2023
Fee-For-Service	815,595	898,928	892,233
DD & MF Traditional, and Mi Via Waivers	470,528	551,102	621,364
Centennial Care MCO	5,840,186	6,688,854	6,733,560
Medicare	204,568	234,550	262,741
Other	54,309	14,019	28,207
Total Projection (6/31/22)	7,385,187	8,387,453	8,538,106
Prior Projection (3/31/22)	7,419,617	8,199,178	8,196,463
Change from Prior	(34,431)	188,275	341,643

*The current quarterly budget projection is updated with data through June 30, 2022. Assumes PHE ends 10/13/2022 & 6.2% ends 12/31/2022.

MEDICAID BUDGET UPDATE: REVENUES

- **This projection presents a 4-month unwinding of ineligible population**
- The estimated state revenue surplus in FY21 is \$23.5 million
- The estimated state revenue shortfall in FY22 is \$9.7 million
- The projected state revenue shortfall in FY23 is \$57.3 million

Budget Projection – Revenues (\$000s)	FY2021	FY2022	FY2023
Federal Revenues	6,131,016	6,997,240	6,850,069
All State Revenues	1,269,851	1,348,875	1,624,507
Operating Transfers In	273,028	216,659	284,442
Other Revenues	68,181	79,155	96,827
General Fund Need	928,642	1,053,061	1,243,238
Appropriation	952,168	1,043,385	1,185,902
Reversion			
State Revenue			
Surplus/(Shortfall)	23,526	(9,677)	(57,336)
Change from Prior	36,685	(9,409)	(1,717)
*The current quarterly budget projection is updated with data through June 30, 2022. Assumes PHE ends 10/13/2022 & 6.2% ends 12/31/2022.			

ENROLLMENT PROJECTION UPDATE:
4-MONTH MOE REDETERMINATIONS (NOV. 2022 TO FEB. 2023)

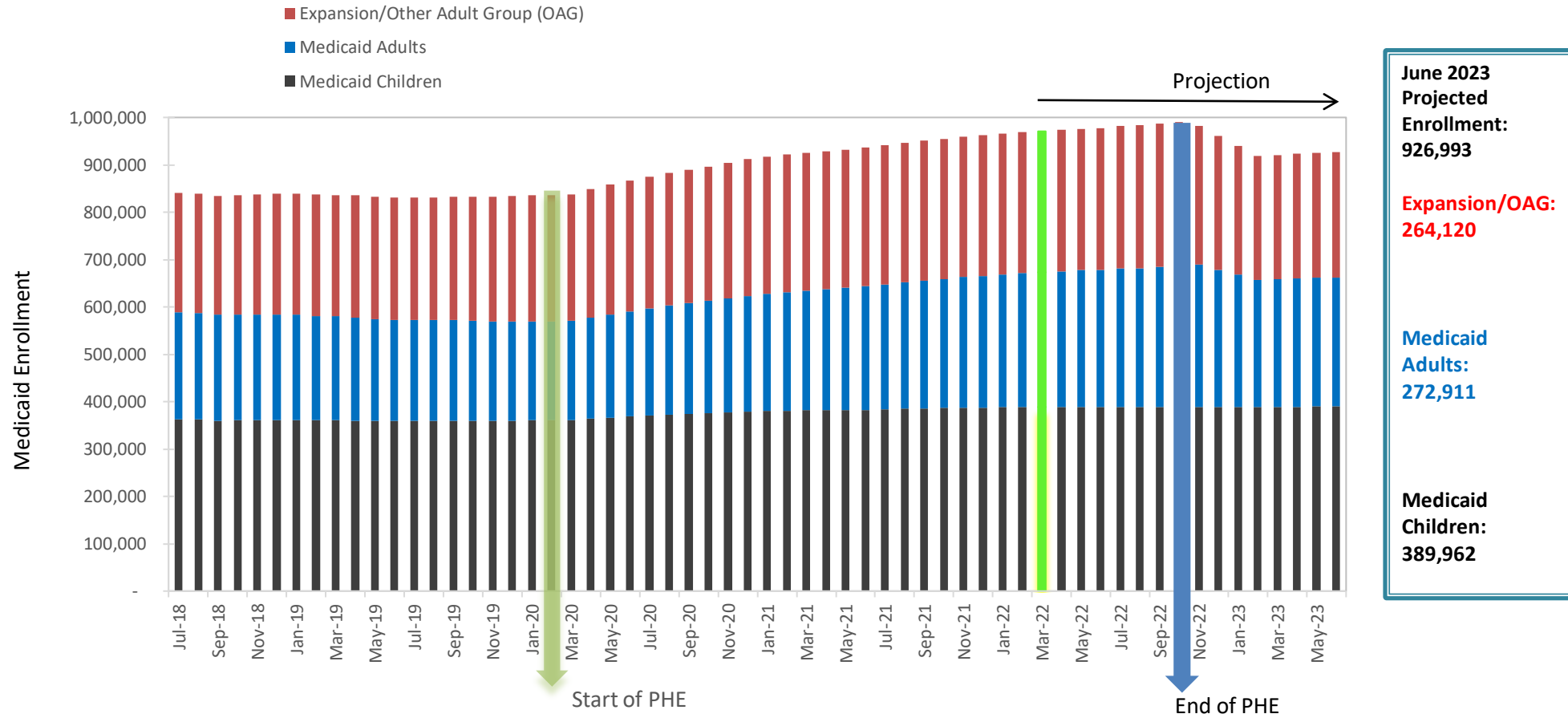
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ENROLLMENT CHANGE RELATIVE TO FEB. 2020

	Projected Medicaid/CHIP Members	Difference from Feb. 2020	Projected Roll- off Start Date	Projected Roll- off End Date
<i>Feb 2020 Enrollment</i>	830,165			
<i>6/1/2020 Enrollment</i>	866,398	36,233		
6/1/2021 Enrollment	936,502	106,337		
6/1/2022 Enrollment	976,892	146,727		
Oct 2022 Peak Enrollment	990,528	160,363	11/1/2022	2/28/2023

- A 1% increase in labor force employment levels will decrease Medicaid enrollment by 0.5%

NEW MEXICO MEDICAID ENROLLMENT



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TOTAL ENROLLMENT PROJECTION

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NM MEDICAID ENROLLMENT PROJECTION FY22

Month-Year	Medicaid Base Population & CHIP						Medicaid Expansion (FFS & MCO)		All Medicaid & CHIP				
	Full Benefit		Partial Benefit			Estimated Total Base Population (D+E+F+G)	Reported ¹	Estimated ²	Estimated (H+J)	Change from Prior Projection	Month over Month Change	% Change to Pre-PHE (Feb 20).	
	Reported ¹	Estimated ²	Family Planning Estimated ¹	QMBs Estimated ¹	SLIMBs & QI1s Estimated ¹								
SFY 2022	Jul-21	557,604	557,604	43,729	33,298	13,420	648,051	293,047	293,047	941,098	279	4,596	12.6%
	Aug-21	561,709	561,709	43,769	33,563	13,461	652,502	294,190	294,190	946,692	215	5,594	13.3%
	Sep-21	565,033	565,033	43,715	33,788	13,488	656,024	294,729	294,729	950,753	232	4,061	13.8%
	Oct-21	568,249	568,249	43,664	34,044	13,540	659,497	295,382	295,382	954,879	498	4,126	14.3%
	Nov-21	571,287	571,287	43,755	34,346	13,586	662,974	295,887	295,887	958,861	342	3,982	14.8%
	Dec-21	573,846	573,846	43,763	34,562	13,624	665,795	296,301	296,301	962,096	39	3,235	15.2%
	Jan-22	576,954	576,954	43,786	34,886	13,480	669,106	297,157	297,157	966,263	863	4,167	15.7%
	Feb-22	579,346	579,346	43,731	35,117	13,523	671,717	297,724	297,724	969,441	942	3,178	16.0%
	Mar-22	580,674	580,674	43,765	35,281	14,566	674,286	297,008	297,008	971,294	(165)	1,853	16.3%
	Apr-22	583,601	583,601	41,871	35,848	14,496	675,816	297,698	297,698	973,514	(767)	2,220	16.5%
	May-22	586,131	586,131	42,046	36,023	14,494	678,694	297,922	297,922	976,616	(348)	3,102	16.9%
	Jun-22	587,260	587,260	41,013	36,288	14,518	679,079	297,813	297,813	976,892	(2,618)	276	16.9%

NM MEDICAID ENROLLMENT PROJECTION FY23

Month-Year	Medicaid Base Population & CHIP						Medicaid Expansion (FFS & MCO)		All Medicaid & CHIP			% Change to Pre-PHE (Feb 20).	
	Full Benefit		Partial Benefit			Estimated Total Base Population (D+E+F+G)	Reported ¹	Estimated ²	Estimated (H+J)	Change from Prior Projection	Month over Month Change		
	Reported ¹	Estimated ²	Family Planning Estimated ¹	QMBs Estimated ¹	SLIMBs & QI1s Estimated ¹								
SFY 2023	Jul-22		589,380	41,047	35,905	14,558	680,890		300,842	981,732	22,982	4,840	17.5%
	Aug-22		591,420	40,866	35,640	14,537	682,463		301,984	984,447	46,478	2,715	17.8%
	Sep-22		593,383	40,984	35,370	14,584	684,321		303,012	987,333	70,167	2,886	18.2%
	Oct-22		595,272	41,118	35,626	14,575	686,591		303,937	990,528	72,547	3,195	18.6%
	Nov-22		584,647	54,593	35,887	14,498	689,625		293,312	982,937	64,137	(7,591)	17.7%
	Dec-22		574,022	54,369	36,153	14,587	679,131		282,687	961,818	42,195	(21,119)	15.1%
	Jan-23		563,397	54,146	36,425	14,570	668,538		272,062	940,600	20,148	(21,218)	12.6%
	Feb-23		552,772	53,924	36,702	14,598	657,996		261,437	919,433	(1,852)	(21,167)	10.1%
	Mar-23		553,904	53,703	36,984	14,522	659,113		262,103	921,216	(907)	1,783	10.3%
	Apr-23		555,101	53,483	37,272	14,500	660,356		262,782	923,138	173	1,922	10.5%
	May-23		556,223	53,264	37,565	14,534	661,586		263,457	925,043	1,231	1,905	10.7%
	Jun-23		557,390	53,045	37,864	14,574	662,873		264,120	926,993	2,329	1,950	11.0%

MANAGED CARE ENROLLMENT PROJECTION (MCO)

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NM MEDICAID MANAGED CARE ENROLLMENT FY22

Month-Year		Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO)													
		Physical Health			Long Term Services and Supports			Medicaid Expansion			Total CC MCO				
		(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 to Pre-PHE (Feb 20).
SFY 2022	Jul-21	460,638	460,563	(75)	50,795	50,786	(9)	264,439	264,132	(307)	775,872	775,481	(391)	4,164	14.3%
	Aug-21	463,890	464,056	166	50,943	51,014	71	265,140	265,012	(128)	779,973	780,082	109	4,601	15.0%
	Sep-21	467,143	466,945	(198)	51,092	51,110	18	265,842	265,639	(203)	784,077	783,694	(383)	3,612	15.6%
	Oct-21	470,144	469,915	(229)	51,241	51,189	(52)	266,396	266,266	(130)	787,781	787,370	(411)	3,677	16.1%
	Nov-21	473,147	472,766	(381)	51,390	51,372	(18)	266,949	266,554	(395)	791,486	790,693	(793)	3,323	16.6%
	Dec-21	476,149	475,555	(594)	51,540	51,477	(63)	267,501	266,957	(544)	795,190	793,989	(1,201)	3,296	17.1%
	Jan-22	479,152	478,591	(561)	51,690	51,599	(92)	268,053	267,638	(415)	798,895	797,828	(1,068)	3,839	17.6%
	Feb-22	482,153	481,531	(622)	51,841	51,669	(172)	268,606	268,404	(202)	802,600	801,604	(996)	3,776	18.2%
	Mar-22	485,155	484,471	(684)	51,992	51,799	(193)	269,157	268,947	(210)	806,304	805,216	(1,088)	3,612	18.7%
	Apr-22	488,158	487,411	(747)	52,057	51,886	(172)	269,709	269,490	(219)	809,924	808,786	(1,138)	3,570	19.3%
	May-22	491,159	490,350	(809)	52,122	51,972	(150)	270,262	270,034	(228)	813,543	812,356	(1,188)	3,569	19.8%
	Jun-22	494,161	493,289	(872)	52,192	52,061	(131)	270,816	270,578	(238)	817,169	815,928	(1,240)	3,573	20.3%
Total MM	5,731,049	5,725,443	(5,606)	618,896	617,933	(963)	3,212,870	3,209,651	(3,219)	9,562,815	9,553,027	(9,788)	582,953		

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NM MEDICAID MANAGED CARE ENROLLMENT FY23

		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 to Pre-PHE (Feb 20).	
Jul-22	495,935	492,750	(3,185)	52,167	52,140	(27)	271,068	273,316	2,248	819,170	818,206	(964)	3,529	20.6%	
Aug-22	485,935	494,793	8,858	52,274	52,247	(27)	261,068	274,354	13,285	799,277	821,393	22,116	3,187	21.1%	
Sep-22	475,935	496,631	20,696	52,383	52,356	(27)	251,068	275,287	24,219	779,386	824,274	44,889	2,881	21.5%	
Oct-22	465,935	498,286	32,351	52,492	52,465	(27)	241,068	276,128	35,060	759,495	826,879	67,384	2,604	21.9%	
Nov-22	455,935	488,286	32,351	52,601	52,574	(27)	231,068	266,128	35,060	739,604	806,988	67,384	(19,891)	19.0%	
Dec-22	456,600	478,286	21,686	52,711	52,684	(27)	231,453	256,128	24,675	740,764	787,097	46,334	(19,890)	16.1%	
Jan-23	457,266	468,286	11,020	52,821	52,794	(27)	231,839	246,128	14,289	741,925	767,207	25,282	(19,890)	13.1%	
Feb-23	457,933	458,286	353	52,931	52,904	(27)	232,225	236,128	3,902	743,089	747,317	4,229	(19,890)	10.2%	
Mar-23	458,600	458,954	354	53,041	53,014	(27)	232,612	236,521	3,909	744,254	748,489	4,236	1,172	10.4%	
Apr-23	459,269	459,623	354	53,151	53,124	(27)	233,000	236,916	3,915	745,421	749,663	4,243	1,174	10.5%	
May-23	459,939	460,294	355	53,262	53,235	(27)	233,388	237,310	3,922	746,590	750,839	4,250	1,176	10.7%	
Jun-23	460,610	460,965	355	53,375	53,348	(27)	233,777	237,706	3,928	747,762	752,019	4,257	1,180	10.9%	
Total MM	5,589,890	5,715,439	125,549	633,209	632,884	(325)	2,883,637	3,052,049	168,412	9,106,736	9,400,372	293,636	(139,337)		

SFY 2023

FY2022 MEDICAID BUDGET PROJECTION

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MEDICAID BUDGET PROJECTION

FY22 EXPENDITURES: (WAIVERS & OTHER)

Description	FY22 Total (\$000s)	% Change from FY21	Previous Projection	Change from Previous
DD & MF Traditional, and Mi Via Waivers	458,817	0.38%	486,205	(27,388)
Supports Waiver	493	282.03%	24,725	(24,233)
HCBS ARPA Reinvestment – DOH (DD, MF & SW)	91,792	588.79%		91,792
Waivers Subtotal	551,102	17.12%	510,930	40,172

Funded
with HCBS
ARPA

MEDICAID BUDGET PROJECTION

FY2022 EXPENDITURES (MANAGED CARE)

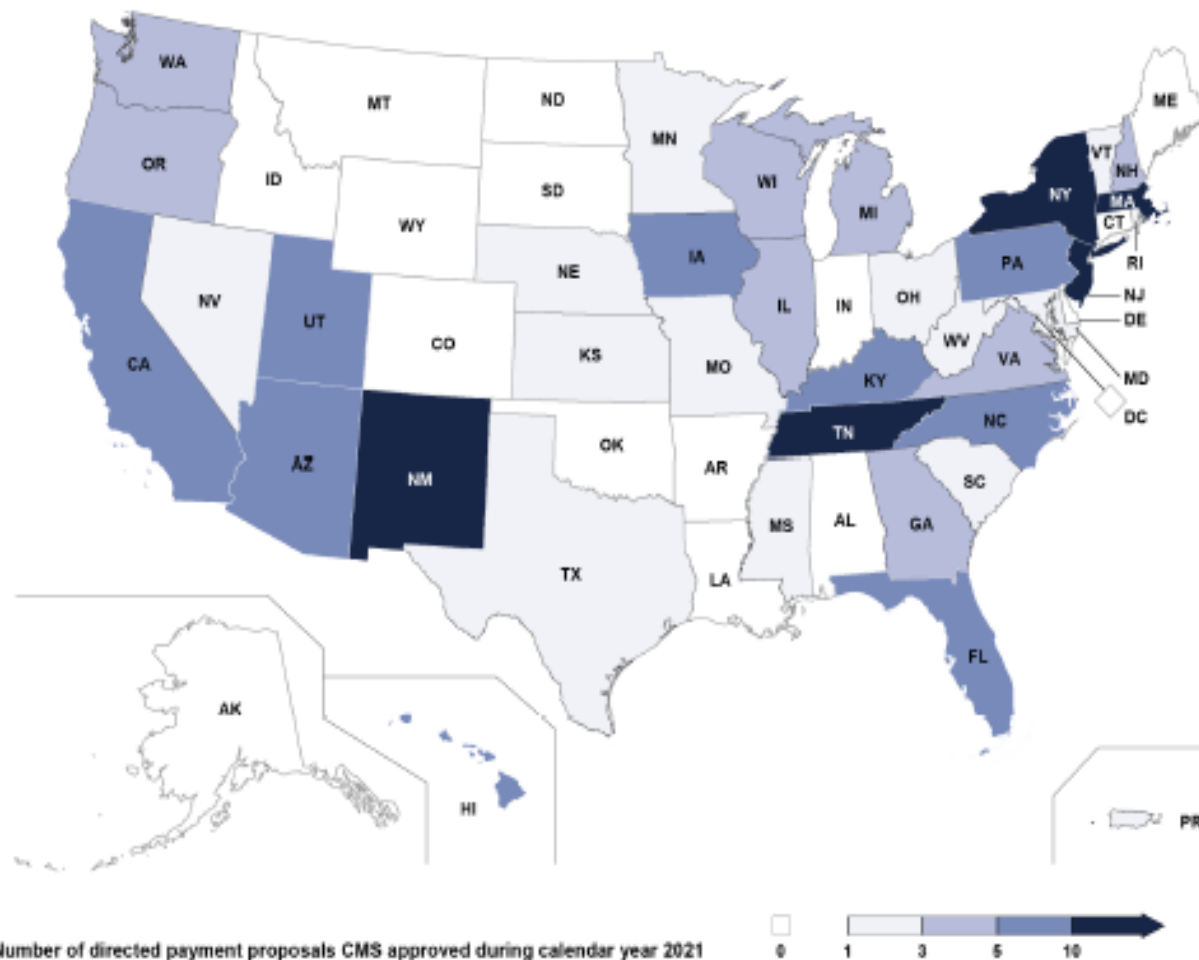
Description	FY22 Total (\$000s)	% Change from FY21	Previous Projection	Change from Previous
CC - Physical Health	2,376,026	16.37%	2,296,903	79,123
CC - LTSS	1,541,611	11.42%	1,489,257	52,354
CC - Behavioral Health	465,417	7.47%	477,505	(12,088)
CC Medicaid Expansion-Physical Health	1,964,888	10.53%	1,887,355	77,533
CC Medicaid Expansion-Behavioral Health	227,066	11.27%	228,469	(1,402)
HCBS ARPA Reinvestment - MCO	113,846			113,846
CC MCO Subtotal	6,688,854	14.53%	6,379,490	309,365

Funded
with HCBS
ARPA

CY 2022 RATE CHANGES (JANUARY - JUNE 2022)

\$Millions		In Rate	Separate Payment
1.5% PMPM Rate Cut		-\$46.7	
COVID-19 Temporary Fee Increase – Non-emergent Medical Transportation (NEMT) state directed payment		\$2.2	
COVID-19 Temporary Fee Increase – Federally Qualified Health Center (FQHC) state directed payment		\$5.0	
COVID-19 Temporary Fee Increase – Nursing Facility (NF) state directed payment		\$14.0	
Community Hospital – Native Americans Rate Increase state directed payment		\$28.8	
Hospital Access Program (HAP) state directed payment			\$58.0
University of New Mexico Hospital Medical Group (Physician) Adjustment state directed payment			\$64.0
University of New Mexico Hospital Adjustment state directed payment			\$129.5
COVID-19 Temporary Fee Increase – Hospital state directed payment			\$137.6
		\$3.3	\$389.1

Figure 3: State Directed Payments Approved in 2021



Source: GAO analysis of Centers for Medicare & Medicaid Services (CMS) information. | GAO-22-105731

Note: Medicaid managed care contract rating periods differ across states and may not correspond with the year in which the state directed payment proposal was approved.

- The US GAO recently reported New Mexico among Medicaid programs using MCO Directed Payments.
- Directed Payments to Medicaid providers help ensure network adequacy, access to care, and targeted provider reimbursements.

MEDICAID BUDGET PROJECTION

FY2022 EXPENDITURES (MEDICARE & OTHER)

Description	FY22 Total (\$000s)	% Change from FY21	Previous Projection	Change from Previous
Hospital and Provider Rate Increases HB2	0		176,749	(176,749)
SB246 Health care Quality Surcharge	5,071		9,432	(4,361)
COVID-19 Related Changes	0		2,362	(2,362)
Other Subtotal	14,019	-74.19%	197,490	(183,471)
Grand Total	8,387,453	13.57%	8,199,178	188,275

Moved to
MCO lines

MEDICAID BUDGET PROJECTION

FY2022 REVENUES (SURPLUS/SHORTFALL)

Description	FY22 Revenues (\$000s)	Change from Previous
Federal Revenues	6,997,240	195,562
All State Revenues	1,348,875	(36,760)
HCBS ARPA Revenues	29,418	29,418
Federal Audit	(8,844)	
Department of Health Additional Need /(Surplus)	(85,910)	(38,260)
MSBS CPE	16,568	56
IHS Referrals at 100% FFP	4,197	
2022 HB2 Appropriation for temporary rate increases	28,000	
FY2022 Appropriation	1,015,385	
General Fund Need	1,053,061	9,409
State Revenue Surplus / (Shortfall)	(9,677)	(9,409)

Funded
with HCBS
ARPA

FY2023 MEDICAID BUDGET PROJECTION

Investing for tomorrow, delivering today.

MEDICAID BUDGET PROJECTION

FY23 EXPENDITURES: (WAIVERS & OTHER)

Description	FY23 Total (\$000s)	% Change from FY22	Previous Projection	Change from Previous
DD & MF Traditional, and Mi Via Waivers	494,390	7.75%	528,692	(34,301)
Supports Waiver	510	3.56%	28,891	(28,381)
ARPA Reinvestment – DOH (DD, MF & SW)	126,463	37.77	0	126,463
Waivers Subtotal	622,185	12.75%	557,583	63,781

Funded
with HCBS
ARPA

MEDICAID BUDGET PROJECTION FY2023 EXPENDITURES (MANAGED CARE)

Description	FY23 Total (\$000s)	% Change from FY22	Previous Projection	Change from Previous
CC - Physical Health	2,412,389	1.53%	2,356,864	55,525
CC - LTSS	1,646,515	6.80%	1,577,411	69,103
CC - Behavioral Health	493,046	5.94%	500,061	(7,016)
CC Medicaid Expansion-Physical Health	1,868,758	-4.89%	1,765,643	103,115
CC Medicaid Expansion-Behavioral Health	227,342	0.12%	215,778	11,564
ARPA Reinvestment - MCO	85,512	-24.89%	0	85,512
CC MCO Subtotal	6,733,560	0.67%	6,415,757	317,803

Funded
with HCBS
ARPA

FY 2023 MCO LUMP SUM, MM AND PMPM CHANGES FROM PREVIOUS PROJECTION

MCO PMTS (\$000s)	PH	LTSS	BH	OAG-PH	OAG-BH	TOTAL
UNM Directed Payments	11,710	2,824	-	6,449	-	20,983
IHS	2,058	588	204	1,616	101	4,568
HCQS	28	(958)	-	(76)	-	(1,006)
HAP	3,682	466	-	2,302	-	6,450
COVID-19 Vaccine Dir. Pmt.	3,320	120	-	2,524	-	5,964
TOTAL Lump Sum Changes	20,868	3,041	204	12,815	101	37,029
Member month Changes	48,000	(700)	9,700	93,700	12,500	163,200
PMPM Changes	(13,400)	66,800	(16,900)	(3,400)	(1,000)	32,100
HCBS ARPA Reinvestment – MCO						85,512
Total Changes (rounding error < 1 million)	55,525	69,103	(7,016)	103,115	11,564	317,803

Covered by IGT

Reimbursement
Methodology,
100% FFPCovered by
Revenues

CY 2022 RATE CHANGES (JULY – DECEMBER FY23)

\$Millions	In Rate
1.5% PMPM Rate Adjustment	-46.3
NMMIP adjustment to reflect board-approved final budget from Dec 2021	-\$3.5
Revision of GRT from HB 163 (reducing from 5.125% to 5.000% through June 2023)	-\$3.2
Extend Post-Partum Coverage from 2 to 12 months via American Rescue Plan Act of 2021 (ARP) (reduces average PMPM)	
Rate increase covering the cost of a Hospital Data Intermediary	\$1.5
Earned Sick Leave under HB 20	\$6.0
Rate increases for 7 different EPSDT services rendered to Medicaid children	\$11.7
Rate increases of \$24.13 per bed-day at Nursing Facilities	\$14.2
Rate increase of 2.8% to Nursing Facilities associated with the Market-Basket Index	\$16.6
10% rate increase to Home and Community Based Services (HCBS)	\$30.6
TOTAL	\$22.0

MEDICAID BUDGET PROJECTION

FY2023 EXPENDITURES OTHERS AND GRAND TOTAL

Description	FY23 Total (\$000s)	% Change from FY22	Previous Projection	Change from Previous
Utilization Review and Contracts	15,835	90.12%	14,735	1,100
COVID-19 Related Changes	0		57,925	(57,925)
Other Subtotal	28,207	53.47%	85,033	(56,825)
Grand Total	8,538,106	1.80%	8,196,463	341,643

Moved to MCO
lines

MEDICAID BUDGET PROJECTION

FY2023 REVENUES (SURPLUS/SHORTFALL)

Description	FY23 Revenues (\$000s)	Change from Previous
Federal Revenues	6,850,069	367,108
All State Revenues	1,624,507	(67,208)
HCBS ARPA Revenues	53,253	53,253
Federal Audit	(11,300)	(11,300)
FY2023 Appropriation (HB2)	1,265,902	-
FY2023 HB2 Funding Loss Contingent on PHE not Being Extended	(80,000)	(40,000)
General Fund Need	1,243,238	(38,283)
State Revenue Surplus / (Shortfall)	(57,336)	(1,717)

Funded with HCBS
ARPA

Extension of PHE
6.2% FMAP 2 qtrs.

MEDICAID DASHBOARDS

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

Investing for tomorrow, delivering today.

DASHBOARD TIME PERIODS

- Current 12 months – April 1, 2021 through March 31, 2022.
- Previous 12 months – April 1, 2020 through March 31, 2021.
- The dashboards include data with run-out through March 2022.

State of New Mexico - All MCOs

All Centennial Care Populations

Centennial Care Cost Review

Reported Eligibility for Members Enrolled as of: March 31, 2022

Previous Period: April 1, 2020 to March 31, 2021

Current Period: April 1, 2021 to March 31, 2022

1. Total Centennial Care Monthly Enrollment

Centennial Care Managed Care Enrollment



2. Total Centennial Care Dollars and Member Months by Program

Population	Aggregate Member Months by Program		
	Previous (12 mon)	Current (12 mon)	% Change
Physical Health	5,113,241	5,603,548	10%
Long Term Services and Supports	598,131	611,229	2%
Other Adult Group	3,055,728	3,179,053	4%
Total Member Months	8,767,100	9,393,860	7%

Programs	Aggregate Medical Costs by Program			Per Capita Medical Costs by Program (PMPM)		
	Previous (12 mon)	Current (12 mon)	% Change	Previous (12 mon)	Current (12 mon)	% Change
Physical Health	\$ 1,420,240,534	\$ 1,511,941,596	13%	\$ 277.76	\$ 287.66	4%
Long Term Services and Supports	\$ 1,101,079,816	\$ 1,109,137,081	1%	\$ 1,840.87	\$ 1,814.60	-1%
Other Adult Group Physical Health	\$ 1,365,627,603	\$ 1,410,541,846	3%	\$ 446.91	\$ 443.69	-1%
Behavioral Health - All Members	\$ 534,621,258	\$ 577,533,188	8%	\$ 60.98	\$ 61.48	1%
Total Medical Costs	\$ 4,421,569,212	\$ 4,709,153,811	7%	\$ 504.34	\$ 501.30	-1%

Aggregate Non-Medical Costs	Aggregate Non-Medical Costs			Per Capita Non-Medical Costs		
	Previous (12 mon)	Current (12 mon)	% Change	Previous (12 mon)	Current (12 mon)	% Change
Admin, care coordination, Centennial Rewards	\$ 390,964,008	\$ 406,910,598	4%	\$ 44.59	\$ 43.32	-3%
NMMP Assessment	\$ 89,643,369	\$ 86,984,425	-3%	\$ 10.22	\$ 9.26	-9%
Premium Tax - Net of NMMP Offset	\$ 169,101,857	\$ 210,008,956	24%	\$ 19.29	\$ 22.36	16%
Total Non-Medical Costs	\$ 649,709,234	\$ 703,903,979	8%	\$ 74.11	\$ 74.93	1%
Estimated Total Centennial Care Costs	\$ 5,071,278,446	\$ 5,413,057,791	7%	\$ 578.44	\$ 576.23	0%

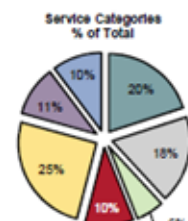
3. Total Program Medical/Pharmacy Dollars

Medical	Aggregate Costs by Service Categories			Per Capita Medical Costs by Service Categories (PMPM)		
	Previous (12 mon)	Current (12 mon)	% Change	Previous (12 mon)	Current (12 mon)	% Change
Pharmacy	\$ 3,966,579,792	\$ 4,212,706,774	6%	\$ 452.44	\$ 448.45	-1%
Pharmacy	\$ 454,989,420	\$ 496,447,037	9%	\$ 51.90	\$ 52.85	2%
Total	\$ 4,421,569,212	\$ 4,709,153,811	7%	\$ 504.34	\$ 501.30	-1%

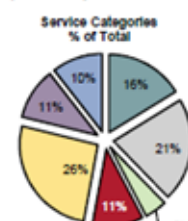
Service Categories	Aggregate Costs by Service Categories			Per Capita Medical Costs by Service Categories (PMPM)		
	Previous (12 mon)	Current (12 mon)	% Change	Previous (12 mon)	Current (12 mon)	% Change
Acute Inpatient	\$ 884,237,753	\$ 764,037,194	-14%	\$ 100.86	\$ 81.33	-19%
Acute Outp/Phy	\$ 803,286,483	\$ 1,012,777,772	26%	\$ 91.63	\$ 107.81	18%
Nursing Facility	\$ 255,582,063	\$ 216,834,240	-15%	\$ 29.15	\$ 23.08	-21%
Community Benefit/PCO	\$ 446,681,467	\$ 497,223,494	11%	\$ 50.95	\$ 52.93	4%
Other Services	\$ 1,117,320,730	\$ 1,220,297,060	9%	\$ 127.44	\$ 129.90	2%
Behavioral Health	\$ 459,471,297	\$ 501,537,014	9%	\$ 52.41	\$ 53.39	2%
Pharmacy (All)	\$ 454,989,420	\$ 496,447,037	9%	\$ 51.90	\$ 52.85	2%
Total Costs	\$ 4,421,569,212	\$ 4,709,153,811	7%	\$ 504.34	\$ 501.30	-1%

* Per capita not normalized for case mix changes between periods.

Previous (12 mon) service distribution



Current (12 mon) service distribution

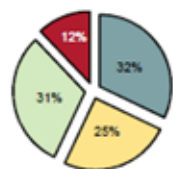


4. Notes

1. Data source: MCO-submitted financial reports, including MCO estimates for unpaid claims liability. Values are based on information available at the time of this report and are subject to change as new information becomes available.
2. Amounts are based on expenditures for medical and pharmacy services only. Expenditures for Indian Health Services, Tribal 638, and non-state plan services are excluded.
3. Other Services category includes, but is not limited to, the following services: emergent and non-emergent transportation, vision, dental, and directed payments.
4. Amounts are reported based on dates of service within the previous and current periods.
5. Continuous updates to the underlying financial data are ongoing by the MCOs, as such, data is subject to change as revised information becomes available.

Centennial Care Medical Expenditures

Previous (Q2CY2020 - Q1CY2021)



*See above for legend.

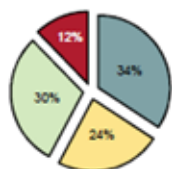
Centennial Care Member Months

Previous (Q2CY2020 - Q1CY2021)



*See above for legend.

Current (Q2CY2021 - Q1CY2022)



Current (Q2CY2021 - Q1CY2022)



State of New Mexico - All MCOs

LTSS - Nursing Facility Level of Care Medicaid Only Population

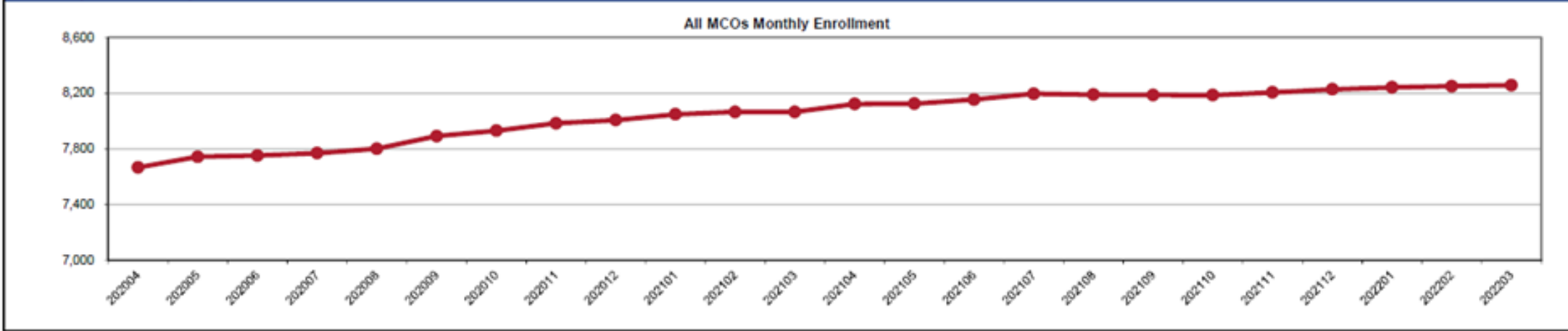
Utilization and Cost Review

Reported Eligibility for Members Enrolled as of: March 31, 2022

Previous Period: April 1, 2020 to March 31, 2021

Current Period: April 1, 2021 to March 31, 2022

1. Total Population Monthly Enrollment



2. Total Population Medical/Pharmacy Dollars

Aggregate Annual Costs

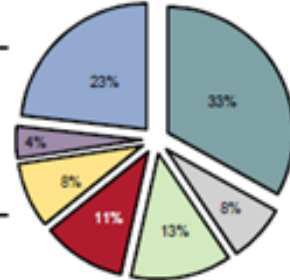
	Previous (12 mon)	Current (12 mon)	% Change
Medical	\$ 295,547,206	\$ 315,497,624	7%
Pharmacy	\$ 30,507,601	\$ 28,994,365	-5%
Total	\$ 326,054,807	\$ 344,491,989	6%

Aggregate Costs by Service Categories

Service Categories	Previous (12 mon)	Current (12 mon)	% Change
Personal Care (PCO)	\$ 103,317,481	\$ 114,103,272	10%
Nursing Facility (NF)	\$ 29,415,829	\$ 25,678,500	-13%
Inpatient (IP)	\$ 51,641,279	\$ 44,535,099	-14%
Outpatient (OP)	\$ 30,551,809	\$ 36,994,013	21%
Pharmacy (RX)	\$ 30,507,601	\$ 28,994,365	-5%
HCBS	\$ 10,717,690	\$ 14,130,307	32%
Other (OTH)	\$ 69,903,117	\$ 80,056,434	15%
Total Population Costs	\$ 326,054,807	\$ 344,491,989	6%

Per Capita Cost (PMPM)	\$ 3,442.30	\$ 3,503.25	2%
Total Member Months	94,720	98,335	4%

Service Categories % of Cost



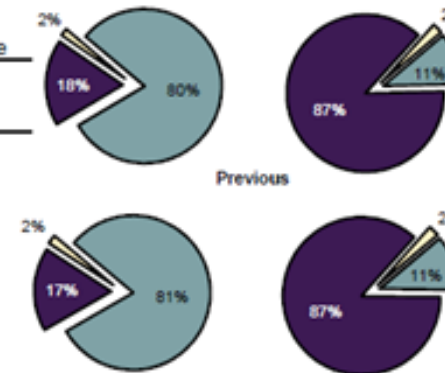
3. Retail Pharmacy Usage (Definitions in Glossary)

Total Generic / Brand Rx

	Previous Costs (12 mon)	Current Costs (12 mon)	% Change
Brand	\$ 24,580,782	\$ 23,299,806	-5%
Generic	\$ 5,336,730	\$ 5,238,422	-2%
Other Rx	\$ 590,089	\$ 456,138	-23%
Total	\$ 30,507,601	\$ 28,994,365	-5%

% of Rx Spend

% of Scripts



* "Other Rx" represents supplies such as diabetic test strips.

4. Notes

1. Data source: MCO-submitted financial reports, including MCO estimates for unpaid claims liability. Values are based on information available at the time of this report and are subject to change as new information becomes available.
2. Amounts are based on expenditures for medical and pharmacy services only. Expenditures for Indian Health Services, Tribal 638, and non-state plan services are excluded.
3. Other Services category includes, but is not limited to, the following services: emergent and non-emergent transportation, vision, dental, and directed payments.
4. Amounts are reported based on dates of service within the previous and current periods.
5. Continuous updates to the underlying financial data are ongoing by the MCOs, as such, data is subject to change as revised information becomes available.

State of New Mexico - All MCOs

Total Population (Physical Health, Long Term Services and Support, and Other Adult Group)

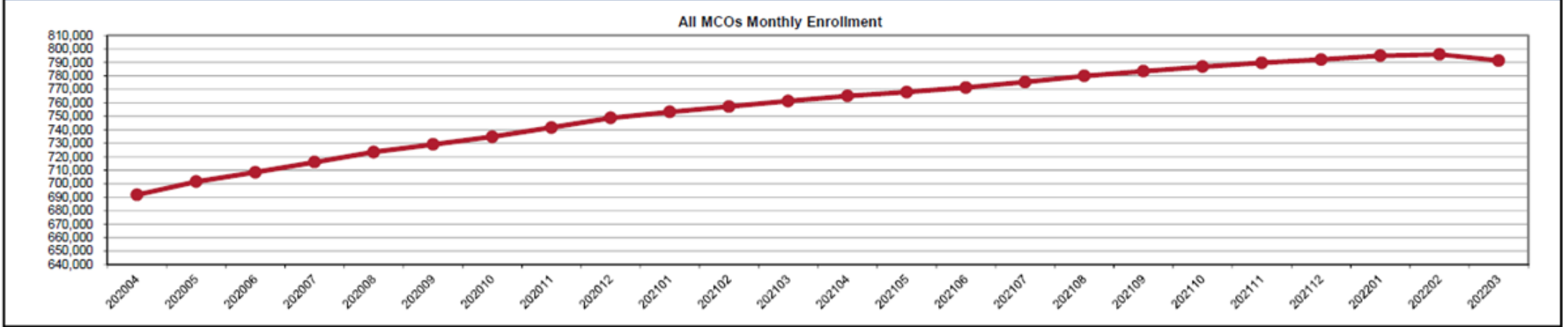
Behavioral Health Utilization and Cost Review

Reported Eligibility for Members Enrolled as of: March 31, 2022

Previous Period: April 1, 2020 to March 31, 2021

Current Period: April 1, 2021 to March 31, 2022

1. Total Population Monthly Enrollment



2. Total Population Medical/Pharmacy Dollars

Aggregate Annual Costs

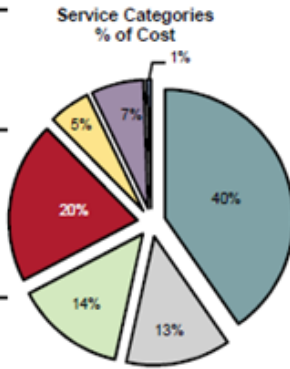
	Previous (12 mon)	Current (12 mon)	% Change
Medical	\$ 459,471,297	\$ 501,537,014	9%
Pharmacy	\$ 75,149,961	\$ 75,996,174	1%
Total	\$ 534,621,258	\$ 577,533,188	8%

Aggregate Costs by Service Categories

Service Categories	Previous (12 mon)	Current (12 mon)	% Change
Outpatient/Clinic (OP/CL)	\$ 193,671,992	\$ 232,964,339	20%
Pharmacy (RX)	\$ 75,149,961	\$ 75,996,174	1%
Res. Treatment Ctr. (RTC)	\$ 84,271,226	\$ 79,807,825	-5%
Behavioral Health Prov (BHP)	\$ 107,003,639	\$ 116,973,649	9%
Core Service Agencies (CSA)	\$ 22,489,705	\$ 30,331,821	35%
Inpatient (IP)	\$ 48,096,305	\$ 38,146,808	-21%
Other (OTH)	\$ 3,938,430	\$ 3,312,571	-16%
Total Population Costs	\$ 534,621,258	\$ 577,533,188	8%

Per Capita Cost (PMPM) \$ 60.98 \$ 61.48 1%

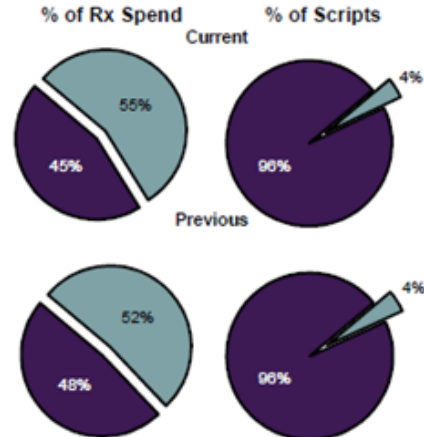
Total Member Months 8,767,100 9,393,860 7%



3. Retail Pharmacy Usage (Definitions in Glossary)

Total Generic / Brand Rx

	Previous Costs (12 mon)	Current Costs (12 mon)	% Change
Brand	\$ 38,920,176	\$ 41,851,751	8%
Generic	\$ 36,229,785	\$ 34,144,423	-6%
Total	\$ 75,149,961	\$ 75,996,174	1%



4. Notes

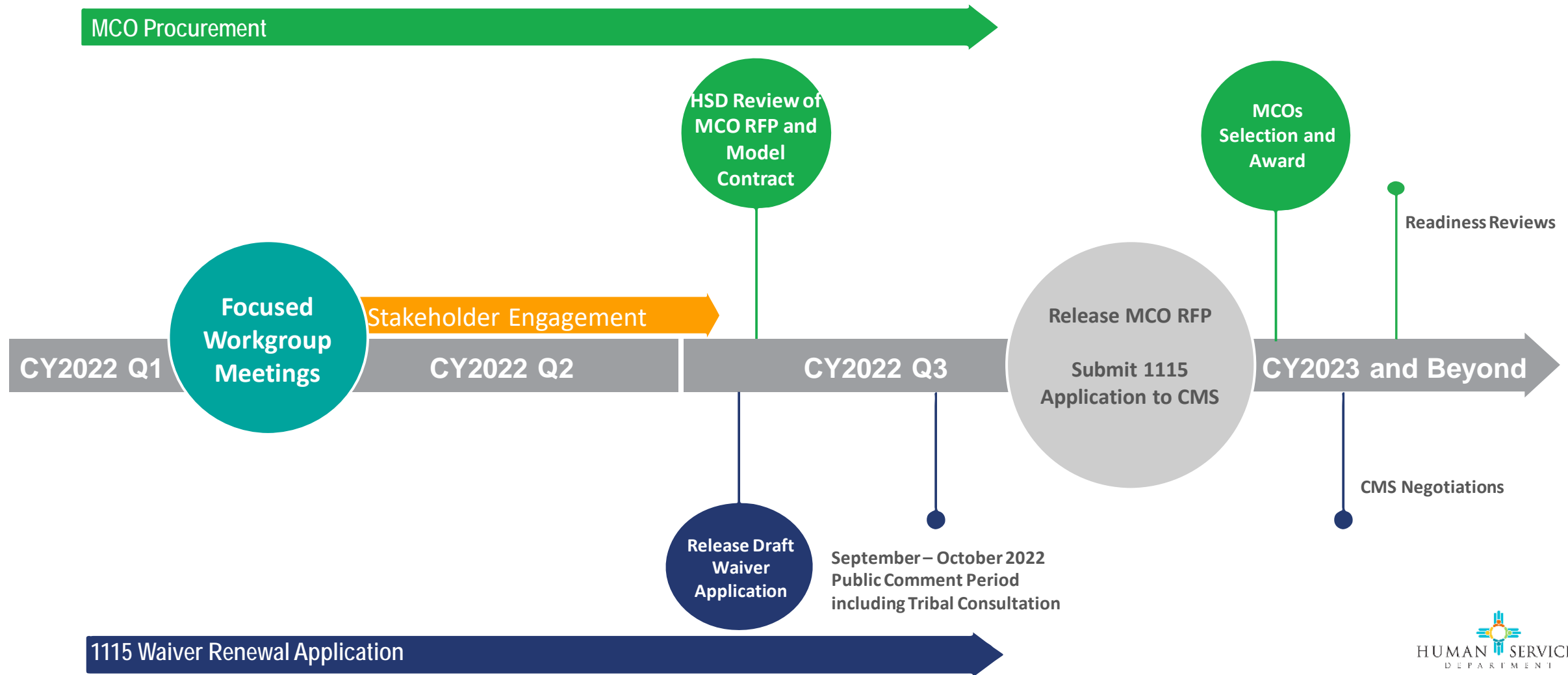
1. Data source: MCO-submitted financial reports, including MCO estimates for unpaid claims liability. Values are based on information available at the time of this report and are subject to change as new information becomes available.
2. Amounts are based on expenditures for medical and pharmacy services only. Expenditures for Indian Health Services, Tribal 638, and non-state plan services are excluded.
3. Other Services category includes, but is not limited to, the following services: Psychosocial Rehab and Skills Training & Development (Behavioral Management Services).
4. Amounts are reported based on dates of service within the previous and current periods.
5. Continuous updates to the underlying financial data are ongoing by the MCOs, as such, data is subject to change as revised information becomes available.

1115 DEMONSTRATION WAIVER RENEWAL AND MANAGED CARE ORGANIZATION PROCUREMENT

CHARLES CANADA, SPECIAL PROJECTS OFFICER

Investing for tomorrow, delivering today.

MCO PROCUREMENT AND 1115 RENEWAL TIMELINE



1115 ENGAGEMENTS

Date	Meeting
April 26, 2022	Tribal Listening Session
May 4, 2022	Sister Agency and Partner Session
May 5, 2022	Large Stakeholder Session
May 11, 2022	Legislator Session
May 11, 2022	Legislative Finance Committee (LFC), Department of Finance and Administration (DFA), and Governor's Office Listening Session
May 12, 2022	Tribal Meeting with Navajo Nation
May 13, 2022	Tribal Meeting with Zuni and Laguna Pueblo
July 18, 2022	Virtual Tribal Listening Session
July 19, 2022	Virtual Tribal Listening Session
July 21, 2022	Virtual Tribal Listening Session

UPCOMING 1115 ACTIVITIES

- Public Comment Period, September – October 2022
- Tribal Consultation
- Public Hearings

[Medicaid Program of the Future \(2024\) | New Mexico Human Services Department \(state.nm.us\)](#)

MCO PROCUREMENT PROCESS

Procurement presents the opportunity to select MCOs that will best partner with HSD to achieve the goals and objectives for Medicaid of the Future

- 1 Publication of MCO Request for Proposals (RFP):** RFP will include mandatory and technical requirements for bidders to submit proposals for evaluation and demonstrate their ability to meet contractual requirements.
- 2 Proposal Evaluation:** Timely proposals are evaluated based on a HSD's specified scoring methodology and evaluation criteria.
- 3 Intent to Award:** Successful MCOs are invited to enter contract negotiations followed by contract award.
- 4 Readiness Reviews:** Desk and onsite readiness reviews of MCOs selected for January 2024 contract; occurs in 2023.
- 5 Contract Year Begins:** January 1, 2024

HOME AND COMMUNITY-BASED SERVICES (HCBS) AMERICAN RESCUE PLAN ACT (ARPA) UPDATE

TALLIE TOLEN, MAD, LONG-TERM SERVICES AND SUPPORTS BUREAU CHIEF
MELANIE BUENVIAJE, MAD, EXEMPT SERVICES AND PROGRAMS BUREAU
JASON CORNWELL, DOH DDS D DIRECTOR


Investing for tomorrow, delivering today.

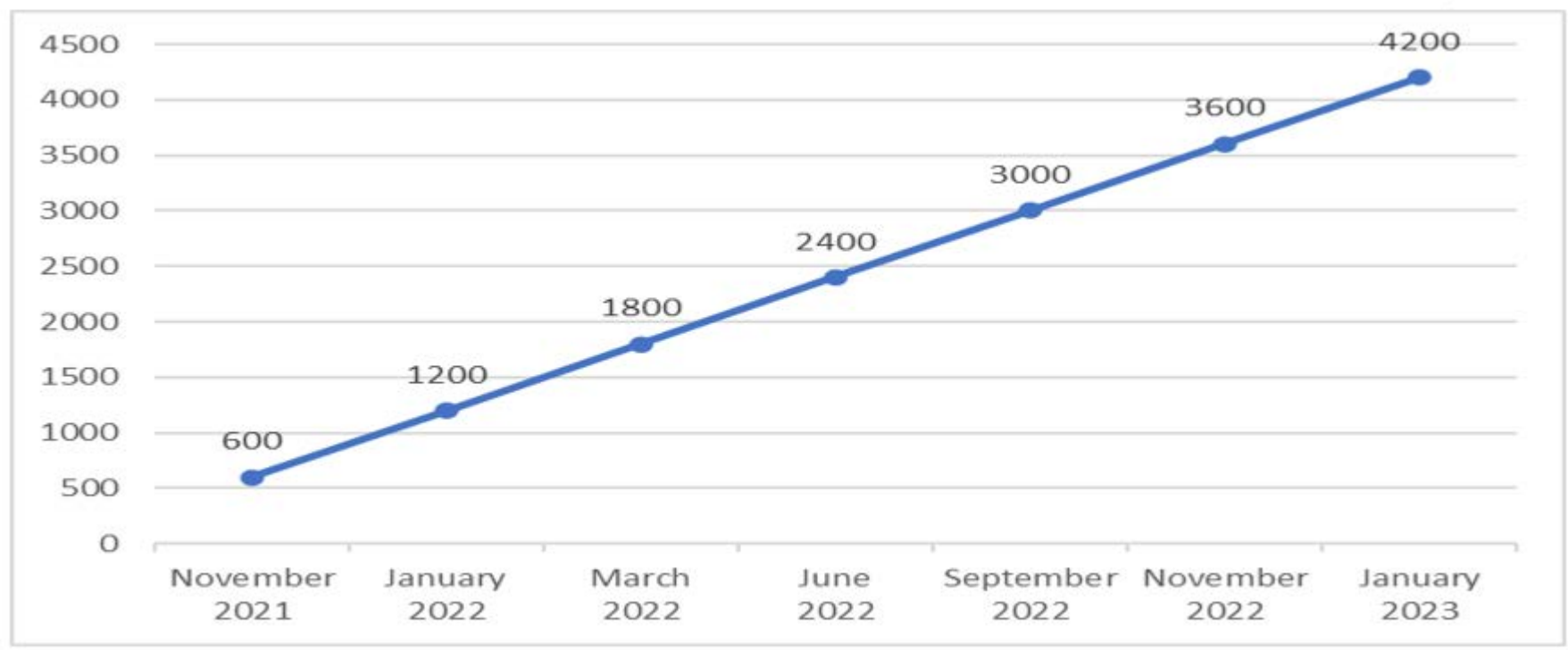
IMPORTANT UPDATES

- CMS Approved HSD's Spend Plan and Narrative on May 18, 2022
- CMS Extended the Deadline to Expend Funds through March 31, 2025
- Prioritized Proposals
 - Elimination of Developmental Disabilities Waiver (DDW) and Mi Via Waiver Waitlist
 - Temporary Economic Recovery Payments to HCBS Providers
- Dedicated HSD Webpage: [Home and Community Based Services \(HCBS\) American Rescue Plan Act \(ARPA\) | New Mexico Human Services Department \(state.nm.us\)](https://state.nm.us/human-services-department/american-rescue-plan-act-arpa)

TIMELINE TO ELIMINATE THE 13-YEAR WAITLIST

- SFY22 allocations: 2,400 (57%)
- SFY23 allocations: 1,800 (43%)

***WAITLIST ELIMINATED** 



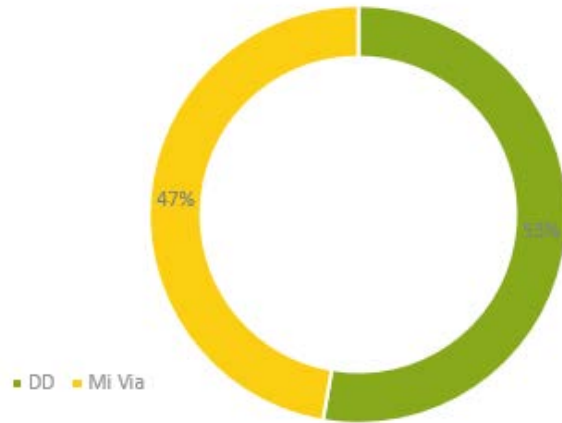
SUPER ALLOCATION PLAN UPDATE

Waitlist reduced 46% in 10 months

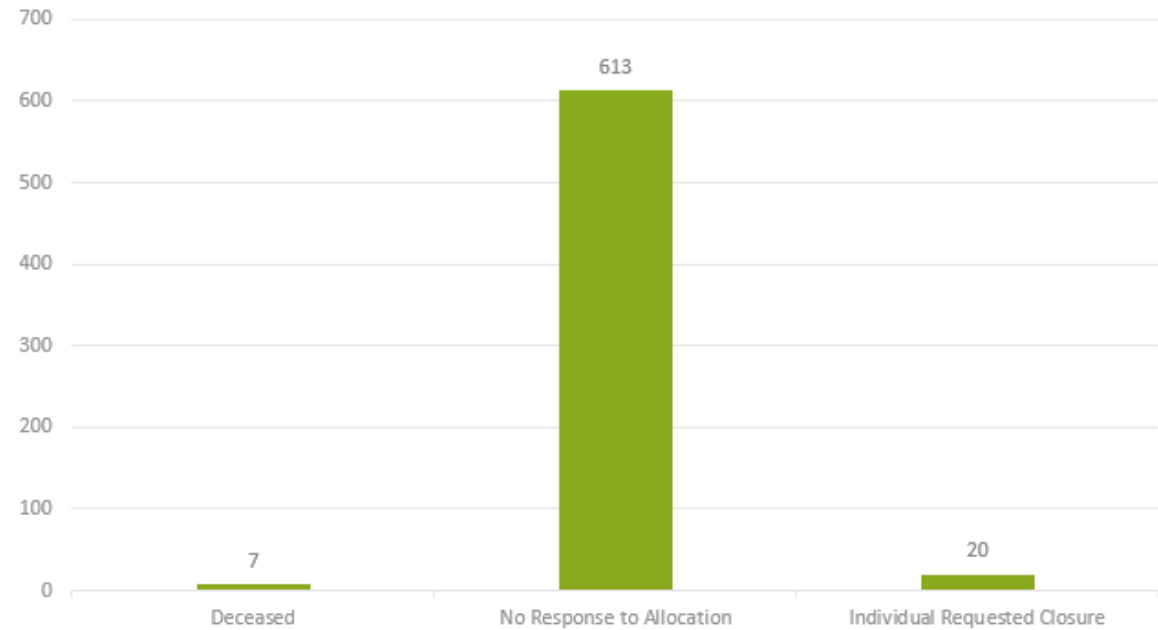
Region	Oldest	Current
Metro	7/29/2008	12/31/2015
Northeast	5/30/2008	12/31/2015
Northwest	10/15/2008	12/31/2015
Southeast	2/18/2009	12/31/2015
Southwest	7/30/2008	12/31/2015



HOW MANY PEOPLE ARE IN SERVICES? 569



Super Allocation Group	Totals	Acceptance Percentage	Closure Percentage
Number of Allocation Slots Filled	1462	53%	47%
DDW Letters of Interest Sent	2770		



TEMPORARY ECONOMIC RECOVERY PAYMENTS

- Temporary Economic Recovery Payments to HCBS Providers
 - Year 1 – 15% Increase: May 1, 2021 – June 30, 2022
 - Year 2 – 10% Increase: July 1, 2022 – June 30, 2023
 - Year 3 – 5% Increase: July 1, 2023 – June 30, 2024

FEE FOR SERVICE CLAIMS

15% TEMPORARY INCREASE: MAY 1, 2021 – JUNE 30, 2022

- Personal Care Services (PCS) and Private Duty Nursing (PDN) claims for Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Program
 - Completed 5/1/2021 – 6/30/2022
- 1915c waiver claims
 - Mi Via and Supports Waiver Directed:
 - Completed 5/1/2021 – 3/31/2022
 - In progress 4/1/2022 – 6/30/2022
 - Developmental Disabilities waiver (DDW), Medically Fragile waiver, and Supports waiver (agency based):
 - Completed 5/1/2021 – 6/30/2022

10% TEMPORARY INCREASE: JULY 1, 2022 – JUNE 30, 2023

- Pending: EPSDT PCS and PDN claims
 - Pending CMS approval on State Plan Amendment (SPA)
 - Once approved by CMS, HSD will submit a memo to include the 10% increase and mass adjust claims with dates of service 07/01/2022 through completion
 - A supplement will be released with more guidance
 - Providers will not need to submit adjusted claims
- 1915c waiver claims
 - Mi Via and Supports Waiver Directed:
 - In progress July 1, 2022- June 30, 2023
 - To be processed and paid quarterly
 - Developmental Disabilities waiver (DDW), Medically Fragile waiver, and Supports waiver (agency based):
 - In progress July 1, 2022 – June 30, 2023
 - Processed and paid through provider rates

MANAGED CARE CLAIMS

15% TEMPORARY INCREASE: MAY 1, 2021 – JUNE 30, 2022

- Community Benefit claims
 - Completed 5/1/2021 – 3/31/2022
 - In progress 4/1/2022 – 6/30/2022

- Personal Care Services (PCS) and Private Duty Nursing (PDN) claims for Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Program
 - Completed 5/1/2021 – 3/31/2022
 - In progress 4/1/2022 – 6/30/2022

10% TEMPORARY INCREASE: JULY 1, 2022 – JUNE 30, 2023

- Community Benefit claims
 - Expected to begin in November for 7/1/2022 – 9/30/2022 timeframe

- Pending: EPSDT PCS and PDN claims
 - Pending CMS approval on State Plan Amendment (SPA)
 - Once approved by CMS, HSD will submit a memo to include the 10% increase and mass adjust claims with dates of service 07/01/2022 through completion
 - A Letter of Direction (LOD) will be released with more guidance to MCOs
 - Providers will not need to submit adjusted claims

DEPARTMENT OF HEALTH UPDATE

JASON CORNWELL, DOH DDSD DIRECTOR

Investing for tomorrow, delivering today.

DD & MI VIA WAIVER SERVICES FULLY FUNDED UPON CMS APPROVAL

SERVICE	CURRENT RATE	NEW RATE	PERCENT INCREASE
Speech Language Pathology	\$22.90	\$34.93	52%
Occupational Therapy	\$22.90	\$34.93	52%
Occupational Therapy Assistant	\$18.84	\$23.78	26%
Physical Therapy	\$22.90	\$34.93	52%
Physical Therapy Assistant	\$18.84	\$23.78	26%
Behavioral Support Consultation	\$18.34	\$24.39	34%
Respite (DD)	\$4.67	\$4.82	5%
Adult Nursing Services (RN)	\$19.23	\$24.36	18%
Adult Nursing Services (LPN)	\$13.92	\$16.59	19%
CCS - Individual	\$7.18	\$8.86	24%
Customized In-Home Supports	\$6.87	\$7.99	16%
Family Living	\$119.48	\$145.52	22%

HCBS PROVIDER RATE & CAPACITY STUDY

Actions	Target Date
Develop/Issuance of RFP	July 2022
Award Vendor 15- day protest deadline, and final award letter.	August 2022
Begin Rate Study process	September 2022
Conclude Rate Study and Finalize Report	June 2023
Technical Assistance Period Begins (ongoing/as needed)	August 2023
Disseminate Document Publicly	September 2023
Use Rate Study for Budget SFY25 Process	September 2023 Include in FY25 appropriation request

PROVIDER SUPPLEMENTS AND STATE PLAN AMENDMENTS ISSUED SINCE 5/2022

ANNABELLE MARTINEZ, BENEFITS & REIMBURSEMENT BUREAU CHIEF

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STATE PLAN AMENDMENTS AND SUPPLEMENTS

STATE PLAN AMENDMENTS (SPAS)

- **Nursing Facility (NF) Ventilator Services** – implements an add-on rate for nursing facility ventilator services.
- **Qualifying Clinical Trials Alternative Benefit Plan (ABP)** – adds coverage of routine patient costs associated with participation in qualifying clinical trials.
- **Extended Postpartum Coverage** – provides 12 months of continuous postpartum coverage to pregnant individuals enrolled in Medicaid and CHIP.

SUPPLEMENTS

- **Name change to the Emergency Medical Services for Aliens (EMSA) Program Title (#22-06)** – updates the term EMSA to Emergency Medical Services for Non-Citizens (EMSNC) (#22-06).
- **Developmental Disabilities Waiver (DDW) Fee Schedule (#22-05)** – revises DDW provider fee schedule based on the Centers for Medicare and Medicaid Services (CMS) approved amendment to the DDW.

MANAGED CARE ORGANIZATION LETTERS OF DIRECTION ISSUED SINCE 5/2022

ERICA ARCHULETA, DEPUTY DIRECTOR

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MCO LETTERS OF DIRECTION (LOD) ISSUED SINCE MAY 2022

REGULAR LODs

Issue Date	LOD #	Subject	Title
5/10/22	81	4.12.16 Critical Incident Management and Reporting Follow Up	Critical Incident Performance Measures
6/29/22	82	Medicaid MCO NM Health Insurance Exchange Coverage Requirement	MCO Requirements for NMHIX aka beWellnm coverage
7/6/22	83	Health Care Quality Surcharge (HCQS) Per Diem and Market Basket Index (MBI) Increase for State Fiscal Year (SFY) 2023	HCQS Per Diem and MBI increase for SFY 2023
7/12/22	84	MCO Compliance with Healthy Workplaces Act	Paid Sick Leave

SPECIAL COVID-19 LOD

Issue Date	COVID-19 LOD #	Subject	Title
6/1/22	81	COVID-19 Temporary Hospital Payment Rates Effective January 1, 2022, through June 30, 2022	2022 COVID-19 Temporary Hospital Payment Rate Increases

INTERIM LEGISLATIVE ACTIVITY

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

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UPCOMING LEGISLATIVE EVENTS

Committee	Date(s)	Location
Legislative Health and Human Services Committee (LHHS)	August 10, 2022 & August 11, 2022	Taos
Legislative Finance Committee (LFC)	August 18, 2022	Chama
Legislative Health and Human Services Committee (LHHS)	September 14, 2022 & September 15, 2022	Gallup
Legislative Finance Committee (LFC) LegiStat	September 21, 2022	Hatch
Legislative Health and Human Services Committee (LHHS)	October 5, 2022 & October 6, 2022	Las Cruces

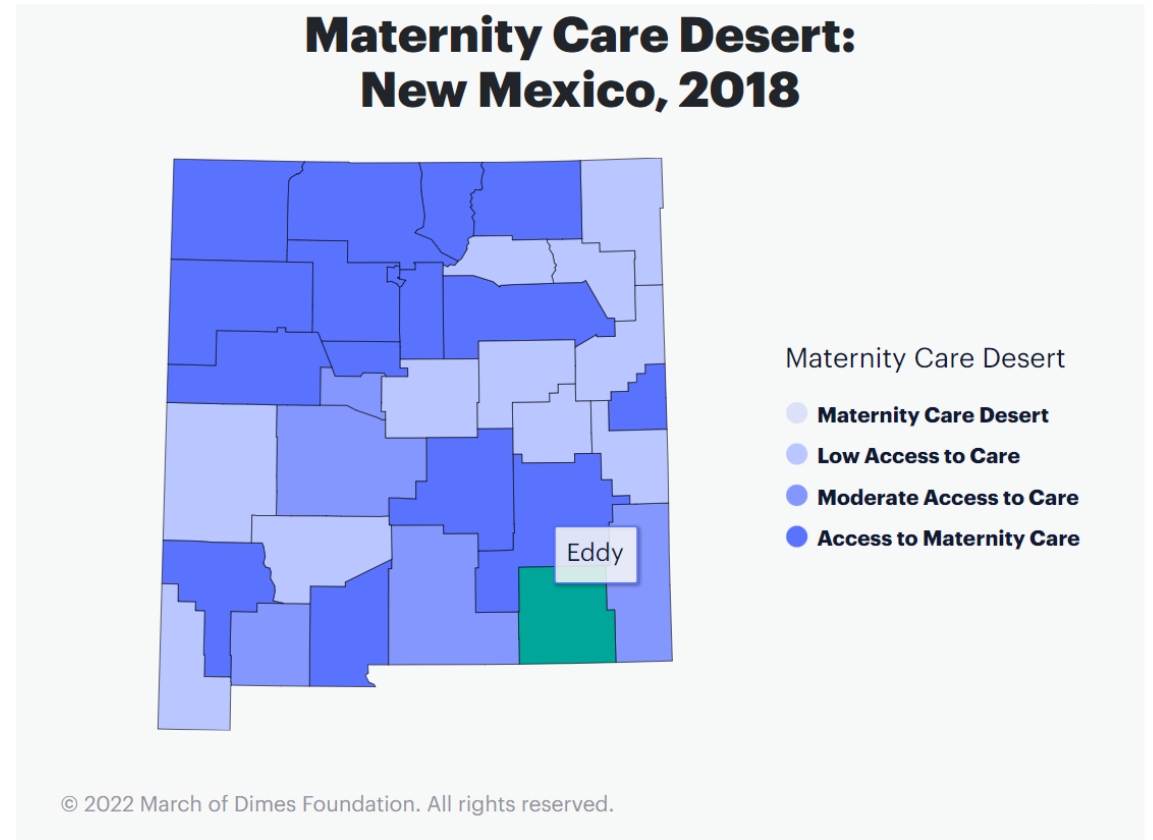
OBSTETRICAL CARE ACCESS

ALANNA DANCIS, MEDICAL DIRECTOR

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STATUS AND CHALLENGES

- Status of Maternity Care in NM
 - 14 counties are OB deserts
 - Recent closures of hospital units and obstetric practices
- Challenges
 - Staffing (providers, nurses)
 - Number of births in rural hospital units



MAD RESPONSE

Rates	Provider Benchmarking Consider being competitive with commercial rates
SPAs	12-month postpartum extension Doulas Human Donor Milk Lactation Consultants Genetic Screening
1115 Waiver	Rural Hospital Initiative CHV expansion Mobile units
Collaboration	DOH NM Perinatal Collaborative

PROVIDER RATE REVIEW PHASE II

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

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TARGETED STUDY TIMELINE



RATE BENCHMARKING UPDATE

- In collaboration with Mercer, NM MAD is conducting a comprehensive rate review.
- Two Phases:
 - Phase I – E&T codes, Dental, BH, HCBS, Maternal/Child health,
 - Phase II – facility rates
 - Comprehensive Rate Review reports and findings can be found at <https://www.hsd.state.nm.us/public-information-and-communications/centennial-care/reports/>

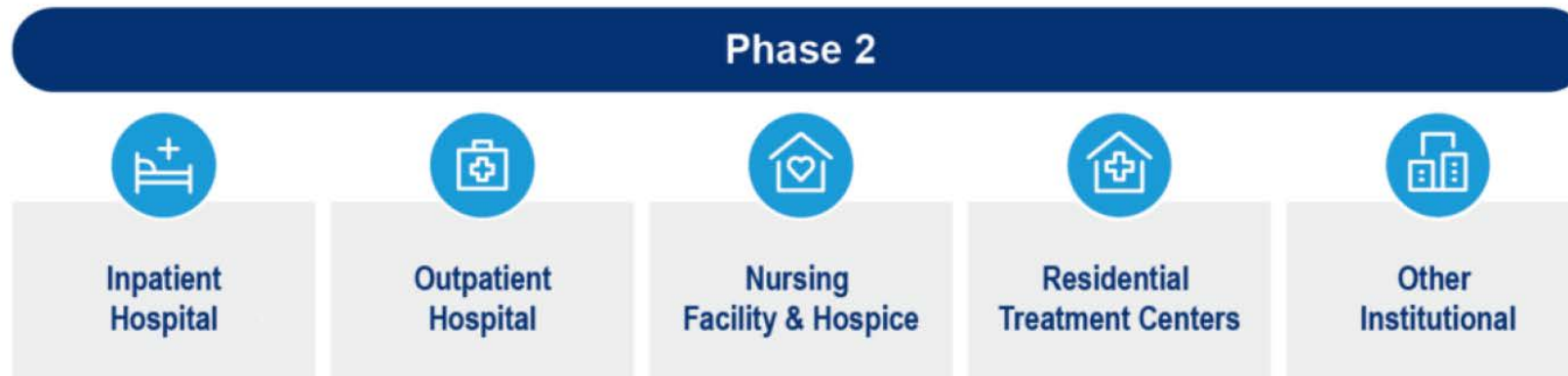
Date	Event
4/26/22	Phase I release/posting to HSD website
5/25/22	Town Hall Discussion
July, 2022	Phase I Smaller provider sessions
Pending – target August 15th	Phase II release/posting to HSD website
Pending – target late August, early September	Phase II Facility provider sessions
Pending – target date of 10/31/22	Final Report and Recommendations

PHASE SERVICE AREAS

Figure 2: Phase 1 Service Areas



Figure 2: Phase 2 Service Areas



OVERVIEW OF NM FACILITY BENCHMARKING RESULTS BY SERVICE AREA (\$ IN MILLIONS)

Table 1: Overview of New Mexico Benchmarking Results by Service Area (\$ in Millions)

Phase 2 Service Area	Service Subgroups	CY2019		CY2021
		Total Medicaid Expenditures ¹	Managed Care Percent of FFSE ²	NM FFS Percent of Medicare ³
ALL	ALL	\$1,991.2	99%	N/A
Inpatient Hospital	General Acute Hospitals	\$708.1	117%	72%
	Critical Access Hospitals	\$15.8	125%	77%
	Psychiatric Hospitals	\$46.2	54%	164%
	Rehabilitation Hospitals	\$81.9	67%	154%
Outpatient Hospital	General Acute Hospitals	\$513.8	81%	89%
	Critical Access Hospitals	\$50.4	132%	66%
	Psychiatric Hospitals	\$3.2	70%	268%
	Rehabilitation Hospitals	\$8.1	98%	142%
Nursing Facility/	Private - Low Level of Care	\$214.7	111%	84%
	State - Low Level of Care	\$30.0	99%	91%

OVERVIEW OF NM FACILITY BENCHMARKING RESULTS BY SERVICE AREA (\$ IN MILLIONS)

Phase 2 Service Area	Service Subgroups	CY2019		CY2021
		Total Medicaid Expenditures ¹	Managed Care Percent of FFSE ²	NM FFS Percent of Medicare ³
Hospice	Private - High Level of Care	\$21.2	114%	82%
	State - High Level of Care	\$1.9	97%	161%
	Hospice	\$22.9	92%	N/A
Residential Treatment Centers	ARTC Psychiatric	\$25.9	114%	N/A
	RTC - Youth	\$4.4	153%	N/A
	Group Home	\$0.6	116%	N/A
	ARTC Chemical Dependency	\$0.1	89%	N/A
	RTC - Other	\$17.3	N/A	N/A
Other Institutional	Dialysis	\$18.2	262%	N/A
	Home Health Agency	\$10.0	107%	N/A
	Nursing Agency, Private Duty	\$7.1	N/A	N/A
	Ambulatory Surgical Centers	\$2.2	164%	64%
	Intermediate Care Facility	\$0.8	N/A	N/A
Excluded Services	Indian Health Services	\$177.1	N/A	N/A
	PACE	\$9.2	N/A	N/A

1. CY2019 Total Medicaid Expenditures includes managed care encounters and FFS claims after exclusions. See Data Sources and Time Period for the impact and list of exclusions applied to the claims data. Totals differ due to rounding.

2. Includes services with available managed care expenditures and FFSE amounts.

3. Medicare rates were not available for all Service Subgroups. In some cases, the service is not a covered benefit, such as residential treatment centers, in other cases, such as dialysis services, Mercer did not have available claims detail required to calculate Medicare rates. Mercer calculated a reasonable estimate for Medicare payments based on available information for critical access hospital (CAHs), psychiatric and rehabilitation services. For nursing facilities, Mercer compared the NM Medicaid FFS payments to the estimated facility costs (based on facility costs reported in Medicare cost reports). See the Results section for each service area for additional details.

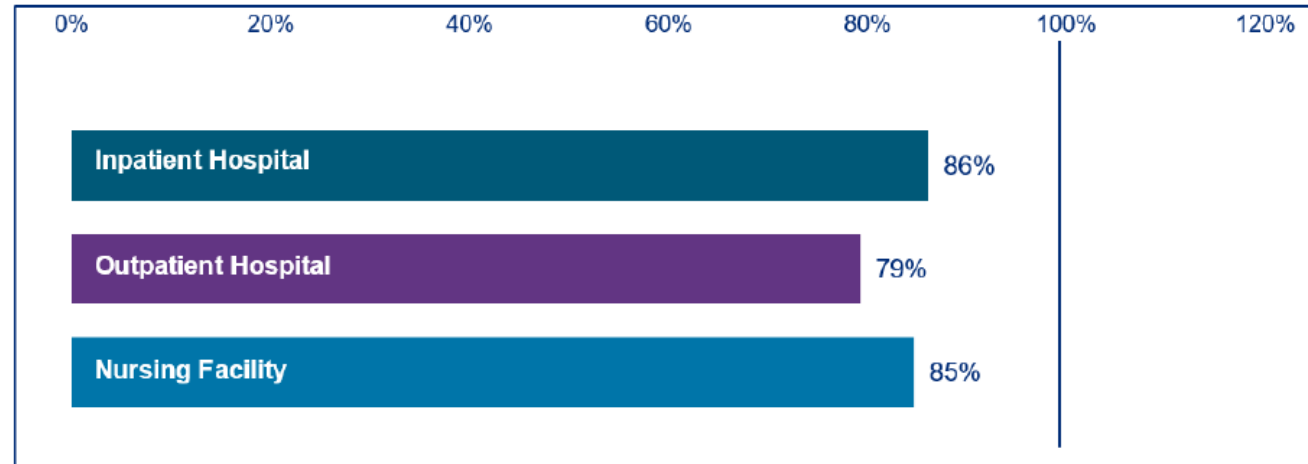
SUMMARY OF NM STATE DIRECTED PAYMENT IMPACTS BY SERVICE AREA (\$ IN MILLIONS)

Table 4: Summary of New Mexico State Directed Payment Impacts by Service Area (\$ in Millions)⁶

Service Area	CY 2019 ⁷	CY 2022
	Estimated Increase to Managed Care Expenditures	Estimated Magnitude (\$M)
Inpatient Hospital	14%	\$195.7
Outpatient Hospital	22%	\$189.5
Nursing Facility and Hospice	46%	\$168.9
Residential Treatment Centers	0%	\$0
Other Institutional	0%	\$0

OVERALL NM FACILITY FEE SCHEDULED RATES COMPARED MEDICARE

Figure 7: Overall New Mexico Medicaid FFS Relativity to Medicare¹



Service Area	MC/FFSE	NM Medicaid FFS Percent of Medicare ²	CY2019 Estimated Increase to Managed Care Expenditures ³
Subtotal	97%	83%	N/A
Inpatient Hospital	100%	86%	14%
Outpatient Hospital	86%	79%	22%
Nursing Facility	110%	85%	46%

1. Mercer calculated Medicare payments for inpatient general acute care services using the MS-DRG pricing formula and Medicare OPPS rates for outpatient general acute care services. For the other subgroups, the Medicare payment calculations are estimates using hospital-level per diems or cost-to-charge ratios (CCRs) and may not reflect precise Medicare payments.

2. For nursing facilities, Mercer compared the NM Medicaid FFS payments to the estimated facility costs (based on facility costs reported in Medicare cost reports). See further description below.

3. The amount of directed payments vary by facility and apply to managed care only. These directed payment amounts are not reflected in the Total Managed Care Expenditures presented in Table 2 earlier in this report and are paid in addition to managed care capitation payments.

PUBLIC COMMENTS

LARRY MARTINEZ, MAC CHAIRMAN

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MAC COMMUNICATIONS

Please speak up or use the chat if you have questions or comments.

Additional questions, comments, or requests to be added to the MAC Interested Parties list can sent to: **HSD-MAC@state.nm.us**

BREAKOUT SESSION- PROVIDER RATE BENCHMARKING

NICOLE COMEAUX, JD, MPH, MEDICAID DIRECTOR

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HUMAN
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