

**Medicaid Advisory Committee (MAC)
Long Term Leveraging Medicaid Subcommittee**

MEETING MINUTES

July 20, 2016 Time: 1:30p.m. – 3:30p.m. Place: NM Department of Transportation, ABQ

Chair: Carol Luna-Anderson, The Life Link
Recorder: Robyn Nardone, HSD/NMICSS

Committee Members: Jeff Dye, NM Hospital Association
Nick Estes, Health Action NM
Debbie Feathers, ABQ Area Indian Health Services
Donna Garcia, Presbyterian Delivery System
Joie Glenn, NM Association for Home & Hospice Care
Jim Jackson, Disability Rights NM
Lauren Reichett (proxy for Steve Kopelman, NM Association of Counties)
Chuck Milligan, United Healthcare
Rick Madden (proxy for Randy Marshall, NM Medical Society)
Steve McKernan UNM Hospital
David Roddy, NM Primary Care Association
Charlie Marquez (proxy for Linda Sechovec, NM Health Care Association)
Dale Tinker, NM Pharmacists Association
Gene Varela, AARP NM

Absent Members: Johnny Abeyta, Ohkay Owingeh
Amy Dowd, NM Health Insurance Exchange
Myles Copeland, NM Aging and Long-Term Services
Carolyn Montoya, UNM School of Nursing
Doug Smith, Presbyterian Medical Services

Staff & Visitors Attending: Wayne Lindstrom, HSD/BHSD
Robyn Nardone, HSD/NMICSS
Nancy Smith-Leslie, HSD/MAD
Scott Allocco, Sellers-Dorsey
Abuko Estrada, NM Center on Law & Poverty
Susan Loubet, NCU Women's Agenda
Ellen Pinnes
Angela Medrano, HSD/MAD
Jason Sanchez, HSD/MAD
Jenny Felnley, Legislative Finance Committee
Colin Baillio, Health Action NM
Nandini Kueha
Lenaya Montoya, NM Center on Law & Poverty
Lisa Rossignol, Parents Reaching Out

DISCUSSION ITEM	OUTCOME	FOLLOW-UP ACTION	RESPONSIBLE PERSON/ DEPARTMENT	EXPECTED OR REQUIRED COMPLETION DATE
I. Welcome and Introductions	Carol Luna-Anderson (Chair) called the meeting to order at 1:35pm and welcomed committee members. Introductions were made.			
II. Approval of Minutes	The Chair asked the committee to review the minutes. Dale Tinker motioned for the minutes to be approved. Gene Varela seconded the motion. All were in favor and meeting minutes were approved.			
III. Provider Taxes And Assessments	<p>Jason Sanchez provided the committee with an HSD slide presentation, including a CMS letter clarifying health care related taxes. Mr. Sanchez pointed to the gross receipts tax (GRT), premium tax, New Mexico Medical Insurance Pool Assessment (NMMIP) and the New Mexico Health Insurance Exchange (NMHIX) Assessment as examples of fees incurred by the Medicaid program. Mr. Sanchez explained that GRT is not likely a provider tax since it applies to a variety of businesses. The NMMIP assessment and the NMHIX are not specific to a provider and are likely not provider taxes. Mr. Sanchez clarified for the committee that the CMS provider tax criteria requires less than 6% of the net operating revenues, that providers cannot be held harmless and that the tax may not be greater than twenty-five percent of the state share of Medicaid expenditures.</p> <p>David Roddy asked for more clarification of how the calculations work for the twenty-five percent limit. Nick Estes commented that it is the state share with a cap of 250 million dollars. Jim Jackson added that the premium tax is applied to all entities with three percent on all insurance and one percent on health insurance.</p>			
IV. Provider Fees	<p>Nick Estes suggested the committee hear his presentation next to help the discussion. Mr. Estes materials included a Medicaid provider fee illustration that showed examples of Medicaid budgets with additional provider fees and how those numbers would impact the federal and state share. Rick Madden asked about Alaska being the only state that does not require a provider assessment. Mr. Estes responded that even states with a 50/50 federal match have provider assessments.</p> <p>Chuck Milligan pointed to the hold harmless policy and the politics of trade associations weighing in on health care taxes. Mr. Estes commented that someone will end up having to pay a tax that is not covered in rates and agreed it can become political. Nancy Smith-Leslie acknowledged that it is an issue for providers that may not provide services to a Medicaid population as they would be subject to any broad-based fee.</p> <p>Lauren Reichett suggested that the fees could work as an incentive; for example, nursing homes may choose to take on more Medicaid clients. Ms. Smith-Leslie reminded the committee that the fees cannot apply to only providers who accept Medicaid members. Nick Estes commented that he would like to hear more from the trade associations.</p> <p>Carol Luna-Anderson asked the committee if there was a recommendation to access more information from other states. Mr. Tinker commented that he would like more information. Ms. Smith-Leslie offered to discuss the work its audit contractor has</p>			

DISCUSSION ITEM	OUTCOME	FOLLOW-UP ACTION	RESPONSIBLE PERSON/ DEPARTMENT	EXPECTED OR REQUIRED COMPLETION DATE
	<p>done with Alaska. Mr. Milligan explained his experience in Maryland and the importance of working with the trade associations. Mr. Varela asked what is the process for implementing provider fees and assessments and in what fiscal year this could become effective. The Chair asked HSD to include the process for implementing provider fees and assessments in its presentation.</p>			
<p>V. Revenue Enhancements & Committee Discussion</p>	<p>Jeff Dye provided a presentation from the New Mexico Hospital Association (NMHA) regarding options for financing Medicaid. Mr. Dye commented that NMHA looked at an estimated impact based on budget numbers from HSD and that those numbers may change. NMHA believes there will be a significant impact on the state's economy and that federal dollars are not being fully achieved. Mr. Dye suggested the state general fund and tax rules that could be more efficient and discussed non-profit hospitals as an example. Mr. Dye pointed to local sources of funding like intergovernmental transfers (IGTs) and certified public expenditures (CPEs) as other possibilities. Mr. Dye also discussed maximizing federal Medicaid funding and recommended looking at transitioning state funded programs to Medicaid and reimbursement for services furnished to Native Americans as examples.</p> <p>Ms. Reichett expressed concerns on behalf of county government and tapping into resources that may affect other parts of the county budgets.</p> <p>Mr. Milligan suggested the committee consider making more directional recommendations explaining the difficulties of getting into the level of detail being discussed.</p>			
<p>VI. Public Comment</p>	<p>Colin Baillio thanked the sub-committee for working on long term leveraging and looked forward to working with the committee.</p> <p>Ellen Pinnes encouraged the committee to look at provider fees and assessments with a broad base to assist in keeping the overall fees lower. Ms. Pinnes suggested pursuing the examples of the Legislative Finance Committee's (LFC) report.</p> <p>Charlie Marquez commented that nursing homes are underfunded and not properly compensated. Mr. Marquez stated that the nursing homes are at risk for meeting standards.</p>			
<p>VII. Closing Remarks</p>	<p>The Chair asked the committee to identify and recommend steps to take next. Mr. Estes offered to look further at provider fees and work with Mr. Dye and Ms. Sechovec. Ms. Smith-Leslie asked if the committee would like to hear from the NMMIP as part of the committee's discussion. Jim Jackson suggested asking CYFD to participate and discuss home visiting program. Ms. Reichett offered to work with Steve Kopelman and present to the committee ideas to create innovative quality Medicaid revenue enhancements. Mr. Milligan suggested looking at leveraging 340B drug purchasing.</p> <p>The group discussed meeting dates in August. HSD will secure a meeting room and communicate with the committee the meeting dates and location. The Chair thanked the committee and the meeting adjourned at 3:35pm.</p>			

Respectfully submitted:

Robyn Nardone

7/18/16

Recorder

Date
