

**Medicaid Advisory Committee (MAC)  
Provider Payments Cost Containment**

**May 9, 2016 Time: 9:00 – 11:30 Location: Garrey Carruthers State Library, Santa Fe**

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Chair: Joie Glenn, NM Association for Home & Hospice Care  
Recorder: Shawna Crist-Ruiz, HSD/MAD

Subcommittee Members Present:

Linda Sechovec, NM Health Care Association  
David Roddy, NM Primary Care Association  
Jeff Dye, NM Hospital Association  
Randy Marshall, NM Medical Society  
Laurence Shandler MD, Pediatrician  
Ginna Hendricks, Santa Fe Dentistry for Kids  
Steve McKernan, UNM Hospital  
Carolyn Montoya, UNM School of Nursing  
Shawn Ricketts, Heritage Home Healthcare  
Carol Luna-Anderson, the Life Link  
Donna Garcia, Presbyterian Delivery System

Subject Matter Experts: Dan Weeks, NM Hospital Association

Subcommittee Members Not Present:

Floyd Thompson, Indian Health Service  
Kari Armijo, HSD/MAD  
Kristin Abdill, HSD/OOS  
Karen Meador, HSD/BHSD  
Jenny Felmley, LFC

Staff Attending:

Jason Sanchez, HSD/MAD  
Nancy Smith-Leslie, HSD/MAD

Public Attending:

Abuko Estrada, NM Center on Law and Poverty  
Ellen Pines

DISCUSSION ITEM	OUTCOME	FOLLOW-UP ACTION	RESPONSIBLE PERSON/ DEPARTMENT	EXPECTED OR REQUIRED COMPLETION DATE												
I. Welcome and Introductions	Joie Glenn welcomed the subcommittee and introductions were made.	None	Joie Glenn	Complete												
II. Review subcommittee Charge	<p>Nancy Smith-Leslie reviewed the subcommittee's charge. Nancy reminded members that we were entering Phase II of the Provider Payments Cost-Containment Subcommittee. Nancy stated that rate reduction for provider payments will be implemented July1, 2016.</p> <p>It was decided to alter the meeting schedule to allow for public comment.</p>	None	Nancy Smith-Leslie	Complete												
III. Discuss approach to decision-making for Phase II	<p>Jason Sanchez gave a brief overview with respect to where HSD stands with its reaching the budget goal of 85 million General Fund savings outlined in HB2. Jason provided the breakdown thus far as follows:</p> <table border="1" data-bbox="445 548 1054 880"> <tbody> <tr> <td>Goal</td> <td>85 Million</td> </tr> <tr> <td>provider rate cuts</td> <td>- 32.5 million</td> </tr> <tr> <td>HSD made member re-wards and care coordina-tion changes.</td> <td>- 3.5 Million</td> </tr> <tr> <td>family planning</td> <td>- 6.1 million</td> </tr> <tr> <td>Health Insurer Fee Waived for 2017</td> <td>- 18.5 million</td> </tr> <tr> <td>Remaining deficit</td> <td><b>24.4</b></td> </tr> </tbody> </table> <p>Jason reported the positive news that the new 2016 federal budget deal, signed by the President, suspends collection of the Health Insurer Fee for the 2017 calendar year. However, the fees will resume in 2018 plus the subcommittee should be aware of continued projected increase in enrollment.</p> <p>Nancy Smith –Leslie discussed changes to the proposed meeting dates due to upcoming July 4 holiday. The subcommittee agreed to the following meeting times:</p> <ul style="list-style-type: none"> <li>• 5/25/2016 1:00-4:30pm Albuquerque (TBD)</li> <li>• 6/8/2016 1:00-4:30pm Santa Fe (TBD)</li> <li>• 6/22/2016 1:00-4:30pm Albuquerque (TBD)</li> <li>• 7/13/2016 1:00-4:30pm Santa Fe (TBD)</li> <li>• 7/27/2016 1:00-4:30pm Albuquerque (TBD)</li> </ul> <p>Topics for Phase II discussion will include identifying topic specific data needs.</p>	Goal	85 Million	provider rate cuts	- 32.5 million	HSD made member re-wards and care coordina-tion changes.	- 3.5 Million	family planning	- 6.1 million	Health Insurer Fee Waived for 2017	- 18.5 million	Remaining deficit	<b>24.4</b>	<p>None</p> <p>Change dates for future Agenda.</p>	<p>Jason Sanchez</p> <p>Kristin Abdill</p>	<p>Complete</p> <p>Prior to 5/25/16 meeting</p>
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	<p>The subcommittee decided to allow subcommittee members to assign proxies on occasion they are unable to attend.</p> <p>Jeff Dye suggested we merge the future “Long Term Strategies” subcommittee with Provider Payments Subcommittee for phase II considering long term strategy is a subject this subcommittee is planning to discuss. There was no opposition around the motion to merge the two subcommittees into one.</p>	<p>Inform proposed members of Long Term Strategies subcommittee to join Provider Payment subcommittee.</p>	<p>HSD</p>	<p>Prior to 5/25/16 meeting</p>
<p>IV. Presentation on IGT/CPE regulations</p>	<p>Jason Sanchez provided information on Intergovernmental Transfers (IGT) using the Developmental Disabilities program with the Department of Health as an example. Jason covered the key components of and IGT which include the name of the transferring entity, unit of government, funding origination, and funding levels. Jason provided information on Certified Public Expenditures and use School Services as an example. Jason covered the key components of and IGT which include the name of the transferring entity, unit of government, funding origination, expenditure certification and funding levels.</p> <p>Jeff Dye stated that the goal is to get as many options for review on the table. He made suggested some potential ideas the subcommittee should explore in greater detail.</p> <ul style="list-style-type: none"> <li>• IGT</li> <li>• Managed Care IGT</li> <li>• CPE</li> <li>• Voluntary Donation</li> <li>• Provider Assessment</li> <li>• Eliminate Tax Expenditure</li> <li>• 100% FMAP for Native Americans</li> <li>• Incarcerated Inmates</li> <li>• Shifting GF programs</li> </ul> <p>Jeff suggested we look closely at the mechanism used in Louisiana to help their Medicaid budget shortfall and to preserve their expansion population.</p>			
<p>V. Private vs. Public hospital definitions</p>	<p>Jason reviewed the form titled, <i>Governmental status of Health Care Provider</i>. He explained how this form is used to make a determination whether an entity, in this case a hospital, is deemed public or private. Jason showed how the process of making the determination does not always lead one to a complete or clear conclusion.</p>			
<p>VI. Open discussion</p>	<p>Linda Sechovec reviewed the document, <i>Opportunities and Barriers Associated with IGT'S and Provider Tax Programs</i>. She suggested HSD consult with Texas consultants she has worked with regarding nursing facilities and provider fees.</p>			

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	<p>Dr. Shandler reports that the Children's' Cabinet would like HSD to consider how these proposed cuts will affect children's health in NM. Dr. Shandler stated that fewer Medicaid providers translate into fewer providers for all children. Dr Shandler also stated there should be consideration placed on improving utilization rather than on cutting services.</p> <p>David Roddy stated that Healthcare is the only growth industry in NM adding that health care dollars help the economy.</p> <p>Carol Luna Anderson expressed frustration over the rising cost of pharmaceutical drugs over time.</p> <p>Joie Glenn suggested we consider the PACE Model of care management. At the national level there are examples of cost savings when patients can receive the right care at the right time.</p> <p>The question was asked if it would be a good or bad idea to change the number of ADL's.</p> <p>Joie Glenn suggested there be a presentation on VBP</p>	<p>Data is needed to determine affects for changing ADL's</p> <p>Nancy Smith-Leslie will share information regarding what MCO's are doing around VBP.</p>	<p>HSD</p> <p>Nancy Smith-Leslie</p>	<p>5/25/16</p> <p>5/25/16</p>
VII. Public Comment	It was suggested that MAC Meetings and Subcommittee meeting notice of location and time be visible on landing page of HSD website.	Post date, time and location of each meeting on HSD Landing site	HSD	5/12/16
VIII. Closing Remarks and adjournment	Joie Glenn thanked the subcommittee members for their time and the meeting adjourned.	None	Joie Glenn	Complete

Respectfully submitted:

Shawna Crist-Ruiz  
 Recorder

5/09/16  
 Date