



HUMAN  
SERVICES  
DEPARTMENT



BEHAVIORAL HEALTH UPDATE FOR LFC  
JUNE 29, 2023

ACTING SECRETARY KARI ARMIJO & DEPUTY SECRETARY ALEX CASTILLO SMITH

*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.

# AGENDA & PRESENTERS

- Medicaid behavioral health rate increases
- HSD Non-Medicaid behavioral health rate increases
- 2022 \$20 million appropriation for behavioral health services
- FY24 Behavioral Health Collaborative operating budget
- Supporting Behavioral health workforce



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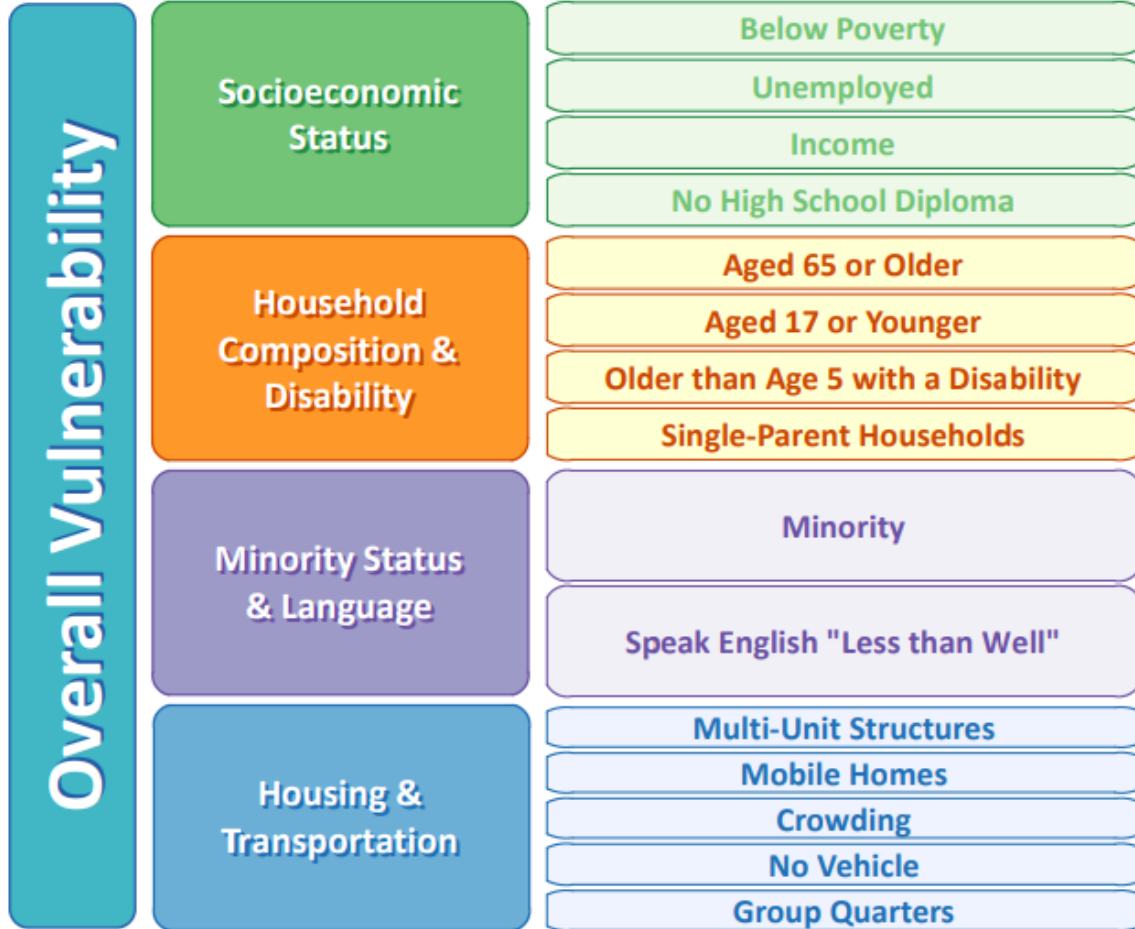
# MEET THE YU FAMILY\*

- Peter and Sara Yu live in Valencia County, where they are the legal guardians of their two grandchildren, Emma (10) and Daniel (7).
- Peter and Sara are in their late 60s, retired, and depend on Social Security for their income. They receive Medicare and SNAP, while Emma and Daniel receive SNAP and Medicaid.
- Emma and Daniel's mother lives out of state and their father, Nick, (Peter and Sara's son) is working with CYFD to regain custody of his children. Nick is also enrolled in Medicaid.
- Emma needs specialized psychiatric care, but there are no providers in her area with the appropriate training, and her grandparents need respite and additional supports.

\* Based on a real HSD client, whose name and photo are changed.

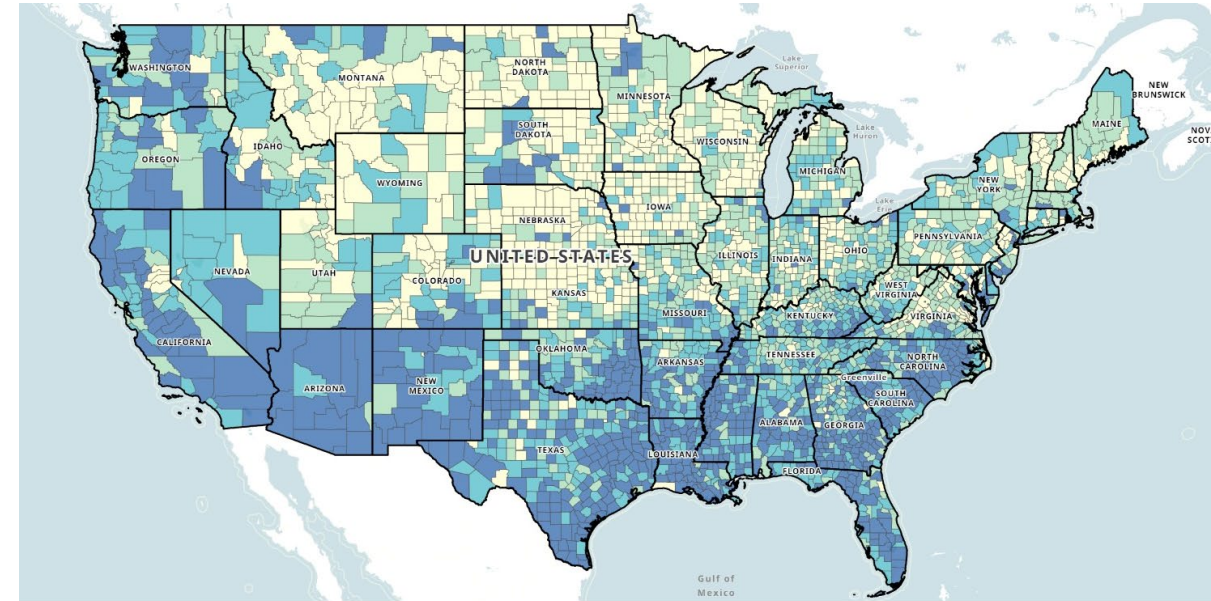


# NM HAS HIGHEST SOCIAL VULNERABILITY IN THE U.S.



## SOCIAL VULNERABILITY INDEX BY COUNTY, 2020

Darker color represents higher vulnerability



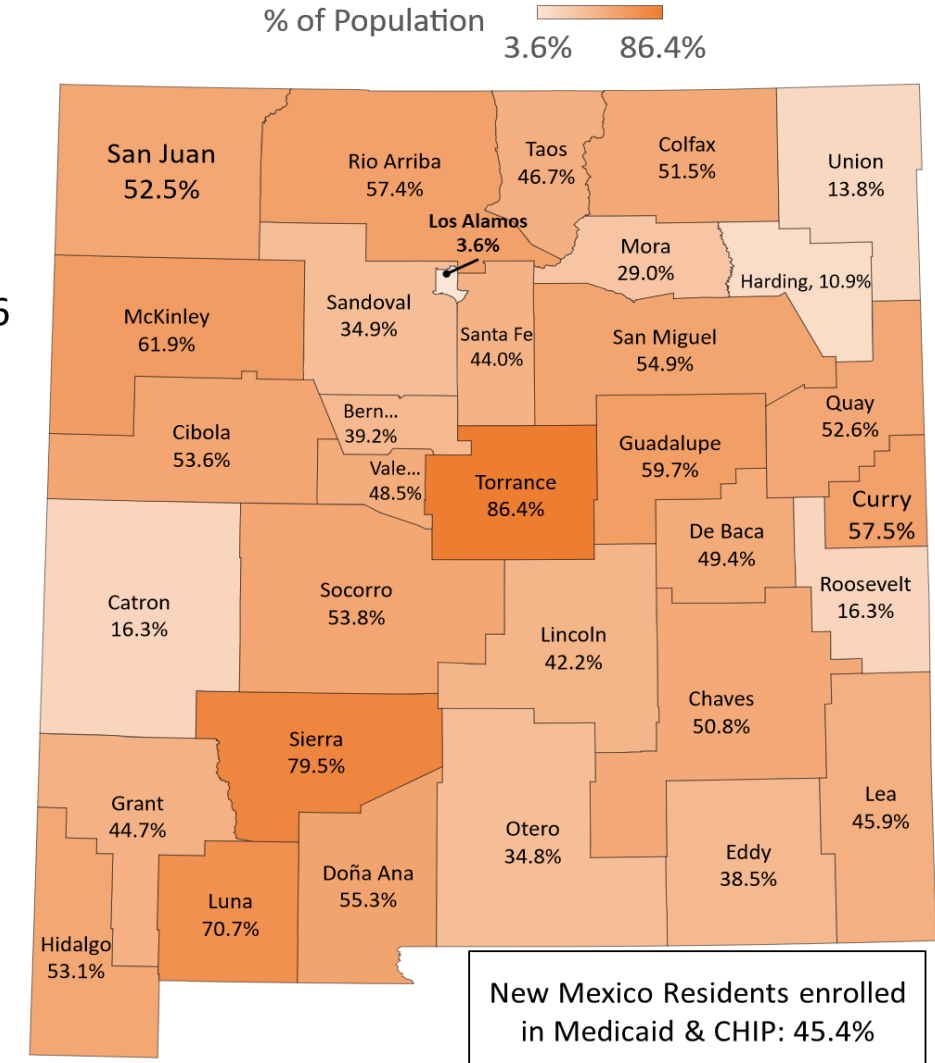
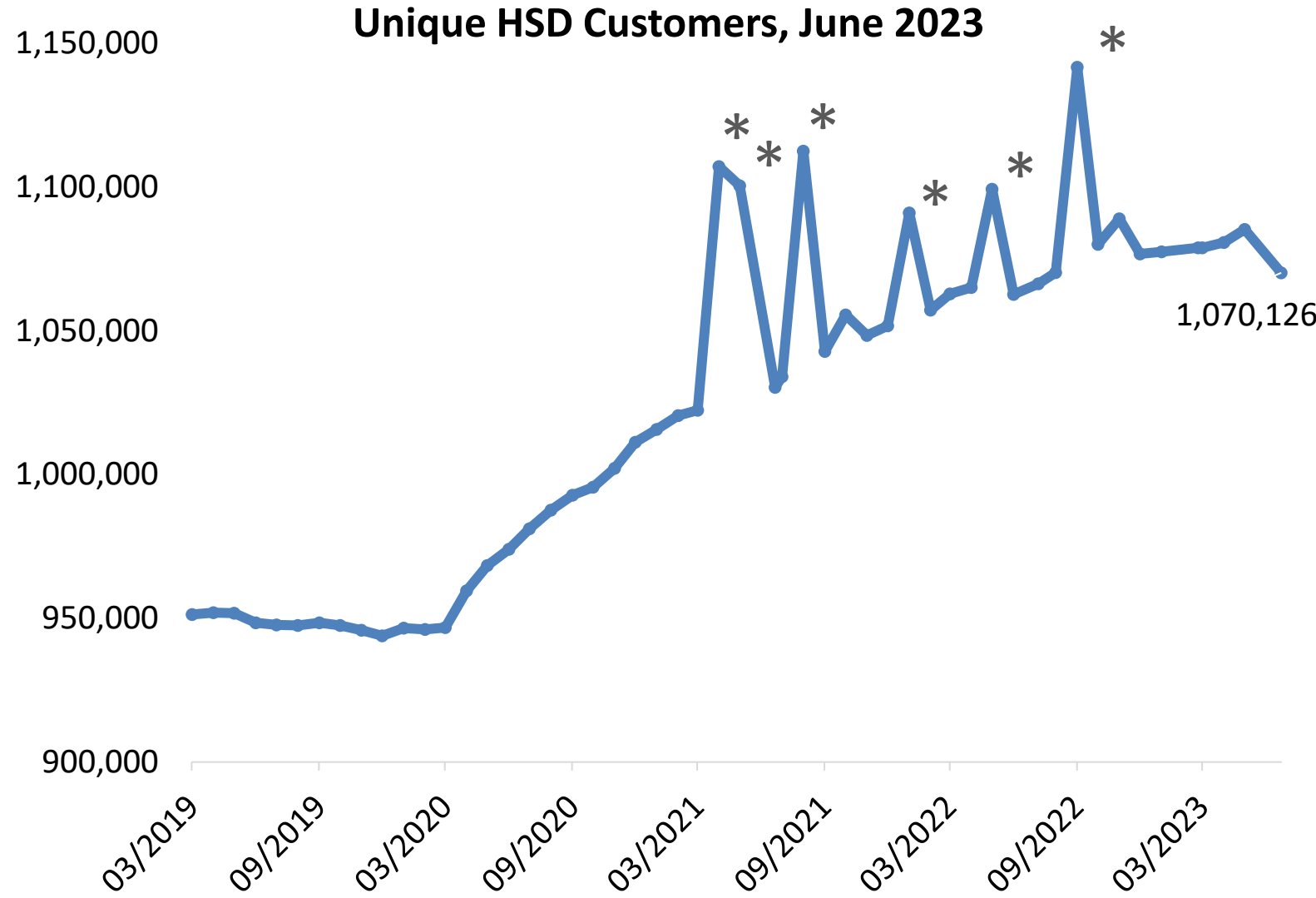
### Level of Vulnerability



Source: [https://www.atsdr.cdc.gov/placeandhealth/svi/interactive\\_map.html](https://www.atsdr.cdc.gov/placeandhealth/svi/interactive_map.html)

# HSD SERVES 51% OF YOUR CONSTITUENTS

## Medicaid & CHIP Recipients as a Percentage of Population by County, June 2022



\*Months with a Pandemic EBT Payment

# HSD'S SOCIAL IMPACT: NM BENEFITS FROM MODERN AND RESPONSIVE SOCIAL SAFETY NET

HSD's Programs have had the following social impact:

**510,595,215 meals** provided to New Mexicans through Supplemental Nutrition Assistance Program (SNAP) over the last 12 months



**964,828 individuals** provided the ability to visit a doctor, afford medication and immunizations through Medicaid in May 2023



**21,712 homes** heated and cooled for New Mexico families through Low Income Energy Assistance Program (LIHEAP) in Federal Fiscal Year 2023



**8,180 families** provided shelter and necessities through Temporary Assistance for Needy Families (TANF) in May 2023



**\$125.19\*** per month on average through child support to help kids be happy and healthy over the last 12 months



**216,488** New Mexico adults supported by Behavioral Health programs and services\*\* from July 2021-June 2022



last updated: 6/15/2023

\*collections include current support and arrears debt to the custodial parent and/or the state.

\*\*BH services include those covered through Medicaid and other sources (federal and general funds). The total is affected by a 3 month claim lag and therefore this measure is updated quarterly.



# It's Time to **Renew NM!**

- **Renew NM** provides resources and information to HSD customers and partners about how and when to renew Medicaid & SNAP benefits.
- **3 important steps to remember:**
  - Update your contact info.
  - Look for your Turquoise envelope.
  - Submit your renewal.
- For data about HSD's performance during the unwinding:  
<https://sites.google.com/view/nmhsdscorecard/PHE>

[RENEW.HSD.NM.GOV](https://renew.hsd.nm.gov)

HUMAN SERVICES DEPARTMENT

¡Es Hora de **Renew NM!**

**Actualice Su Información de Contacto Ahora Mismo**

- ✓ Visite **yes.state.nm.us** y actualice su información de contacto en el chat.
- ✓ El Departamento de Servicios Humanos de Nuevo México le enviará un **sobre turquesa** cuando sea el momento de renovar.

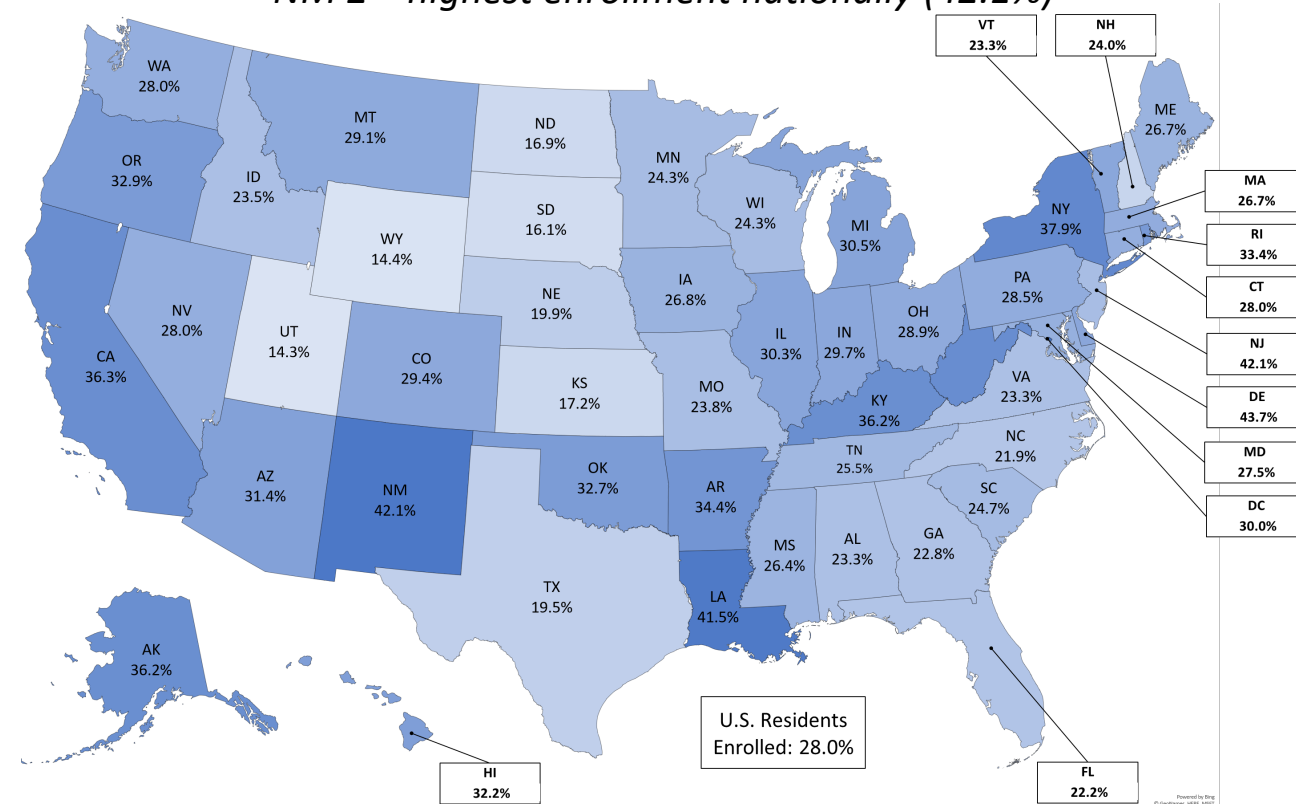
**Todos los clientes deben renovar su Medicaid y SNAP cuando reciban el aviso.**  
Aprenda más: **renew.hsd.nm.gov**

# MEDICAID IS A KEY STRATEGY IN TRANSFORMING BEHAVIORAL HEALTHCARE IN NM

- 2023 HB2 appropriations raising Medicaid behavioral health reimbursement rates to nearly 120% of Medicare.
- Telehealth expansion** increasing access to behavioral health services (133% increase in utilization in FY22 from 19,978 to 46,474 Medicaid customers).
- Payment reform** incentivizing behavioral health, and interprofessional team integration, and care that addresses health-related social needs.
- Inclusion of **new services and benefits (as well as training and certification)** available for Medicaid reimbursement (e.g. evidence-based practices and mobile crisis response services) blends clinical expertise with patient characteristics, culture, and preferences.

## Residents Enrolled in Medicaid & CHIP, 2/2023 (%)

NM 2<sup>nd</sup> highest enrollment nationally (42.1%)



# FY24 MEDICAID BEHAVIORAL HEALTH REIMBURSEMENT

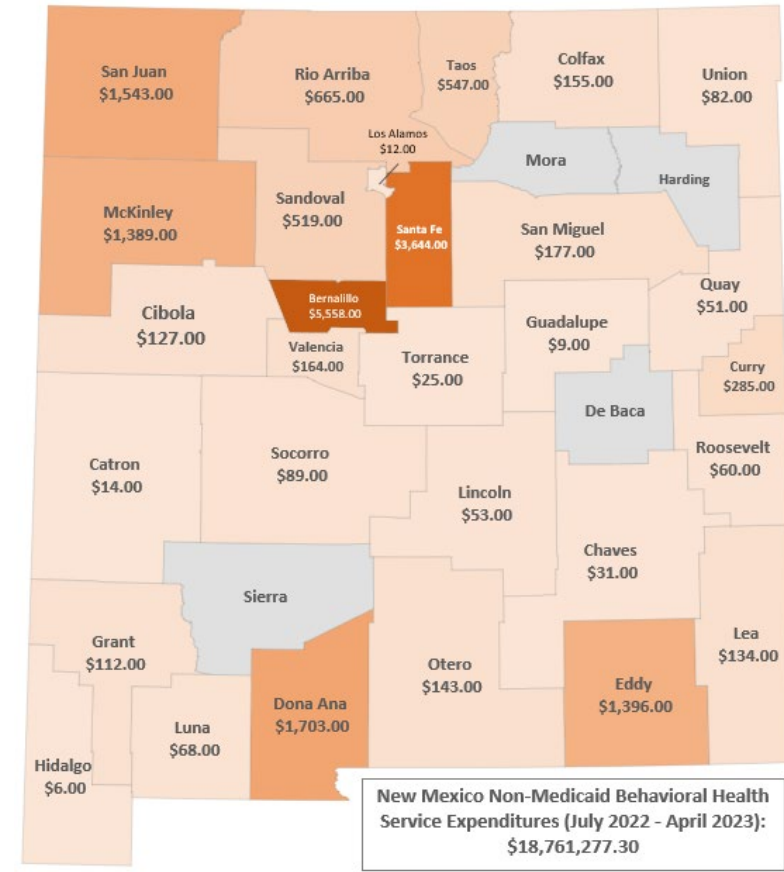
- FY24 Medicaid reimbursement rate increases target parity with 120% of Medicare rates.
  - Rates organized into 3 subcategories across dollar distributions and total percentage increases.
- Rate increases are effective 7/1/2023.
- MCOs will be directed to treat the FFS fee schedule as the floor, requiring they pay providers no less than the FFS rates published.

Medicaid Service Subgroup	Total CY2019 Medicaid Managed Care Expenditures (Includes Top 20 and All Other Procedure Codes)	Estimated Dollars for Provider Rate Increases	Weighted Average MC Reimbursement Rate Increase by Service Subgroup (by MC Utilization)	Weighted Average FFS Rate Increase by Service Subgroup (by MC Utilization)	Number of Procedure Codes Impacted
General Behavioral Health	\$ 128,926,500	\$ 28,568,861	17.10%	12.77%	96
Opioid Treatment Program	\$ 25,293,012	\$ 2,574,434	10.18%	9.08%	4
Applied Behavioral Analysis	\$ 19,536,211	\$ 2,202,501	11.69%	9.08%	27
<b>All Behavioral Health</b>	<b>\$ 173,755,723</b>	<b>\$ 33,345,795</b>			<b>127</b>

# LEVERAGING NON-MEDICAID FUNDING TO TRANSFORM BEHAVIORAL HEALTHCARE IN NM

- HSD's Behavioral Health Services Division (BHSD) is NM's Mental Health and Substance Use State Authority, developing and implementing holistic strategies for behavioral health promotion in collaboration with Medicaid, other state agencies, and community partners.
- Non-Medicaid dollars align behavioral health service delivery with services covered by Medicaid, providing care to New Mexicans who do not qualify for Medicaid or are under/uninsured.
  - Funding includes federal and state funds for in and out-patient behavioral health services.
  - Funding also supports prevention initiatives, harm reduction, peer lead recovery wellness centers, traditional Native American services, training and workforce development, and innovative App-based treatment and recovery-based services.

**New Mexico Non-Medicaid Behavioral Health Service Expenditures SFY23 (July 2022-April 2023)**



*Note: Non-Medicaid refers to individuals who may have insurance, yet the services are not covered, thus state general and federal funding sources cover these services.  
Source: Falling Colors Executive Summary Report, April 2023.*

# FY24 BEHAVIORAL HEALTH SERVICES DIVISION RATE INCREASES

- HSD raising non-Medicaid behavioral health reimbursement rates from 85% of Medicaid to 90%, reducing the discrepancy between payments for services ineligible for Medicaid and/or other forms of insurance.
- Increasing these rates will ensure providers are appropriately reimbursed for services ineligible for Medicaid, strengthening the provider network, and improving overall health and well-being of New Mexicans.
- 216,488 adults were served through behavioral health programs in 2022, with 28,867 served through non-Medicaid funds (8.7% increase from 2021).
  - Additional increases expected in 2023 as the Public Health Emergency ends.

## Non-Medicaid BH Rate Increase - General Fund and Federal Fund FY23-24 (thousands)

	FY23- Increase to 85%	FY24 – Increase to 90%	Total
General Funds	\$1,250.0	\$1,200.0	\$2,450.0
Federal Funds	\$0	\$0	\$0
Total	\$1,250.0	\$1,200.0	\$2,450.0



# MISSION

*To work collectively to improve the lives of New Mexicans by ensuring that Behavioral Health care is accessible, of high quality, collaborative, fiscally responsible, and meets the needs of our diverse population*

## GOALS



**We connect people to supports**

1. Strengthen and expand services to ensure a coordinated system of care.



**We help families and communities**

2. Develop community based mental health services for kids and families.



**We treat the whole person**

3. Effectively address substance use disorder.



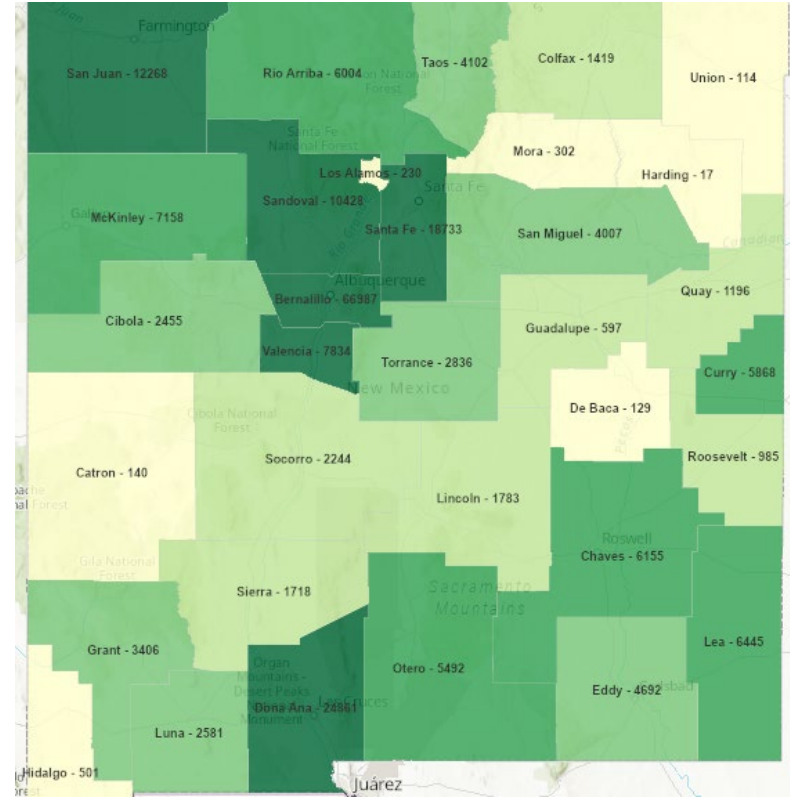
**We advance social equity**

4. Effectively address behavioral health needs of justice-involved individuals.

# BEHAVIORAL HEALTH COLLABORATIVE FY24 OPERATING BUDGET

- FY24 Operating Budget for BHC agencies is \$1,036,943.5 (46.2% increase from FY23).
  - Goal 1: BH service provision at Turquoise Lodge and NM BH Institute, Suicide prevention (DOH & IAD)
  - Goal 2: Evidence-based, home visiting services, Infant and early childhood mental health services (ECECD & CYFD)
  - Goal 3: Narcan and Fentanyl Strip Distribution, Substance use prevention and recovery services (DOH, HSD, HED)
  - Goal 4: Clinical services, supportive housing, reentry services, and drug, mental health and family courts (NMCD & AOC)

Adults Served by Medicaid and Non-Medicaid Behavioral Health, State Fiscal Year (SFY) 22 (213,687)



FY23 OPERATING BUDGET (thousands)				FY24 OPERATING BUDGET (thousands)				% Change			
GF	OSF	FF	TOTAL	GF	OSF	FF	TOTAL	GF	OSF	FF	TOTAL
\$283,952.2	\$40,583.1	\$599,591.2	\$924,126.5	\$309,070.8	\$50,476.0	\$677,396.7	<b>\$1,036,943.5</b>	8.8%	24.4%	13.0%	46.2%

Map Source: <https://nmcdc.maps.arcgis.com/home/webmap/viewer.html?webmap=40ebcad9d64d472e85962c42bb9e1df0>



# \$20M FOR CHILDREN'S BEHAVIORAL HEALTH

Agency	Initiative	Estimated Number of New Mexicans Served	Benefit	SFY'24 Amount	SFY'25 Amount
CYFD	Thriving Families Plan Family Resource Centers	Rio Arriba County: Under 5 pop= 2,158/Minors=8,769 Valencia County: Under 5 pop= 4,320/Minors=17,934 Dona Ana County: Under 5 pop=13,600/Minors=52,954	Decrease in repeat maltreatment, improved parental health and emotional well- being, families increased connections and engagement of community resources.	\$ 3,000,000	\$ 3,000,000
CYFD	Children in State Custody (CISC) Placement Stabilization (Foster Care +)	Year 1 pilot to initially serve approx. 5 children/youth and kinship/resource families, with plan to expand.	Immediate placement and stabilization option for children/youth with high BH needs impacting ability to stabilization in other settings.	\$ 1,500,000	\$ 1,500,000
CYFD	Immediate Placement TFC Respite Placements	Approx. 1,500 bed nights per year	Immediate placement and stabilization option for children/youth with high BH needs impacting ability to stabilization in other settings.	\$ 500,000	\$ 500,000
CYFD	Immediate Placement Crisis Stabilization Services	Each Crisis Stabilization provider will serve approx. 60-120 children/youth per year, depending upon community need.	Multi-service Community Home stay/care that is trauma informed, family and youth driven, culturally and linguistically competent and strengths-based to safely assess, stabilize, and mobilize the most permanent placement option for children and youth in PS custody or under their care or supervision.	3,000,000	1,500,000
CYFD	Trauma Responsive Training	Approx. 1,250 providers, staff, community members, Resource Parents, school staff per year	Training on understanding trauma, how to engage with individuals affected by traumatic experiences, and how to help with regulation.	\$ 600,000	\$ 600,000
		Approximately 200 providers, staff, community members, Resource Parents, school staff per year	Trauma-responsive and trauma-informed approach of providers and community members working with children, youth and families.	\$ 300,000	\$ 300,000
		See above	Logistics coordination and participant registration/follow-up.	\$ 200,000	\$ 200,000
CYFD	Mobile Response and Stabilization Services (MRSS)	Approx. 900 calls per year	Development of MRSS provider network. Reduction in placement disruption, emergency room visit, or other crisis placements.	\$ 500,000	\$ 500,000
HSD	Native American Services Program	Approx. 500 children served per year	Nearly 500 Native American youth will be served through the funding attached to the Native American Services RFA and allocation process.	\$ 574,527	\$ 700,000
CYFD	Evidence-Based Practice (EBP)/ Priority Services Incentives to start new programs	MST: Team of 4 clinicians = approx. 60 clients/yr. FFT: Team of 5 clinicians = approx. 140 clients/yr. FPSS/YPSS: Approx. 40 families each worker/yr. HFW: Team of 1 Sup/2 Facilitators= approx. 25 clients/yr.	Increased number of providers implementing services statewide; Increased access to services.	\$ 500,000	\$ 500,000
<b>SFY ANNUAL TOTAL</b>				<b>\$ 10,674,527</b>	<b>\$ 9,300,000</b>
<b>FY24-FY25 Funds Available</b>					<b>\$20,000,000.00</b>
<b>FY24-25 GRAND TOTAL</b>					<b>\$19,974,527.00</b>
<b>BALANCE</b>					<b>\$25,473.00</b>

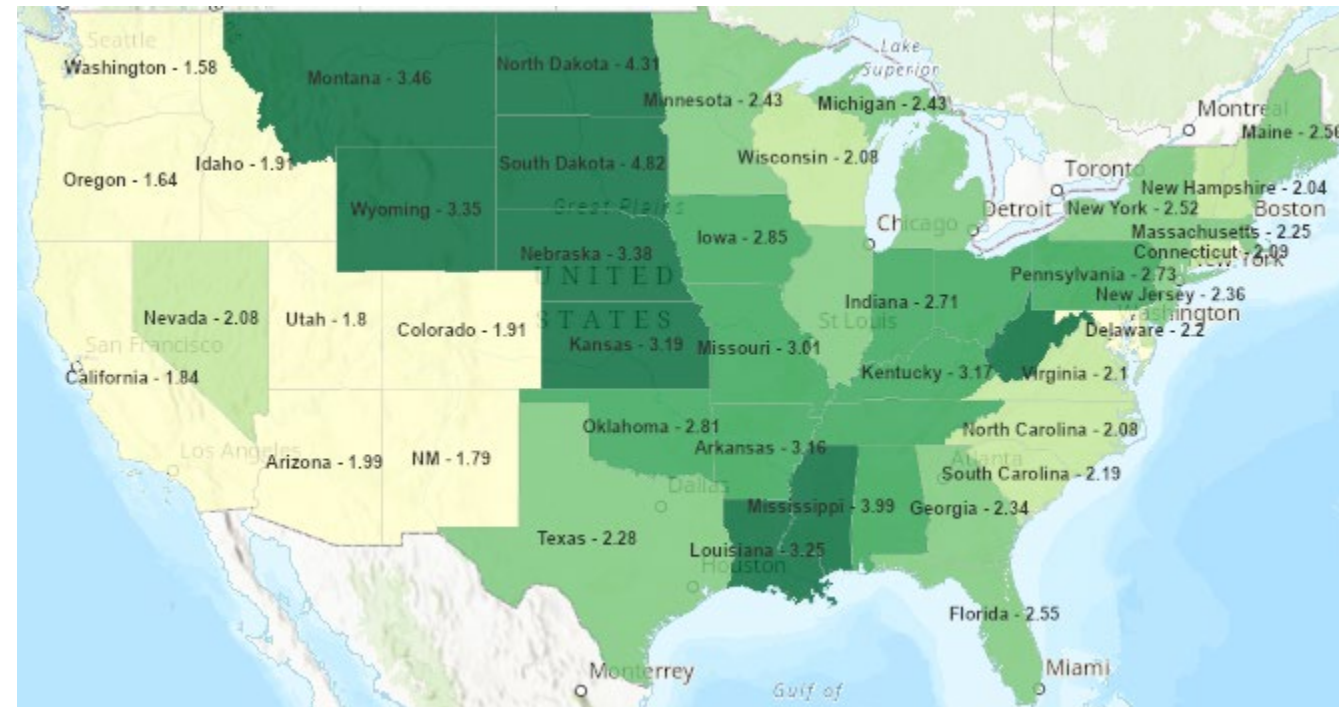


# RURAL HEALTHCARE DELIVERY FUND

- \$80M appropriated to HSD for FYs 24-26
- Fund provides start-up grant funding for new or expanded services in rural NM counties.
- **Providers encouraged to respond to non-binding Interest Survey\* by 7/30/23 to outline funding need and service areas.**
- HSD will release RFA in September.
  - HSD will notify funding recipients in December 2023, with funds released early 2024.

\*<https://www.surveymonkey.com/r/SP2KGT7>

Hospital General Beds by State per 10,000 Population, 2020



Source:

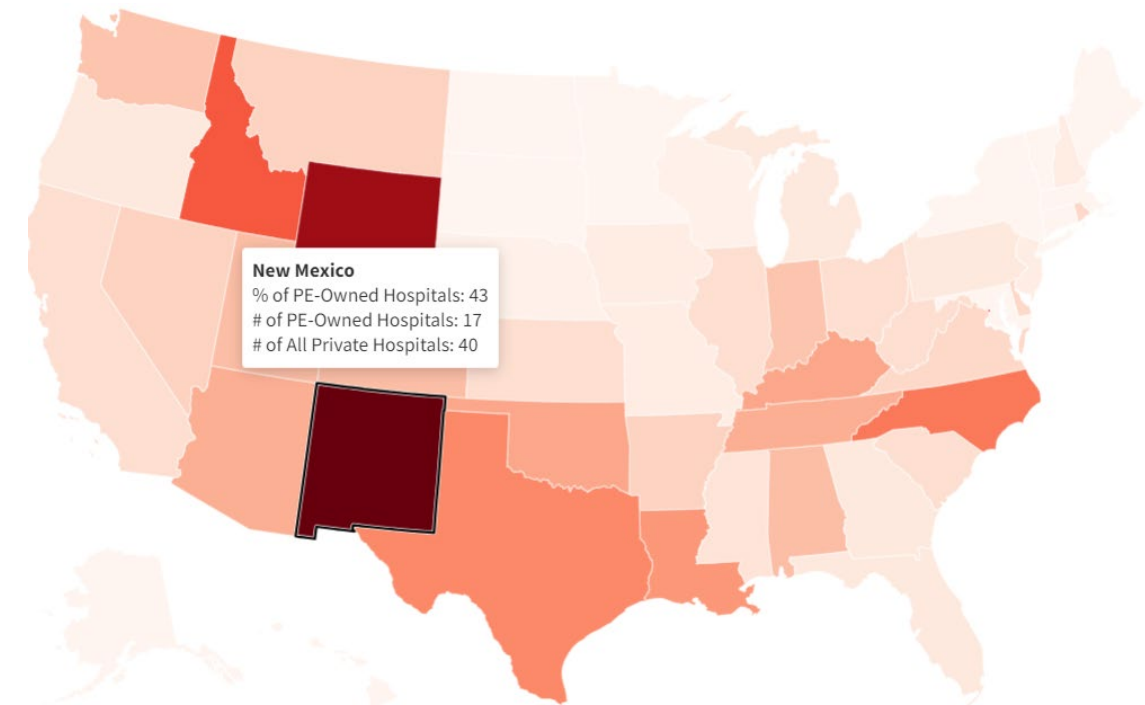
<https://nmcdc.maps.arcgis.com/home/webmap/viewer.html?webmap=dc5a4b4a10f5458c8cccd1160c55710a>

# PRIVATE EQUITY & HEALTHCARE

- Private equity (PE) acquisitions of hospitals and clinics (including behavioral health) on the rise, and little is known about the long-term effects on patient care and the workforce.
  - A PE deal may allow physician-owners to retain equity and benefit financially while introducing management and administrative efficiencies.
- 2022 study\* of specialty practices found PE-acquired physician practices exhibited an average 20.2% increase charged per claim, increased their patient volume by 25.8%.
- PE-acquisitions not required to be disclosed unless they exceed \$114 M.
- Several states (PA, RI are considering legislation that restrict PE-backed purchases of healthcare facilities, require disclosure of purchases, and instill quality safeguards for patients and healthcare workers.

\*<https://jamanetwork.com/journals/jama-health-forum/fullarticle/2795946>

## Density of Private Equity-Owned Hospitals (NM ranks 1<sup>st</sup> in U.S. at 43%)



Source: [https://pestakeholder.org/private-equity-hospital-tracker/#pe\\_map](https://pestakeholder.org/private-equity-hospital-tracker/#pe_map)

# HOSPITAL VALUE-BASED PURCHASING & BH MEASURES

- As part of the Hospital Value Based Purchasing program developed by HSD in collaboration with the NM Hospital Association, we've identified **two BH metrics by which to measure quality** in order to assess facility payment.
- These additional quality metrics are designed not only to guarantee that members are being appropriately referred for treatment but also to **incentivize the development of relationships between hospitals and BH providers.**

Measure Name	Measure Steward/ Developer	Hospital Classifications impacted
Screening, Brief Intervention, and Referral to Treatment (SBIRT) Training – structural measures with attestation	State-specific New Mexico	Urban, Rural and Frontier
Care Coordination for Mental Health Emergency Department Visit Follow-Up – structural measure with attestation	State-specific New Mexico	Urban, Rural and Frontier

# MOBILE CRISIS & EVIDENCE BASED PRACTICES (EBP)

- HSD and CYFD developed enhanced rates to implement BH Evidence-based practices (EBPs) and crisis services including:
  - Dialectical Behavior Therapy
  - Multi-Systemic Therapy
  - Trauma-informed Cognitive Behavioral Therapy
  - Functional Family Training
  - Eye Movement Desensitization and Reprocessing therapy
  - Community Based Mobile Crisis Intervention Services
  - Mobile Response and Stabilization for children
- These EBPs proven to help kids and adults manage symptoms like stress, anxiety, and other conditions.
- Providers interested in receiving these rates can visit: <https://centerofinnovationnm.org/nm-ebp/>
- HSD and CYFD also developing Community Mobile Crisis services to provide rapid response, individual assessment, and evaluation and treatment of mental health crisis to individuals experiencing a mental health crisis.

## FY24 Evidence-based Practices & Mobile Response and Stabilization Services OpBud

FY24 GF	FY24 FF	Total
\$5,913,587	\$13,500,592	\$19,414,179

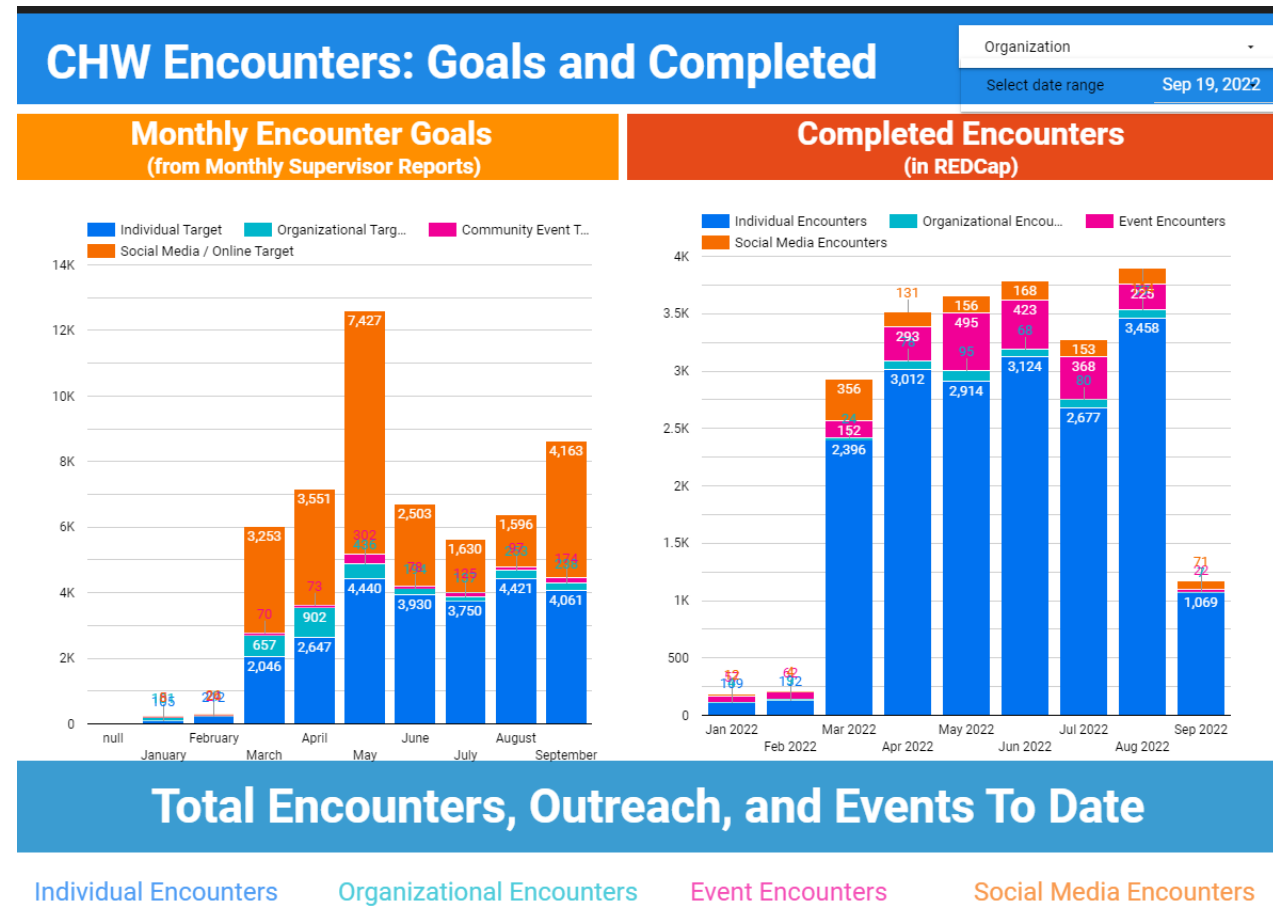
# HIGH FIDELITY WRAPAROUND (HFW)

- High Fidelity Wraparound provides a comprehensive, holistic, youth and family-driven way of responding when children or youth, and their families experience serious mental health and behavioral challenges.
- In 2017, New Mexico conducted a demonstration pilot project to evaluate the impact of the High-Fidelity Wraparound (CYFD-Coop Consulting 2019). Those youth who discharged successfully from Wraparound reported:
  - 56% increase in community supports;
  - 58% decrease in child welfare involvement;
  - 60% increase in nurturing parenting;
  - 77% improvement in overall child health;
  - 65% increase in positive behavior;
  - 62 % increase in improvement in safety;
  - 73% increase in school or work function.
- HSD has received approval of HFW in the 1115 Waiver amendment 2 and has an implementation date of July 1st, 2023.



# COMMUNITY HEALTH WORKER, COMMUNITY HEALTH REPRESENTATIVE & *PROMOTORAS DE SALUD* MEDICAID REIMBURSEMENT

- Beginning July 1, 2023 services provided by CHW, CHR, and *Promotoras* eligible for Medicaid reimbursement.
  - To qualify for reimbursement, professionals will need certification from NMDOH.
  - Will be able to bill as independent providers or within a group.
- CHWs, CHRs, and *Promotoras* provide key services such as health education, coaching, navigation, screenings and assessments, and advocacy.
- Research demonstrate that patients who use CHWs, CHRs, and *Promotoras* have seen:
  - Reduced urgent care visits saving between \$1316-1849 per patient (monthly);
  - Reduction in acute care use (e.g., hospitalizations, ED visits, readmissions);
  - Improved diabetes and asthma control; and,
  - Reductions in cholesterol and blood pressure.



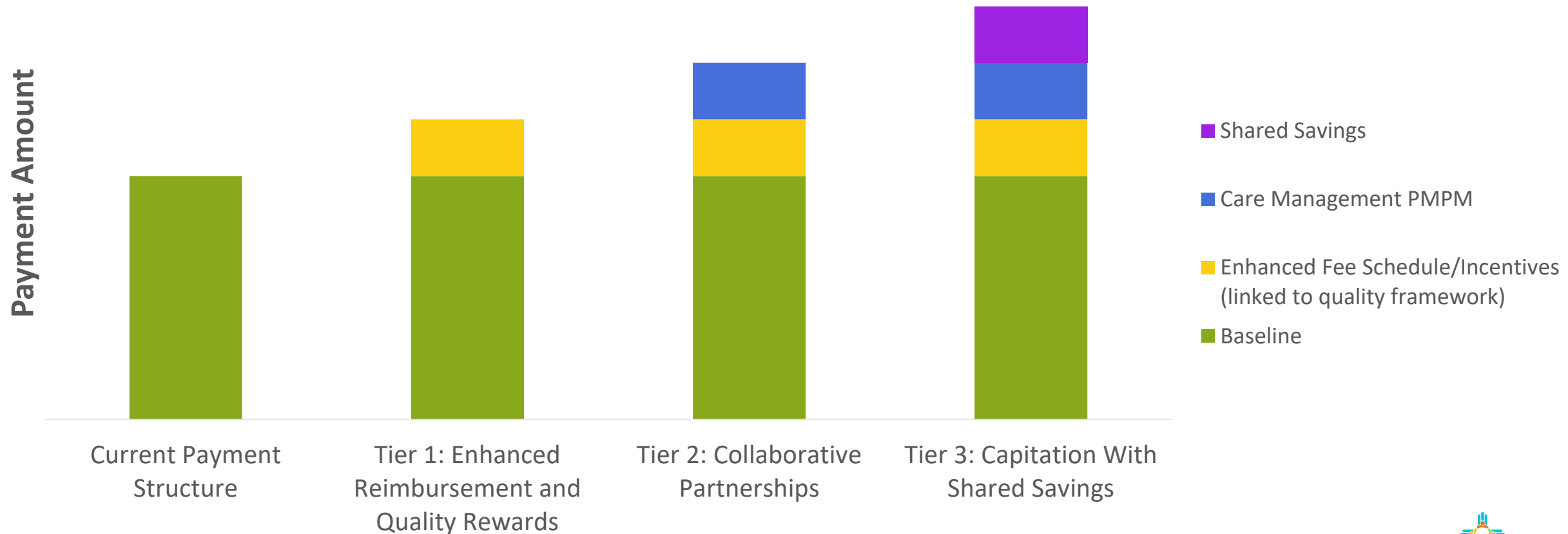
**Total Encounters, Outreach, and Events To Date**

Individual Encounters    Organizational Encounters    Event Encounters    Social Media Encounters



# NEW MEDICAID & MEDICARE PRIMARY CARE PAYMENT MODELS INCENTIVIZE BH INTEGRATION AND PROVIDE FINANCIAL SUPPORTS

## Medicare & Medicaid Primary Care Payment Reform Payment Tier Structure

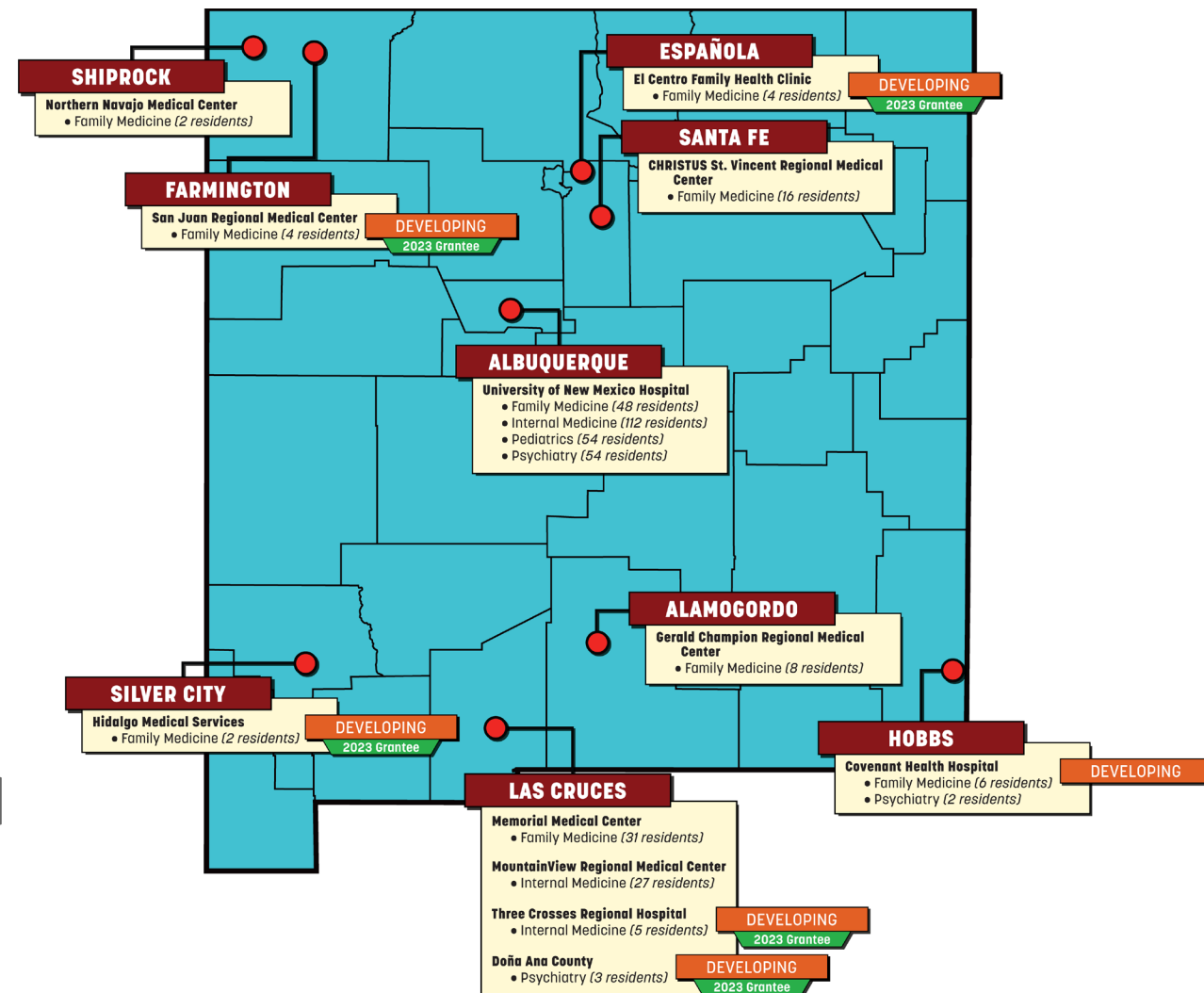


*\*\*Chart is for illustrative purposes only and does not indicate actual dollar amounts, percentages, or required/actual payment types.*

# PRIMARY CARE & PSYCHIATRY RESIDENCY EXPANSION

- Over a 5-year period, starting in 2019, accredited primary care residencies expected to grow, from 8 to 16 (100% increase).
- Number of primary care residents in training will increase from 142 to 264 (86% increase) during this 5-year period.
- Number of graduates each year will grow from 48 to 82, a 71% increase.
- Residencies continue to be developed in counties with high numbers of Medicaid customers, including FQHC-led residencies.

Primary Care Residency Programs, 2023



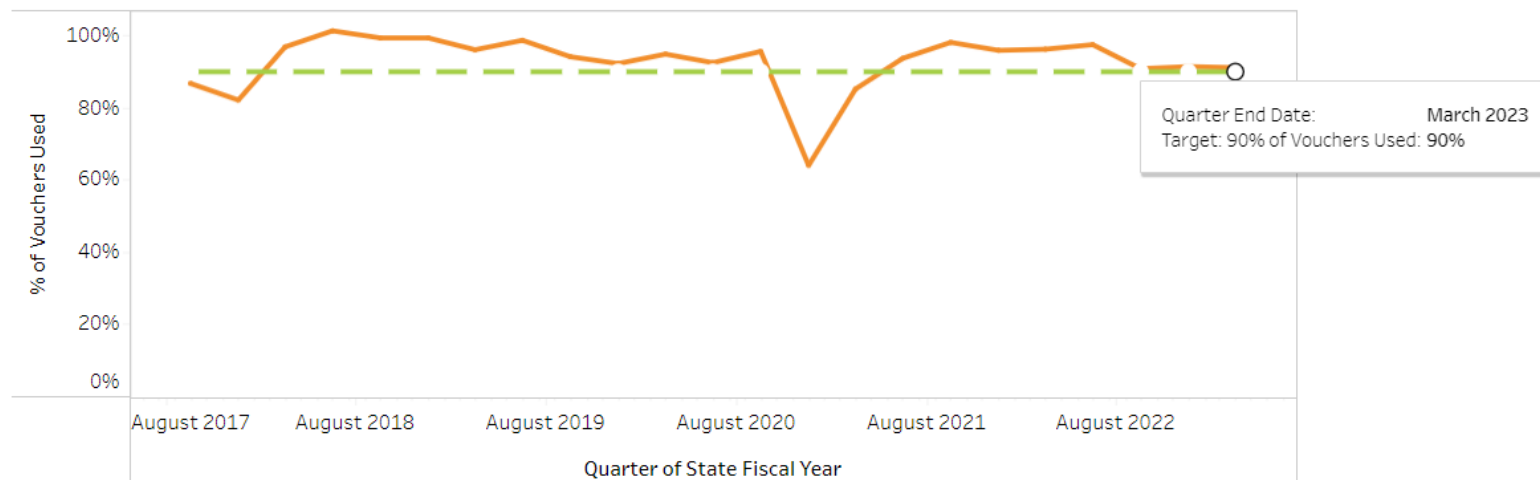


# MEDICAID 1115 WAIVER RENEWAL EXPANDING ACCESS TO SUPPORTIVE HOUSING

- Homelessness continues to be a growing problem in New Mexico, and many individuals experiencing homelessness have behavioral health needs that create barriers to obtaining and maintaining safe and stable housing.
- The state intends to continue providing pre-tenancy and tenancy support services to individuals who are part of the Linkages Supportive Housing Program and increase the capacity of this program to serve additional members.

As a person with behavioral health (BH) issues and housing insecurity, what are the chances I will get assistance with securing stable housing through the Behavioral Health Services Division's (BHSD's) supportive housing programs and services?

(↑good)



Source: <https://sites.google.com/view/nmhsdscorecard/goal-1/BH>

# MEDICAID 1115 WAIVER RENEWAL EXPANDING ACCESS TO JUSTICE-INVOLVED NEW MEXICANS

## MEDICAID SERVICES FOR HIGH-NEED JUSTICE-INVOLVED POPULATIONS 30 DAYS BEFORE RELEASE

- NM is seeking federal approval to provide active Medicaid coverage and a targeted set of benefits 30 days prior to exiting incarceration.
  - This population includes incarcerated persons in state prisons, local jails, youth correctional facilities, DOH forensic unit state hospitals, tribal holding facilities, or tribal jails with a serious mental illness, serious emotional disturbance, or substance use disorder.

## WHY PRIOR RELEASE COVERAGE IS NEEDED

- 21% of U.S. adults experienced mental illness in 2020, and for incarcerated people, those rates are much higher.
  - American Psychological Association\* reports 64% of people in jail, 54% of individuals in state prison, and 45% of those in federal prisoner have mental health needs.
  - Approximately half of individuals in U.S. jails and over one third of those in prisons have a mental illness diagnosis.\*\*

\*<https://www.apa.org/monitor/2014/10/incarceration#:~:text=Mental%20illness%20among%20today's%20inmates,rampant%20and%20often%20co%2Doccurring>

\*\*[https://cops.usdoj.gov/html/dispatch/05-2022/mental\\_health\\_reentry.html](https://cops.usdoj.gov/html/dispatch/05-2022/mental_health_reentry.html)

# YU FAMILY JUNE 2024\*

- Emma, Daniel, and Nick's SNAP and Medicaid coverage is renewed and Nick is closer to regaining custody of his children.
- Emma is receiving the behavioral health treatment she needs after local providers received financial supports from Medicaid to become trained and certified in evidence-based behavioral health practices.
- Family's interactions with CYFD staff and CYFD-affiliated providers increasingly helpful and positive due, in part, to extensive trauma-responsive trainings providers and staff received.
  - Nick's health and wellbeing is improving as a result of lifestyle changes and behavior changes he learned from participating in the Thriving Families program.
  - The family therapy and increased, positive visitations make reunification with Nick and his children more hopeful.
  - Peter and Sara receiving support from CYFD, including resource family funding and training, and respite care.
  - Nick is also receiving parenting skills and supports resources from CYFD.
  - Emma: intensive care coordination via HFW and placement prevention helps prevent need for higher level of care





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QUESTIONS & COMMENTS

*INVESTING FOR TOMORROW, DELIVERING TODAY.*



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## APPENDIX

*INVESTING FOR TOMORROW, DELIVERING TODAY.*

# HSD LEADERSHIP TEAM



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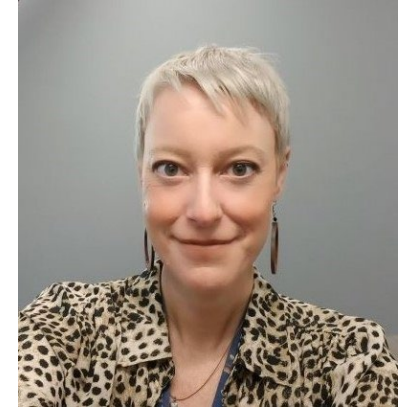
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# ARE WE SPENDING TOO MUCH ON MEDICAID?

New Mexico ranks 48<sup>th</sup> out of 54 states and territories in total Medicaid expenditures per recipient at \$6,712 per year, averaged across all programs.

**Annual Per Capita Medicaid Expenditures: NM Relative to US Median and Minimum**



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# MEDICAID BUDGET UPDATE: EXPENDITURES

- This projection presents a 4-month MOE unwinding of ineligible population
- Estimated expenditures in FY22 are \$8.44 billion
- Estimated expenditures in FY23 are \$8.90 billion
- Estimated expenditures in FY24 are \$9.30 billion

Budget Projection – Expenditures (\$000s)	FY2022	FY2023	FY2024
Fee-For-Service	895,607	979,652	989,068
DD & MF Traditional, and Mi Via Waivers	553,131	635,691	776,372
Centennial Care MCO	6,743,361	6,996,032	6,675,266
Medicare	234,546	256,374	282,997
Other	14,019	35,207	578,257
<b>Total Projection (3/1/23)</b>	<b>8,440,664</b>	<b>8,902,955</b>	<b>9,301,960</b>
<b>Prior Projection (11/30/22)</b>	<b>8,468,692</b>	<b>8,877,217</b>	<b>9,118,922</b>
<b>Change from Prior (\$)</b>	<b>(28,028)</b>	<b>25,739</b>	<b>183,039</b>
<b>Change from Prior (%)</b>	<b>-0.3%</b>	<b>0.3%</b>	<b>2.0%</b>

FY24 HB2 Phase 1/Phase 2 – Hospital and Provider Rate increases; including BH services.

\*The current quarterly budget projection is updated with data through March 31, 2023.  
 \*\* Consolidated Appropriations Act, 2023, Section 5131 provides transition phase-down for the temporary FMAP increase of 6.2% in effect during the PHE. The quarterly transitioning recognizes 6.2% in Q/E March 2023; 5.0% in Q/E June 2023; 2.5% in Q/E Sept 2023; and 1.5% in Q/E Dec 2023.

# MEDICAID BUDGET UPDATE: REVENUES

- Estimated state revenue surplus in FY22 is \$20.8 million
- Estimated state revenue surplus in FY23 is \$68.4 million
- Projected state revenue shortfall in FY24 is \$10.7 million

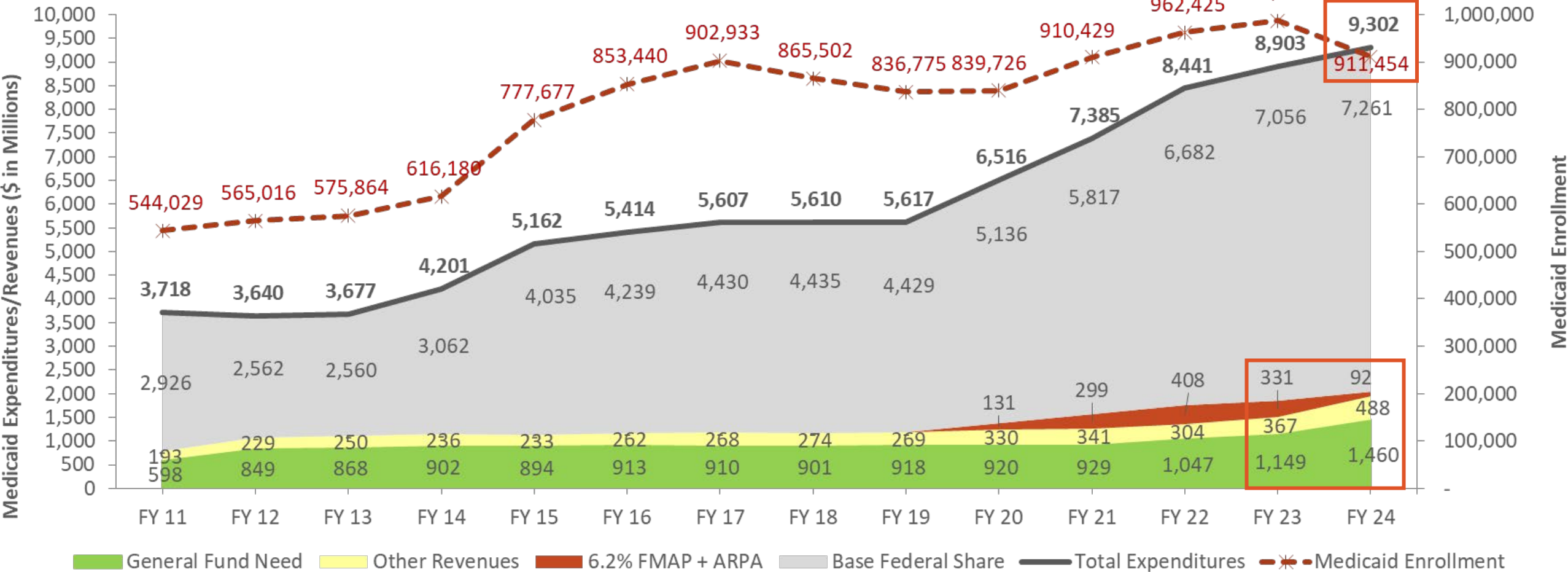
Budget Projection – Revenues (\$000s)	FY2022	FY2023	FY2024
Federal Revenues	7,064,330	7,351,395	7,307,982
All State Revenues	1,332,302	1,493,997	1,929,458
Operating Transfers In	171,591	244,574	368,538
Other Revenues	114,136	100,216	100,430
General Fund Need	1,046,576	1,149,207	1,460,491
HB2 Appropriation	1,043,385	1,185,902	1,428,450
GF to support HIPS*	23,979	31,755	21,300
State Revenue	20,788	68,450	(10,741)
Surplus/(Shortfall)			
Change from Prior (\$)	4,859	(9,690)	220,567
Change from Prior (%)	0.5%	-0.8%	15.1%

\*HIPS= Health Insurance Premium Surtax

Add. FMAP:  
FY23: 6.2% Q3,  
5% Q4  
FY24: 2.5% Q1,  
1.5% Q2

# FEDERAL REVENUE SUPPORTING MEDICAID PROGRAM

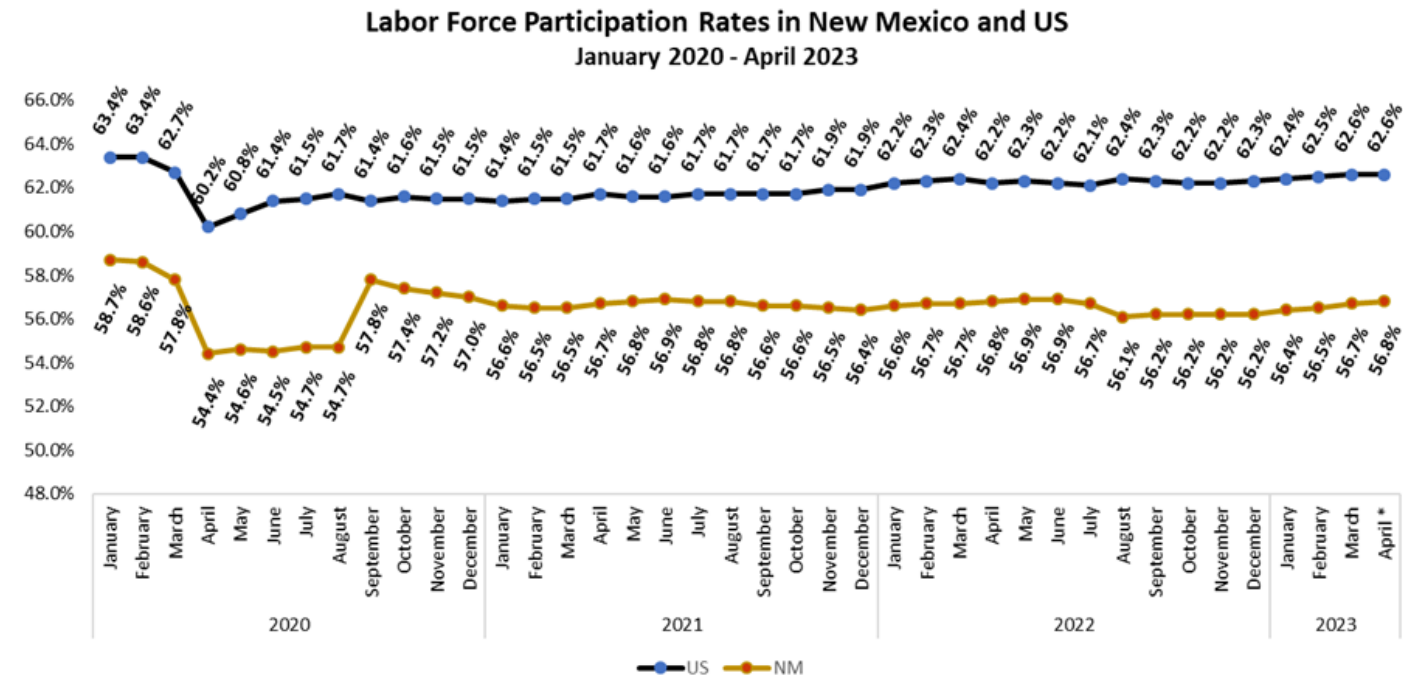
## Total Medicaid Enrollment, Expenditures and Revenues



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# MEDICAID-CHIP ENROLLMENT DRIVERS

- Reach 42.1% of NM pop. (2.1 million)
  - 157,333 increase in membership since Feb. 2020
  - 0.3% bump in workforce participation over the year (56 -> 57%), employer-based coverage about 40%
- Expected changes:
  - Processing eligibility redeterminations
  - Procedural/financial closure activity
  - Category of Eligibility transitions/churn



# MEDICAID FMAP AND EFMAP INCREASE IMPACT

## Federal Fiscal Year FMAP Changes

	FFY 2023 7-9/2023 2.5% Policy Adjusted			FFY 2024 10-12/2023 1.5% Policy Adjusted			FFY 2024 Post MOE 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)	75.76%	24.24%	3.13	74.09%	25.91%	2.86	72.59%	27.41%	2.65
EFMAP	83.03%	16.97%	4.89	81.86%	18.14%	4.51	80.81%	19.19%	4.21
Other Adult Group (CY21)	90.00%	10.00%	9.00	90.00%	10.00%	9.00	90.00%	10.00%	9.00
	<b>SFY 2024 Policy Adjusted FFP</b>								
<b>State FY 2024 Blended FFP</b>	78.56%	21.44%	3.67						

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