



HUMAN SERVICES DEPARTMENT

BEHAVIORAL HEALTH VALUE BASED PURCHASING
IMPROVING ACCESS TO SERVICES IN NEW MEXICO

CABINET SECRETARY DAVID R. SCRASE, M.D.



GOVERNOR MICHELLE LUJAN GRISHAM

Secretary David Scrase, M.D.
Human Services Department

Secretary Kathy Kunkel
Department of Health


Secretary Katrina Hotrum-Lopez
Department of Aging and Long-Term Services

Secretary Brian Blalock
Children, Youth and Families Department




Program	New Mexicans Served as of June 2019	FY20 Budget General Fund (GF, 000)	% of GF Budget	FY20 Budget GF + Fed (000)	% of Total Budget
Medicaid (managed + FFS)	824,888	985,537.4	88.70%	5,949,158.8	83.27%
SNAP	446,216	0.0	0.00%	660,000.0	9.24%
TANF	28,037	87.0	0.01%	140,049.9	1.96%
CSED	214,603	7,927.1	0.71%	31,871.1	0.45%
Other Programs	212,230	117,523.2	10.58%	363,576.3	5.09%
TOTAL	*948,479	1,111,074.7	100.00%	7,144,656.1	100.00%

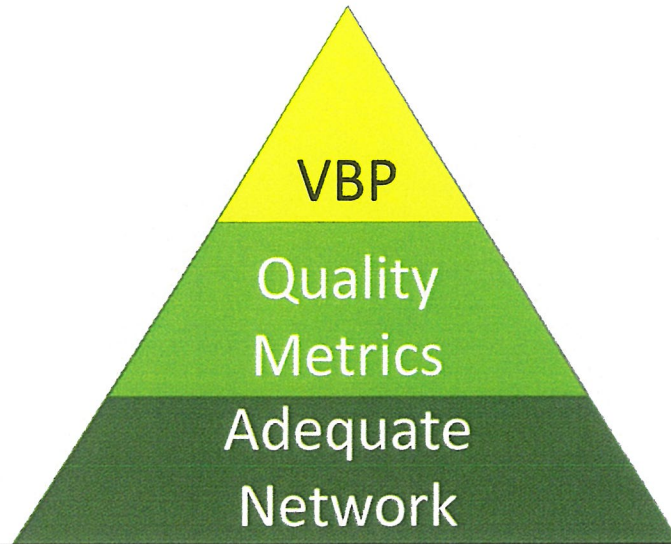
*Total Unduplicated Recipients



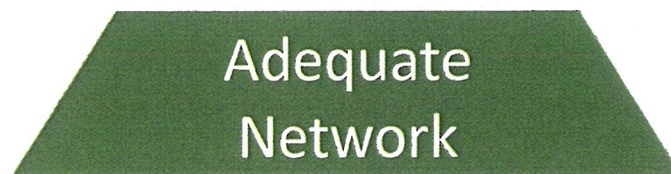
BEHAVIORAL HEALTH COLLABORATIVE GOALS

1. Rebuild the BH provider network in New Mexico (HSD)
 2. Develop community based mental health services for kids (CYFD)
 3. Effectively address substance use disorder in NM (DOH)
 4. Develop effective solutions for justice-involved individuals with BH disorders (Governor's staff, Aging, Corrections)
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MASLOW'S HIERARCHY OF PROVIDER REIMBURSEMENT




MASLOW'S HIERARCHY OF PROVIDER REIMBURSEMENT



OIG REPORT ON BEHAVIORAL HEALTH ACCESS FOR MEDICAID ENROLLEES IN NEW MEXICO

- Released this week
- Identifies BH provider shortages in every county





**U.S. Department of Health and Human Services
Office of Inspector General**

Provider Shortages and Limited Availability of Behavioral Health Services in New Mexico's Medicaid Managed Care

OIG-02-17-00490
September 2019
oig.hhs.gov

Joanne M. Chedi
Acting Inspector General





SEP 16 2019

The Honorable Michelle Lujan Grisham
Office of the Governor
400 N. Santa Fe Trail, Room 300
Santa Fe, NM 87501

Dear Governor:

I enclosed please find the report, *Provider Shortages and Limited Availability of Behavioral Health Services in New Mexico's Medicaid Managed Care* (HHS-02-17-00490). The report responds to your request when you were on the United States House of Representatives in 2016 to take care of the behavioral health provider shortages in New Mexico and the availability of care to Medicaid managed care enrollees. A similar letter is also being sent to Senator (S) Bill, Senator (S) Mark, and Representative (R) Lynn, who had also requested this work.

The report found that many counties in New Mexico have the highest behavioral health provider-to-Medicaid managed care enrollees, and that these providers are severely deficient with rural and border counties having fewer providers and patients. Further, a significant number of these providers do not work Medicaid managed care contracts.

In addition, most of the State's licensed behavioral health providers serving Medicaid managed care enrollees work in behavioral health organizations, however, these organizations report challenges in finding and retaining staff, as well as increasing transparency for enrollment. These challenges, along with the continued closure of care, along limited care coordination and lack of integration of primary and behavioral health care, provider shortages, and barriers to information sharing, lead to a lack of access to treatment.

As part of this report, we made several recommendations to the New Mexico Human Services Department which seek to expand the State's behavioral health workforce serving Medicaid managed care enrollees, improve access to behavioral health services, and improve the effectiveness of behavioral health care.

We will be pleased to provide a briefing to you or your staff on the results of our work. If you have any questions, please contact me, or your staff via e-mail (Joanne.Chedi@hhs.gov) or by telephone (505) 755-3000.

Sincerely,
Joanne M. Chedi
Joanne M. Chedi
Acting Inspector General

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NEW MEXICO HAS 2,665 LICENSED BEHAVIORAL HEALTH PROVIDERS THAT SERVE NEARLY 670,000 MEDICAID MANAGED CARE ENROLLEES

2,665
Behavioral health providers licensed and providing services in New Mexico

<p>328 Independently licensed, prescribing behavioral health providers</p> <ul style="list-style-type: none"> 202 Psychiatrists 94 Advanced practice nurses 32 Prescribing psychologists 	<p>1,872 Independently licensed, non-prescribing behavioral health providers</p> <ul style="list-style-type: none"> 976 Independently licensed counselors and therapists 584 Independently licensed social workers 274 Independently licensed non-prescribing psychologists 38 Independently licensed substance use counselors 	<p>465 Non-independently licensed behavioral health providers</p> <ul style="list-style-type: none"> 250 Non-independently licensed counselors and therapists 198 Non-independently licensed social workers 13 Non-independently licensed registered nurses 4 Non-independently licensed substance use counselors
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ONLY 30% OF NM BEHAVIORAL HEALTH PROVIDERS SERVE MEDICAID MANAGED CARE ENROLLEES

- Many of the State's licensed behavioral health providers do not serve Medicaid managed care enrollees
- Shortages of behavioral health providers are a problem that affects behavioral healthcare for all populations, not just for its managed care enrollees.
- A study of the New Mexico healthcare workforce found that 9,528 behavioral health providers had active licenses in the State in 2016.
- The smaller number of providers that we identified—just 2,665 providers or 30 percent—indicates that many behavioral health providers in New Mexico do not provide services to Medicaid managed care enrollees.



MORE THAN HALF OF NEW MEXICO'S COUNTIES HAVE FEWER THAN 2 LICENSED PROVIDERS PER 1,000 ENROLLEES; ALL OF THESE COUNTIES ARE RURAL OR FRONTIER

Number of licensed behavioral health providers per 1,000 Medicaid managed care enrollees

- 0 providers
- Fewer than 1 provider
- Between 1 and 2 providers
- Between 2 and 4 providers
- Between 4 and 7 providers
- Greater than 7 providers

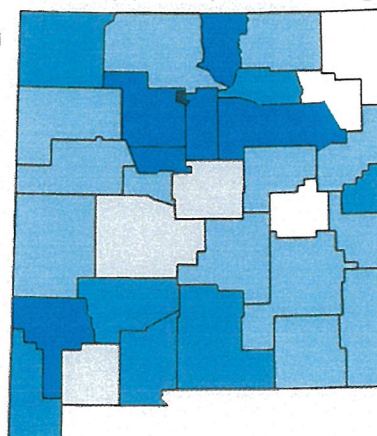


Exhibit 3: Rural and frontier counties have a lower median number of providers and prescribers.

County Type	Median Number of Behavioral Health Providers per 1,000 Enrollees	Median Number of Prescribing Behavioral Health Providers per 1,000 Enrollees
Urban	6.4	0.7
Rural	1.8	0.2
Frontier	1.5	0.0

Source: OIG analysis of State Medicaid data, 2019.

62% OF NM BEHAVIORAL HEALTH PROVIDERS WORK IN BEHAVIORAL HEALTH ORGANIZATIONS

- However, these organizations report challenges with finding and retaining staff
- Of these BHOs, one in three did not have a prescriber on staff
- Two in three BHOs did not have a provider specializing in substance use disorders on staff
- Most of the BHOs in need of additional staff are located in rural and frontier areas
- BHOs further note that staffing challenges affect enrollees with all types of diagnoses

43% OF BHOs REPORT THAT ENROLLEES HAVE DIFFICULTY ACCESSING THE FULL RANGE OF BH SERVICES AT THE FREQUENCY THEY NEED

- Most BHOs (29 of 53) report that they do not have urgent appointments available within 24 hours or routine appointments available within 14 days with providers in their BHO for Medicaid managed care enrollees.
- According to New Mexico’s standards, appointments for urgent conditions must be available within 24 hours and appointments for routine behavioral healthcare must be available within 14 days

More than 40% of BHOs are **unable** to provide:



urgent appointments with prescribers in their BHOs **within 24 hours.**



routine appointments with prescribers in their BHOs **within 14 days.**



Exhibit 4: Behavioral health services includes a variety of services that are generally organized into four categories.

Reporting difficulty arranging:

Recovery and support services

include a range of educational, psychosocial rehabilitation, and supported employment services.

81% (43 of 53)

Non-intensive outpatient services

is the broadest category and includes assessments and therapy for behavioral health conditions and medication assisted treatment for opioid use disorder.

Intensive outpatient services

are sometimes used as an alternative to inpatient psychiatric care, such as applied behavior analysis and intensive outpatient programs for substance use disorder.

79% (42 of 53)

Inpatient and residential services

are the most intensive level of treatment, often requiring 24-hour care in a hospital or group living environment.

74% (39 of 53)

Source: OIG analysis of State documentation on behavioral health services, 2019.

OIG KEY CONCLUSIONS

- Despite the need for behavioral health services—which includes treatments and services for mental health and substance use disorders—**many counties** in New Mexico **have few licensed behavioral health providers** serving Medicaid managed care enrollees.
- These behavioral health providers are **unevenly distributed** across the State, with rural and frontier counties having fewer providers and prescribers per 1,000 Medicaid managed care enrollees.
- Further, a **significant number** of New Mexico's licensed behavioral health providers **do not provide services to Medicaid** managed care enrollees.



OIG KEY RECOMMENDATIONS

1. The Centers for Medicare & Medicaid Services (CMS) **identify States that have limited availability of behavioral health services** and develop strategies and share information with them to ensure that Medicaid managed care enrollees have timely access to these services.
2. The New Mexico Human Services Department **expand New Mexico's behavioral health workforce** that serves Medicaid managed care enrollees.
3. [HSD] should also **improve access to services by reviewing its access to care standards** and by **increasing access to transportation, access to broadband, and the use of telehealth.**



OIG KEY RECOMMENDATIONS

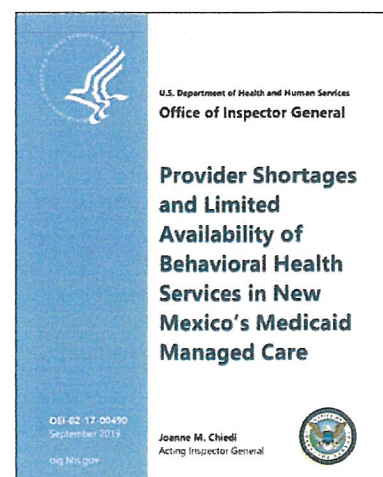
4. Lastly, it should improve the effectiveness of services by **increasing adoption of electronic health records**, identifying and sharing information about **strategies to improve care coordination**, expanding initiatives to **integrate behavioral and primary healthcare**, and sharing information about **open-access scheduling** and the **Treat First Clinical Model**.

Both CMS and the New Mexico Human Services Department concurred with our recommendations.



KEY TAKEAWAY FROM OIG REPORT

- The challenges faced by New Mexico—including provider shortages and limited availability of behavioral health services—are likely shared by other States and will require both State and national attention.



SOLUTIONS

Editorial: Gov. should take lead on access to health care

BY ALBUQUERQUE JOURNAL EDITORIAL BOARD
 Sunday, March 3rd, 2019 at 12:02am

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Is there a doctor in the house? Or at least in the office?

Maybe, but you might have to wait weeks – or longer – to see him or her.

That message came through loud and clear in Journal investigative reporter Colleen Heild's "Feeling the Pain" series. Over two weekends she detailed the shortage of physicians in New Mexico and its impact on people seeking medical help. Journal readers chimed in with their own first-person accounts of their frustrations and long waits to see a doctor for ailments ranging from cancer to gastrointestinal bleeding to simply seeing a primary care doctor.

One study ranks us 48th in the nation for physician access, and some specialties, neurology for example, are in short supply. The shortage is particularly acute in rural New Mexico.



ALBUQUERQUE JOURNAL, FEBRUARY 25, 2019

- Medicaid rate increases
- Fund more NM GME slots
- Increase recruiting efforts and funding
- Expand team and multidisciplinary approaches

Initiatives could bolster NM's physician ranks

BY COLLEEN HEILD / JOURNAL INVESTIGATIVE REPORTER
 Published Monday, February 25th, 2019 at 12:02am
 Updated Monday, February 25th, 2019 at 12:25am

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MORE INFO

- Physicians join efforts to help fix physician shortage
- Part 1: Exam of the pain where patients are waiting for medical care
- Part 2: A look at some strategies to fix it
- Part 3: AMT takes families including nurses



Medical residents. From left, Gavin Allen, Lina Rivasola, and Tarek Saadatujihi consult with each other on the intensive care floor of University of New Mexico Hospital. (Jim Thompson/Albuquerque Journal)

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MEDICAID BEHAVIORAL HEALTH PROVIDER NETWORK ENHANCEMENT STRATEGIES

- Execute strategic BH provider rate increases and new payment methodologies
- Settle BH Lawsuits
- Simplify credentialing
- Expand primary care and psychiatry training slots in NM
- Expand and invest in telehealth models (Project ECHO, UNM Access, other ACCESS programs)
- Loan forgiveness expansion
- Expand value based purchasing to improve outcomes
- Provide help with service start-up
- Create a Medicaid provider network analysis for the State of NM using existing DOH, UNM, and other data
 - Identify and prioritize gaps in network
 - Make selective and strategic investment to broaden access
 - Behavioral Health
 - Primary Care
 - Rural healthcare (30% of Medicaid)
 - Others as identified by network analysis
- Convene a Provider Advisory Group to develop priorities and strategies for network expansion



MEDICAID FEE SCHEDULE THREE YEAR PLAN

- Fee Schedule that is:
 - Fair
 - Benchmarked to regional/national rates (e.g., RBRVS)
 - Adjustable based on state revenue
 - Aligned with Medicaid strategic plan



PROVIDER RATE INCREASES PART 1A

7/1/2019: \$60 M

- \$37.4 M: E&M codes
- \$11.9 M: LTSS providers
- \$4.6 M: dental services
- \$2.1 M: community-based pharmacies
- \$2.0 M: topical fluoride varnish
- \$800,000: TCM and CCM codes
- \$650,000: PACE
- \$320,000: assisted living facilities.
- \$230,000: supportive housing services

Lujan Grisham: Medicaid reimbursements rates to rise

BY COLLEEN HEILD / JOURNAL INVESTIGATIVE REPORTER
Wednesday, May 19th, 2019 at 11:30am

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Gov. Michelle Lujan Grisham this morning announced a \$60 million plan aimed at enhancing access to health care in New Mexico and halting rising commercial health insurance rates by increasing Medicaid reimbursements rates for medical and other health providers.



Gov. Michelle Lujan Grisham

Lujan Grisham's administration is proposing to leverage \$13 million in state general funds to combine with a near \$47 million federal match to increase rates for physicians and other health professionals who have sustained several years of decreases in reimbursements for care of the estimated 822,000 New Mexicans, or 40% of the state's population, enrolled in the state's Medicaid program. Under the plan, which goes into effect July 1, Medicaid rates for the most frequently billed services will increase from 70% to 90% of what Medicare pays for such services.

"Raising our Medicaid payments rate strengthens our partnership with key health care providers," Lujan Grisham said in a news release. "I want to thank

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PROVIDER RATE INCREASES PART 1B

10/1/2019: \$78.5 million

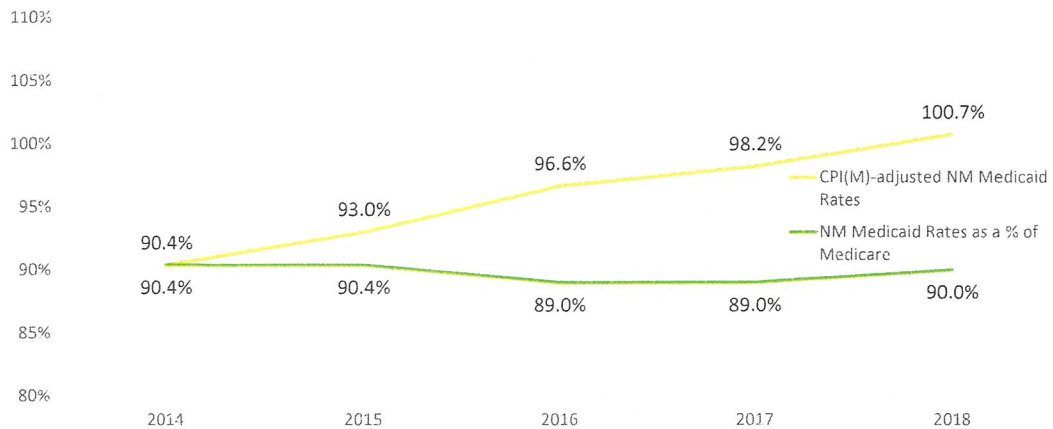
- **Outpatient BH codes \$58.6 M**
- ~\$15 M NFP Hospitals
- FQHCs: \$4.4 M
- Project ECHO provider presentations: \$0.9 M

- Other legislation that also helps providers:
 - Hospitals - resulted in **\$53 M NET** payment increase
 - Nursing Homes - will result in a **\$32 M NET** payment increase

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MAINTAINING PROVIDER NETWORK: HISTORIC NM MEDICAID PROVIDER RATES VS. CPI (MEDICAL) INFLATED RATES

Sources: <https://www.kff.org/medicaid/state-indicator/medicaid-to-medicare-fee-index/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22:%22sort%22:%22asc%22%7D>, <https://www.bls.gov/charts/consumer-price-index/consumer-price-index-by-category-line-chart.htm>



- A 1 percentage point increase in NM Medicaid provider payment rates requires \$10 million in General Fund dollars
- It would cost \$110 million in General Fund dollars to move from our current payment rate of 89% of Medicare to 100% of Medicare

MEDICAID FEE SCHEDULE THREE YEAR PLAN

- Next two years:
 - Continue to focus on BH
 - Additional providers not addressed in year 1
 - Move to single multiple of Medicare RBRVS fee schedule
 - How do we get \$ to actual providers vs. organization?

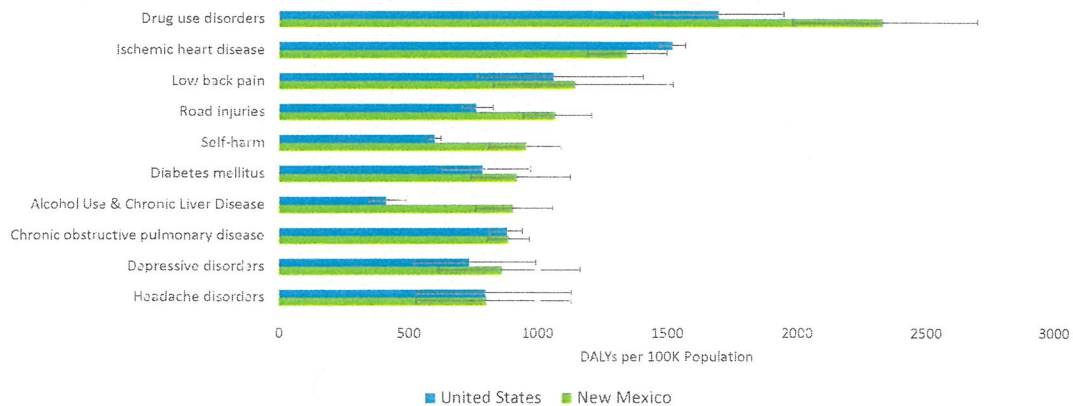
Medicare RBRVS 2020
The Physicians' Guide



MASLOW'S HIERARCHY OF PROVIDER REIMBURSEMENT

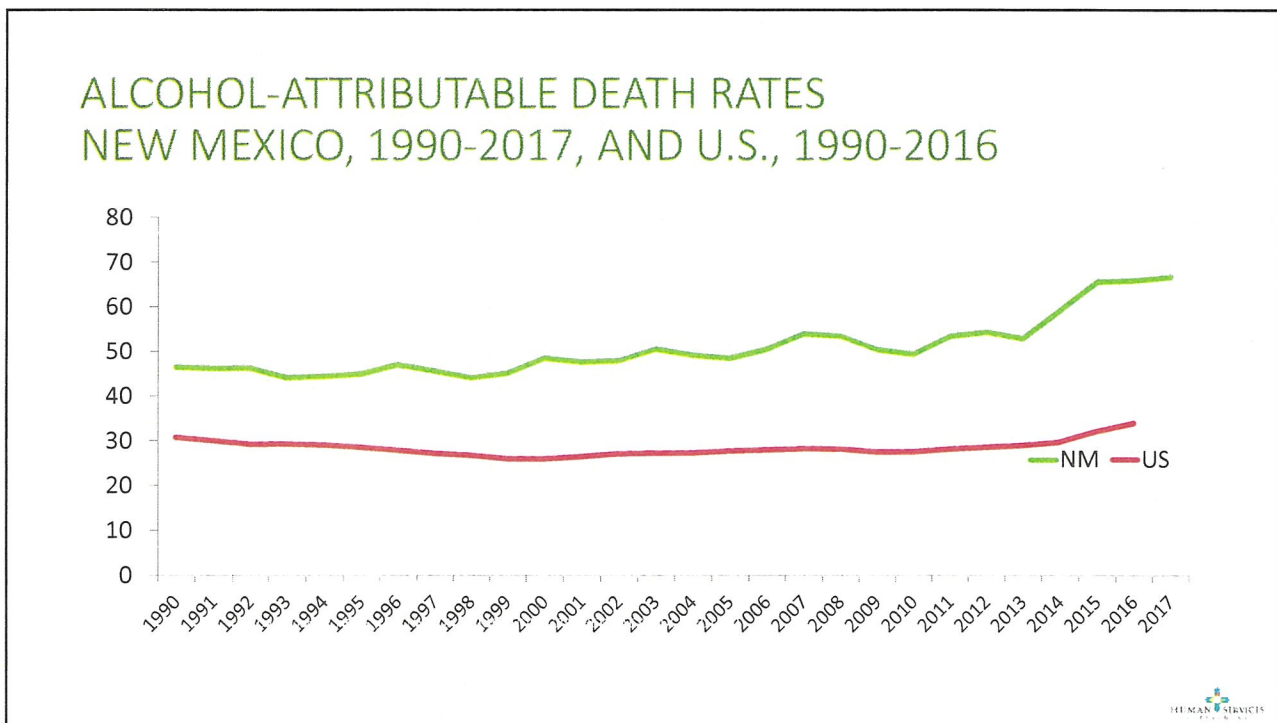
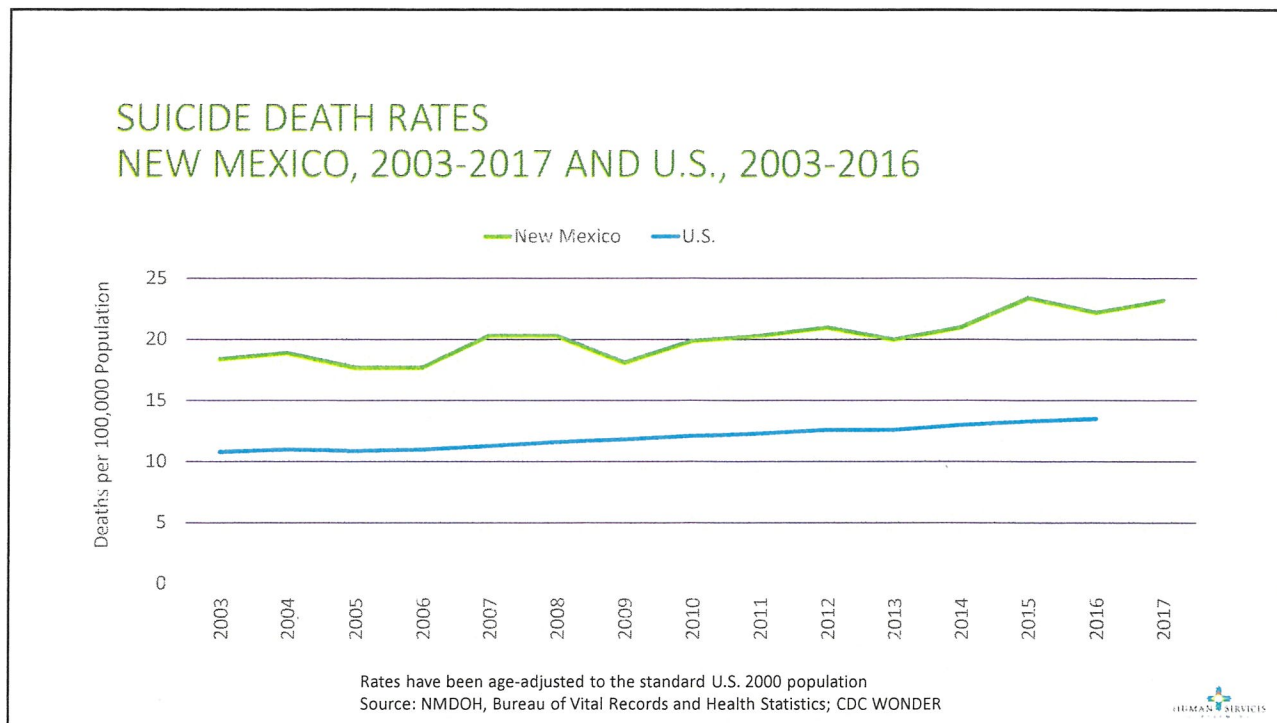


DALYS: TOP 10 CONDITIONS AGE-STANDARDIZED NEW MEXICO VS. US, 2017



Source: University of Washington, Institute for Health Metrics and Evaluation, GBD Compare

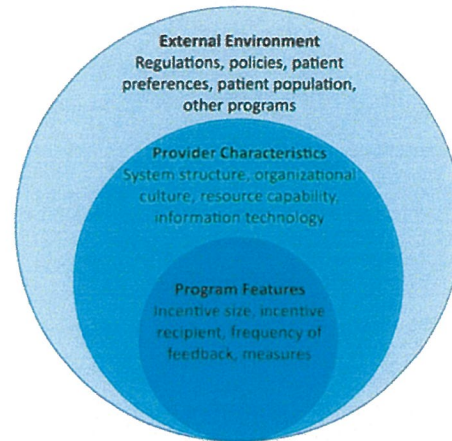




VALUE BASED PURCHASING STRATEGY

- Focus on rebuilding network and Medicaid enrollee access
- Work with providers to develop and refine the most meaningful quality metrics
- Realign incentives to make achieving quality metrics an integral part of reimbursement
- Redesign provider payment to align with member, provider, MCO, and HSD goals

Framework of Value Based Purchasing Programs



CONCLUSIONS

- A multifaceted approach to rebuilding the New Mexico BH provider network is necessary
 - Rural and frontier counties will be particularly challenging
- HSD is now looking to expand focus on access by reevaluating metrics and aligning incentives with MCOs
- Value based purchasing will be built upon better access and will be developed collaboratively with our BH partners
- Provider input and active involvement will be critical to success at every level



QUESTIONS



CABINET SECRETARY DAVID R. SCRASE, M.D.

