

**MINUTES  
of the  
FOURTH MEETING  
of the  
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE**

**August 22-24, 2018  
Presbyterian Rust Medical Center  
Large Community Room, Lower Level  
2400 Unser Boulevard SE  
Rio Rancho**

The fourth meeting of the Legislative Health and Human Services Committee (LHHS) was called to order by Senator Gerald Ortiz y Pino, vice chair, at 9:12 a.m. in the Large Community Room of Presbyterian Rust Medical Center in Rio Rancho.

**Present**

Sen. Gerald Ortiz y Pino, Vice Chair  
Rep. Gail Armstrong  
Rep. Rebecca Dow  
Sen. Mark Moores  
Sen. Bill B. O'Neill  
Rep. Elizabeth "Liz" Thomson

**Absent**

Rep. Deborah A. Armstrong, Chair  
Sen. Cliff R. Pirtle

**Advisory Members**

Rep. Joanne J. Ferrary  
Rep. Miguel P. Garcia  
Sen. Linda M. Lopez  
Sen. Cisco McSorley  
Sen. Howie C. Morales  
Sen. Nancy Rodriguez  
Rep. Gregg Schmedes  
Sen. William P. Soules  
Sen. Elizabeth "Liz" Stefanics  
Sen. Bill Tallman  
Rep. Christine Trujillo

Sen. Gay G. Kernan  
Rep. Tim D. Lewis  
Rep. Rodolpho "Rudy" S. Martinez  
Sen. Mary Kay Papen  
Rep. Patricia Roybal Caballero  
Rep. Angelica Rubio  
Rep. Nick L. Salazar

**Staff**

Michael Hely, Staff Attorney, Legislative Council Service (LCS)  
Christopher Pommier, Bill Drafter, LCS  
Karen Wells, Contract Staff, LCS

**Guests**

The guest list is in the meeting file.

## **Handouts**

Handouts and other written testimony are in the meeting file.

## **Wednesday, August 22**

Committee members and staff introduced themselves. The committee convened as a subcommittee.

### **Welcome to Presbyterian Healthcare Services (PHS)**

Dale Maxwell, president and chief executive officer (CEO), PHS, and Angela Ward, hospital administrator, Presbyterian Rust Medical Center, were invited to address the committee. Dr. Maxwell welcomed the committee and made introductory remarks about Presbyterian Healthcare Services and its statewide presence. Ms. Ward described the services, capacity and programs available at Presbyterian Rust Medical Center. She introduced Tony Singleton and James Preston, graduates of a youth internship program in collaboration with the Rio Rancho Public School District, who are now employees.

Committee members made comments and asked questions about the following topics:

- clarification regarding the Project SEARCH student internship program: it provides after-school training and is based on a national model;
- encouragement to pursue more collaborative work between and among programs;
- Jason Mitchell, M.D., noted that PHS does not have residency slots; however, it hosts University of New Mexico (UNM) School of Medicine residents, including 80 nurse practitioners;
- a statement that about 85% of high schools students who participate in Project SEARCH ultimately become employed in the field;
- clarification regarding other partners in Project SEARCH that work with students with disabilities: Adelante Development Center, UNM and others; and
- an observation that pharmaceuticals account for 31% of hospital spending, which exceeds expenditures for physicians.

### **Value-Based Programs: Partnerships and Successes**

Jordan Erp, senior vice president and chief integration officer, PHS, and Doug Smith, executive vice president, Presbyterian Medical Services (PMS), addressed the committee about value-based programs. Mr. Erp explained that PMS is not part of PHS, but they are partners. He described value care and noted its importance in ensuring improved health outcomes in a financially efficient model, which is accomplished through partnerships with providers for the benefit of the patients they serve. Value-based payments represent more than 70% of all payments to providers in PHS. He described the model, which involves partners such as PMS taking financial risk and assuming care coordination responsibilities.

Mr. Smith described the nature of the PMS organization, which focuses primarily on primary care in clinics in very rural parts of New Mexico. Most of the clinics are federally qualified health centers (FQHCs). PMS has always had a commitment to care coordination but determined that care coordination would be more effective and accountable through collaboration and in partnership with a hospital. He noted that in the full patient population, a small portion accounts for a disproportionate share of costs. Care coordination leads to more positive outcomes and fewer unnecessary costs. Particular challenges have been met with successes through this partnership and model of care delivery.

Committee members asked questions and made comments in the following areas:

- whether PMS and PHS are partners in all Medicaid Centennial Care programs: yes;
- whether other Medicaid managed care organizations (MCOs) besides PHS are interested in similar partnerships: yes;
- clarification that PMS receives a portion of the capitation that PHS receives from Medicaid;
- clarification that under Centennial Care, the MCOs have the responsibility for care coordination as part of their MCO contracts;
- an observation that health care providers are now getting good at data collection, noting that the Emergency Department Information Exchange, a data system that is now installed in every hospital in the state, is greatly improving care coordination with other organizations such as PMS in meeting needs; and
- clarification regarding the percent of patients served by PMS who are responsible for the greatest costs; it is about 4% to 9% of the total patient population that PMS serves.

### **New Models of Care; Tour of Presbyterian Rust Medical Center**

Denise A. Gonzales, M.D., medical director, Ambulatory Adult Medical Specialty Programs, PHS, and Nancy Guinn, M.D., medical director, Home and Transition Programs, PHS, invited committee members to take a tour to learn more about PHS's use of telehealth and its hospital for home and palliative care programs.

### **The Social Determinants of Health and Community Health**

Jason Mitchell, M.D., chief medical and clinical transformation officer, PHS, and Leigh Caswell, director, Presbyterian Center for Community Health, PHS, were invited to address the committee on the topic of social determinants of health and community health. Dr. Mitchell described PHS's approach to meeting community health needs. He identified social determinants of health as the non-health-care drivers of health, including social and economic factors, health behaviors and the physical environment. He described the approach to community health work, such as the use of community health workers, home visits following hospitalization and better use of data. PHS contributed \$132 million in community benefits, including charity care, in 2017, Dr. Mitchell said.

Ms. Caswell described a program aimed at improving community health through increasing access to healthy food for people experiencing food insecurity, including a food pharmacy, provision of free, healthy meals and "prescriptions" for fruit and vegetables. All of the food programs are conducted with partners, including the Children, Youth and Families Department (CYFD) and various farmers' markets around the state. Finally, Ms. Caswell described the accountable health communities model, which is funded through a five-year grant with the Centers for Medicare and Medicaid Services (CMS). Numerous partners are measuring the cost and quality of care for beneficiaries with health issues driven by social determinants of health. A requirement of the grant is to identify ways to align the health and social service system.

Committee members had questions and comments in the following areas:

- acknowledgment that the allocations for free healthy meals are not available to schools;
- whether PHS has the capacity to expand its food programs with greater funding: yes;
- how Presbyterian hospitals have reacted to homeless people coming there for food: it has been positive;
- clarification regarding how other needs besides food insecurity are handled: referrals can be made to hospital staff familiar with available resources in the community;
- an observation that a hunger council has been created pursuant to House Memorial 90 (2018) to address these issues;
- recognition that funding for senior meals sites in very rural areas of New Mexico is inadequate;
- clarification regarding other social determinants besides food, including housing, transportation, employment, stress and others;
- whether PHS checks for tobacco and e-cigarette use when it goes into homes: no; however, it supports other initiatives related to addressing tobacco use and abuse; and
- recognition that e-cigarette use is now flourishing among middle school students.

Senator Moores made a motion, seconded by Representative Dow, to approve the minutes of the LHHS meeting of July 9-11. The motion was adopted without objection.

Senator Ortiz y Pino notified the committee that the dates for the LHHS meeting have been changed from September 6-7 to September 26-28 with all three meeting days in Las Cruces.

### **Public Comment**

William Hoffman, Albuquerque Interfaith Behavioral Health Institute, read a statement from his organization regarding dedicated funding from the gross receipts tax for behavioral health programs. Albuquerque Interfaith is working to obtain Medicaid dollars for comprehensive behavioral health needs. He asserted that there is a need to expand the jail program for inmates with addiction disorders, especially opioid addiction. The organization is also engaged in addressing gun violence and homelessness.

## **Native American Social Work Studies Institute (NASWSI)**

Evelyn Blanchard, M.S.W., Ph.D., coordinator, NASWSI; Regina Yazzie, M.S.W., L.I.S.W., program manager of Navajo Children and Family Services, Navajo Nation Division of Social Services, and Cristina Durán, L.I.S.W., Ph.D., dean, Facundo Valdez School of Social Work, New Mexico Highlands University, informed the committee about the NASWSI.

Dr. Blanchard presented information regarding the NASWSI Advisory/Development Committee, which is looking for legislative support to establish this institute at New Mexico Highlands University in Las Vegas. The mission of the institute is to focus on Hispano or Latino and Native American social work education. She identified current support from many sources for this initiative. The institute will have three components: curriculum and faculty development; research; and law and policy. Information about the essential elements of each of these priorities was presented, with a focus on the unique perspectives of Native Americans.

Ms. Yazzie testified that, as a member of the NASWSI Advisory/Development Committee and as a social worker, she has gained a firsthand understanding of the many different ways in which Native Americans learn and critical issues regarding their culture.

Dr. Durán stated that many critical steps have already been taken to further the goals of the initiative. Although much progress has been made, in order to reach all of its goals, the NASWSI Advisory/Development Committee is in need of legislative support and funding. Several resolutions were included in information provided in support of this initiative, including from the All Pueblo Council of Governors, the Health, Education and Human Services Committee of the Navajo Nation Council and the Pueblo of Sandia.

Committee members had comments and questions as follows:

- several statements of support for the initiative;
- clarification about how to preserve traditional values when many Native Americans are choosing to live off reservation: it is known that 78% of Native Americans make this choice due to many factors such as housing, employment and perceptions of oppressive leadership in some circumstances; others value the traditions with which they grew up and desire to be close to family;
- clarification regarding where classes will be held and whether distance learning will be available: there is classroom space in many facilities and through teleconferencing for initial classes, there is great potential for development of online courses;
- whether there is a budget to develop the institute: it has not been formally established, but the request is expected to be between \$120,000 and \$150,000;
- clarification regarding the plan for recruitment and financial assistance for prospective students of the institute: there is a population of Native American students already enrolled at New Mexico Highlands University and UNM who are studying social work; tribal programs have limited training funds;

- whether tribes that support the institute are in a position to endow this effort on a long-term basis: this is an effort that will definitely be pursued, particularly with tribes that operate casinos;
- encouragement to have specific conversations with New Mexico Highlands University about the proposal and the funding needs;
- recognition that there is a recent estimate of \$1.69 billion in new state revenues anticipated in the next fiscal year;
- acknowledgment of the importance of tribal outreach to tribes regarding implementation of the federal Family First Prevention Services Act;
- an observation that this proposal would create the first Native American social work institute in the nation;
- a suggestion that, aside from inclusion in the budget bill, legislation would strengthen the request; and
- recognition of challenges faced by Native American families in situations of alleged child abuse and the evident lack of understanding of the CYFD in these matters; this is one area in which a Native American social work institute would be of great importance.

### **Recess**

The meeting was recessed at 3:58 p.m.

### **Thursday, August 23**

#### **Welcome and Introductions**

Senator Ortiz y Pino reconvened the meeting at 9:15 a.m. Members introduced themselves.

#### **The Medicaid Buy-In Study**

Colin Baillio, director of policy and communications, Health Action New Mexico (HANM), and Abuko Estrada, supervising attorney for health care, New Mexico Center on Law and Poverty (NMCLP), introduced themselves. Mr. Estrada described the NM Together for Healthcare (NMT4HC) campaign and identified the organizations that are partnering in this campaign. Manatt, a national firm that has experts in Medicaid buy-in opportunities, is conducting studies to explore this option for New Mexico and will be presenting to the committee at its September meeting. NMT4HC is working with a broad array of state and national experts to provide technical support for this project. Mr. Baillio provided data regarding current coverage and costs for New Mexicans, emphasizing that nearly one-half of New Mexicans identify high premium costs as the primary reason for being uninsured. Medicaid is identified as a low-cost option with broad coverage. Efforts to reach out to people who are eligible for, but not enrolled in, Medicaid are critical.

Mr. Estrada noted that a Medicaid buy-in program would allow New Mexicans who are not eligible for Medicaid to use their own money and tax credits to purchase Medicaid coverage.

Goals for a statewide program were described, and reasons why Medicaid is the vehicle to do this were identified. He noted that Medicaid already covers more than 40% of the state's residents. A study by the Kaiser Family Foundation found that two-thirds of Americans support a Medicaid buy-in program.

Mr. Baillio described three approaches to achieve a Medicaid buy-in program, noting that Manatt is studying and analyzing these options. Key issues to be determined in the study were described, including issues of affordability, eligibility, benefits, impact on providers and potentially leveraging federal financing. Three federal waiver programs provide opportunities to pursue a Medicaid buy-in program.

Mr. Estrada provided information about a stakeholder engagement process that was conducted from June to mid-July in the state. Lan Sena, a resident of New Mexico, offered her personal story of an inability to obtain health coverage in the face of serious illness. Three generations of her family have faced this issue. Even though she has employer-based health insurance, she is still facing overwhelming costs from deductibles, cost-sharing and elements of her care that are not covered.

Committee members asked questions and made comments in the following areas:

- clarification regarding the progress of the study: Manatt will report on progress and identify which models look the most promising; hopefully, a final report and recommendations will be available by late October;
- a request that the current study look carefully at previous studies in New Mexico regarding the State Coverage Initiative program that was developed under a federal waiver;
- clarification regarding who legislatively opposes this approach: generally, it has received bipartisan support in both chambers;
- whether explicit support from providers has been achieved: no endorsements have been received; however, providers have been involved in the process;
- Janice Torrez, representing Blue Cross and Blue Shield of New Mexico (BCBS), has met several times with NMT4HC; BCBS's main concern is that care needs be taken to ensure that the program does not destabilize the market;
- recognition that the difference between Medicaid reimbursement and private insurance coverage is a critical factor and may require a state subsidy to cover everyone in the state; BCBS will provide data on this;
- Paige Duhamel, Office of Superintendent of Insurance (OSI), offered to introduce insurers with NMT4HC to flesh out this issue; she noted there is not a strong connection at present between the OSI and Medicaid;
- an observation of the urgency of this issue and a request for information on reimbursement challenges by the September LHHS meeting;
- whether the anticipated program would be open to undocumented immigrants: Manatt is looking into this; it is possible, depending upon the model that is chosen;

- whether the federal government will support such a waiver: the current administration has signaled willingness to support innovative waivers of this sort;
- whether additional oversight of Medicaid will be needed: stakeholders have suggested this, and it is under consideration;
- whether this program would be open to inmates: possibly;
- clarification regarding the long-term stability of the waiver options being considered: there are statutory and regulatory guidelines for both approval and renewal of waivers;
- an observation that implementation of such a program will need a more robust infrastructure to manage the program;
- an observation that increasing the number of covered people will exacerbate the problems that exist with the shortage of medical providers in New Mexico;
- recognition of the challenge of enrolling individuals, especially children, who are currently eligible but not enrolled in Medicaid;
- clarification of whether implementation of such a program would add a lot of healthy adults: this is currently not known;
- a statement that the study being conducted by Manatt is being funded by the Laura and John Arnold Foundation;
- acknowledgment that a Medicaid buy-in program does not conflict with the federal Patient Protection and Affordable Care Act;
- whether individuals who are already receiving employer-based insurance would be eligible for a Medicaid buy-in: the study is looking at this issue, including whether to include an option for employers to utilize the Medicaid buy-in in lieu of their current options; and
- whether a presentation has been made to the Legislative Finance Committee (LFC): the presenters are trying to get on an upcoming LFC agenda.

### **Affirmative Consent**

Representative Thomson provided a brief overview of a proposed bill to require public and private post-secondary educational institutions to include training regarding sexual assault, domestic violence, dating violence and stalking and to require that the Public School Code set "affirmative consent" as a standard for sexual activity.

Lisa K. Curtis, Esq., attorney, trustee, LK Curtis Children's Fund, and the mother of four children, discussed the training elements of the proposed bill, emphasizing that the curriculum for sex education should require language that makes it clear that "yes means yes". She stressed the importance of teaching this topic starting in fifth grade and continuing all the way through high school and the first two years of college or community college.

Claire Harwell, lead attorney and director, New Mexico Coalition of Sexual Assault Programs, emphasized the importance of affirmative consent policies in schools.

Committee members had questions and comments in the following areas:

- whether teachers support this bill: working with teachers is under way;
- strong opinions were expressed on both sides on whether an appropriation is needed;
- clarifications regarding qualifications to teach this curriculum: there are already qualified teachers; others, such as American Red Cross instructors, could be also be considered qualified;
- whether there is an anticipated sponsor in the senate: yes, Senator Mimi Stewart;
- whether there are any private post-secondary institutions that would have to meet this standard: it is not known; the goal was to have the language be as broad as possible;
- whether there is data that shows that implementation of such an approach has reduced episodes of sexual assault in other states: there is no known data; background work will occur to see if there is available research;
- an observation that sexual assault is underreported, especially among young women;
- whether the curriculum would be appropriate for students with disabilities: the mental and physical condition of the student is included in the proposed law;
- an observation that there are other groups, such as rape crisis coalitions, that are available to augment this education, given adequate funding; and
- whether "just say yes" conflicts with "just say no": no; the statements are not inconsistent, nor do they conflict with abstinence teaching.

### **Child Sexual Abuse**

Alexandria V. Taylor, executive director, Valencia Shelter Services, testified that 70% of the cases her organization sees are child sexual abuse cases. In order to reach all corners of the state and all diverse populations with services, more resources are necessary, she said. She pointed out that some youth who were abused as children are now sexual predators. She asserted that intervening with treatment for victims is needed to stop the cycle of sexual abuse. Her organization has seen continuing reductions in funding. Additionally, there is poor coordination among providers. Her organization is requesting \$3 million to address these issues.

Malinda Williams, executive director, Communities Against Violence, Taos, provided examples of child sexual predators who have not received treatment but instead have been dealt with in the criminal justice system. She does not advocate prosecution for twelve-year-old children who have become sexual offenders. Most rural areas do not have treatment resources or therapists available. She is seeing a chain of repetitive behaviors due to the lack of treatment and prevention activities; however, the lack of funding severely limits these initiatives. It is nearly impossible to hire therapists when they are paid substandard salaries.

Ms. Taylor emphasized that child sexual abuse has reached epic proportions. She reiterated the importance of the need for funding to enable organizations to compete with private entities that are able to pay providers higher wages.

Committee members asked questions and made comments as follows:

- encouragement for the presenters to develop and present specific policy recommendations, especially for the CYFD: unfortunately, the system is so understaffed that resources are not available to develop regulatory and policy recommendations;
- whether a mandate on the Medicaid MCOs would help or hinder the ability to hire qualified staff: MCOs do not provide direct services, so there is no mechanism for such a requirement to be imposed;
- what, specifically, the \$3 million appropriation request would be used for: it would be to: hire a child sexual abuse coordinator for the state; to ensure that each program has at least one clinical therapist; and fund appropriate training;
- whether giving \$3 million to the CYFD will fix the identified gaps in treatment programs: the request is to fund the Crime Victims Reparation Commission (CVRC) rather than the CYFD;
- Juliana Koob, lobbyist, clarified that the intended request is the same request that has been made for the past eight years; the CVRC is the entity through which funding flows for all sexual assault programs; and
- an observation that beyond funding, reconfiguration of the system is needed; this might be an issue that could be addressed by the proposed task force that was requested by letter at the last LHHS meeting, which task force would work with the CYFD on implementation of the Family First Prevention Services Act.

### **Public Comment**

Monica Miera, Families ASAP, testified as a statewide coordinator and trainer for the CYFD and behavioral health. She distributed a handout demonstrating the lack of coordination among entities in the state that treat and deal with children's issues. She offered recommendations for children and youth coordination in New Mexico. Key among the recommendations was a requirement that each agency with responsibility for children and youth programs contribute funding to achieve coordination. She hopes that the legislature can present a memorial in the upcoming session to call for implementation of these recommendations.

Dick Mason, HANM, referred to Senate Bill 354 (2017 regular session), which would have established an interagency pharmaceutical purchasing council, but was pocket-vetoed. HANM intends to seek reintroduction of that bill, and it also plans to seek legislation to make Medigap insurance available in New Mexico.

### **Extension for Community Healthcare Outcomes: Project ECHO**

Sanjeev Arora, M.D., F.A.C.G., M.A.C.P., director, Project ECHO, familiarized committee members with the personalized information sheets provided to them that contain data for each legislator's district. He reminded the committee that the mission of Project ECHO is to democratize medical knowledge and get best practice care models to underserved people all over the world. Project ECHO does this by the use of technology, known best practices and monitoring of outcomes. He noted that Project ECHO began by tackling hepatitis C treatment statewide, with the end result being consistent web-based training and hepatitis C experts

throughout New Mexico. Rural doctors have very little access to specialty care, and Project ECHO provides them that access. Project ECHO has proven to be cost-effective.

Dr. Arora introduced Joanna Katzman, M.D., M.S.P.H, who has done groundbreaking research on pain management, which is now being made available to New Mexico doctors in rural areas using Project ECHO. Numerous other projects were described. Among other initiatives, Project ECHO will be seeking funding for development of a geriatric model that includes geriatric mental health. Project ECHO will be involved in the UNM request focusing on development of a geriatric center of excellence, child wellness and behavioral health. He introduced Elizabeth Clewett, Ph.D., M.B.A., director of replication, Project ECHO.

Committee members had questions and made comments in the following areas:

- a request for a simple explanation of how Project ECHO helps all New Mexicans: Project ECHO's goal is to transform the health care system in New Mexico and worldwide;
- an observation that broadband is not available in all parts of New Mexico;
- whether Project ECHO has any plans to address childhood trauma: yes, if it receives the requested funding;
- clarification of Project ECHO work in prisons: it is providing HIV management, hepatitis C treatment and analysis of the sickest patients to prioritize treatment;
- whether the MCOs are covering Project ECHO services: yes;
- clarification regarding ways in which Project ECHO can work with Suboxone treatment: Project ECHO is concentrating on finding those doctors willing to take on the challenge of treating patients with addictions and providing training for those doctors;
- whether UNM is willing to take on prison care: Dr. Arora does not know, but if UNM does take it on, Project ECHO would have a transformative effect;
- clarification regarding crisis intervention team (CIT) training: this is a closed training; however, police officers are always welcome, and it is vital work for them;
- whether there is Project ECHO training within the New Mexico Law Enforcement Academy: not yet, but it is being considered;
- whether the CIT interventions occur in real time: no, it is reflective of real situations;
- whether Project ECHO is looking to include autism training: no; however, Dr. Arora is willing to consider it. Other countries have autism projects;
- whether Project ECHO has identified best practices in childhood trauma treatment: no; however, this is a high priority;
- recognition that Project ECHO has revolutionized continuing medical education; and
- whether there is a specific funding request for Project ECHO: as much as the legislature can provide.

### **Study Direct-Care Workforce: Senate Joint Memorial 6 (2017 Regular Session)**

Adrienne R. Smith, president and CEO, New Mexico Direct Caregivers Coalition, described the programs and services of her organization. She provided data about the direct-care workforce and noted that the average wage for these caregivers is between \$9.00 and \$12.00 per hour. Close to 50% of caregivers are eligible for public benefits. More than 400,000 New Mexicans provide family care that is unpaid. She updated the committee on the findings of Senate Joint Memorial 6. Ms. Smith is requesting a guaranteed reimbursement rate and assurance of a guaranteed wage pass-through for direct caregivers.

Stephanie Welch, supervising attorney for workers' rights, NMCLP, presented an additional request to fix the New Mexico worker protection laws to ensure that domestic workers, including direct-care workers, have the same protections that almost all other New Mexico workers have. She noted that direct caregivers and domestic workers have very similar wage issues, and a change in New Mexico statute will protect both categories of workers.

Committee members asked questions and made comments as follows:

- a recommendation that statutory changes make it clear that the law applies to all workers in New Mexico;
- clarification regarding who, if anyone, stands to be hurt with the passage of the requested language: taking this action separates those who are acting in good faith from those who are not;
- whether higher wages would create a cliff effect for any worker by making the worker ineligible for public benefits: phasing in the increases could mitigate that problem;
- recognition that wage increases should be high enough to overcome any losses of public benefits and that it would be beneficial to see the effects mapped out in a graph; and
- whether individuals who employ direct caregivers are paying social security: many employers do but some do not.

### **Public Comment**

Lauren Reichelt, director, Rio Arriba County Department of Health and Human Services, reported on the progress of a behavioral health investment zone grant to develop a network of treatment providers and a virtual health record. The organization has had successes in reducing the incidence of opioid overdoses and in providing training for all jails in the administration of Narcan. The organization is working on ways to reliably bill Medicaid for outcomes of care rather than services provided through the network of providers. She needs help from the legislature to bring the MCOs to the table to help her understand the Medicaid billing process.

Members of the committee agreed to ask Secretary of Human Services Brent Earnest to meet with Ms. Reichelt the following day, August 24, 2018, at the end of his presentation. An email was sent to him to alert him to this request.

Pamela Stafford, public policy director, the Arc of New Mexico, stated that she has attended every listening session of the direct caregiver task force formed pursuant to Senate Joint Memorial 6. She noted that some direct caregivers are people who could not get a job at Walmart or a fast food restaurant, while others are those who love this kind of work. In that case, it is important to realize that these caregivers are often working more than one job and are likely making mistakes due to fatigue. It is important to consider policies that prioritize the person giving care to the person in need of care. She also noted that electronic visit verification (EVV) implementation is a disaster in New Mexico.

### **Recess**

The meeting was recessed at 4:35 p.m.

### **Friday, August 24**

#### **Welcome and Introductions**

Senator Ortiz y Pino reconvened the meeting at 9:15 a.m. Members and staff introduced themselves.

#### **Medicaid Update: Centennial Care and Information Technology**

Secretary Earnest, Nancy Smith-Leslie, director, Medical Assistance Division (MAD), Human Services Department (HSD), and Sean Pearson, chief information officer, HSD, were invited to address the committee. Secretary Earnest identified the Medicaid budget, an update on Centennial Care and Centennial Care 2.0 and the Medicaid Management Information System (MMIS) as topics to be addressed. The budget update indicated a projected shortfall for the current fiscal year of \$11 million. He noted that this year, reimbursement was increased for primary care providers, long-term services and supports (LTSS) providers and behavioral health providers. Medicaid enrollment has been fairly flat since October 2017, which is consistent with national trends. The federal medical assistance percentages (FMAP) for the Medicaid expansion population is scheduled to drop to 93% in 2019 and 90% in 2020. The loss may be offset partially by an expected increase in FMAP for the traditional Medicaid population.

Regarding Centennial Care, Secretary Earnest presented statistics on the primary goals of creating a comprehensive delivery system, encouraging personal responsibility, increasing emphasis on payment reforms and simplifying administration. In answer to a question, he clarified that with the exception of the developmental disabilities (DD) waiver, all LTSS providers are part of the HSD's budget and responsibility. Provider payments are being gradually shifted to risk-based, value-based payment models. The HSD has initiated a pilot project with MCOs on "super-utilizers" (those with the highest incidence of emergency room visits), which has resulted in reduced emergency room use. With the exception of prenatal care visits, overall performance using the Healthcare Effectiveness Data and Information Set, measures have steadily improved under Centennial Care.

Centennial Care 2.0 builds on the successes of Centennial Care and is geared toward sustainability of improvements. The HSD has been in negotiation with the CMS and hopes to have final approval by the fall of 2018. Secretary Earnest updated the committee on the chosen contractors for services beginning in January 2019, noting that Molina Healthcare has challenged the decision. The schedule for enrollment and outreach events was presented.

Secretary Earnest provided an overview of the MMIS and plans for its replacement, which is part of the federal Department of Health and Human Services 2020 initiative to create a client-centric business solution to information management in Medicaid. The time line for completion of the project was identified.

Committee members discussed the following topics:

- concern about the transition of enrollees from Molina Healthcare to a new MCO;
- outreach efforts for the new enrollment process;
- concern about access to services in rural areas without FQHCs and connectivity issues that impair the ability to utilize telemedicine and telehealth;
- concern about food insecurity and opportunities for expanding access to food;
- grave concern regarding a letter suggesting that the DD waiver participant list will decline by more than 2,600 participants in 2019: the projections were an attempt to more accurately reflect the number of recipients currently being served, as the previous waiver application overstated that number;
- clarification of why the letter about DD waiver participation needed to be sent: it is a requirement of the waiver agreement. Representative Thomson strongly urged that a follow-up letter be sent to clarify that no recipients will be taken off the waiver and that no agencies will close; a follow-up letter will be sent;
- an offer by Secretary Earnest to present a whole session on how the waiver process works;
- delays regarding the ability of the HSD to leverage Medicaid federal dollars for private agencies to provide home-visiting services: this is expected to begin on January 1, 2019 under Centennial Care 2.0;
- issues surrounding the transition to the MMIS and the importance of cross-agency collaboration and the inclusion of multiple agencies in the planning process;
- elements of the Centennial Care 2.0 proposal and the importance of aligning Medicaid coverage with health insurance exchange products;
- concern about the closure of a behavioral health services provider; the HSD is working to ensure a smooth transition of clients;
- the importance of quality reviews of behavioral health providers and assurance that the HSD will follow up with the MCOs to make sure this is happening: comprehensive, annual audits of quality and financial accountability occur;
- concern that special accommodations were, in the past, given to Valle del Sol, an Arizona-based company, but no such accommodations were offered to Tricare, a New Mexico-based company, when it faced similar difficulties. The HSD worked for

- months with Tricare, as it did with Valle del Sol, to resolve difficulties, and the HSD is willing to research the discrepancy;
- whether residential treatment services have been approved and whether this will expand capacity in rural New Mexico: not yet; it will probably not expand capacity immediately; however, there are a few providers poised and ready to provide this service;
  - clarification regarding premiums and co-payments for certain Medicaid recipients and penalties for lack of payment: this is not yet approved;
  - the term length of contracts with MCOs;
  - the projected support, or lack of support, of the work to develop a Medicaid buy-in program: the HSD has not been approached but is interested in the concept; there is a lot to think about and resolve; a major issue is reimbursement to providers;
  - efforts to enroll individuals who are Medicaid-eligible but are not currently enrolled;
  - reported problems with implementation of EVV; there are opportunities for improvement, and issues with the lack of broadband and cell phone coverage; and
  - clarification regarding provider reimbursement rates and the extent to which MCOs can vary from HSD recommendations: the HSD sets a floor, and the MCOs can negotiate rates above that floor.

### **Public Comment**

Mr. Mason raised concerns regarding the transition and enrollment of beneficiaries into the Presbyterian Health Plan (PHP) from UnitedHealthcare. Mary Eden, vice president of government programs, PHP, noted that PHP is hiring more than 400 UnitedHealthcare employees and fully intends to honor agreements between enrollees and UnitedHealthcare, especially regarding primary care providers. Mr. Mason also raised concerns regarding the federal withdrawal of funding for enrollment navigators.

Dr. Michael Kaplan, speech language pathologist (SLP), New Mexico Speech and Hearing Association, testified about the importance of SLP services and the reimbursement rates within Medicaid for adults over the age of 21. He asked for support to cover habilitation services under the DD waiver for adults over the age of 25 and to require reimbursement at a rate equal to or higher than the current Medicaid rate. Angela Medrano, deputy director, MAD, HSD, noted that a change like this would require an amendment to the waiver and that the DD waiver is under the administrative authority of the Department of Health (DOH).

Stella Martinez, Peak Development Services, made the committee aware of a notice from Qualis Health being sent to Medicaid beneficiaries that establishes unrealistic expectations of case managers in order for individuals to keep their Medicaid coverage. Beneficiaries are confused and upset about this notice process. Ms. Medrano said that these notices are required by federal regulations. An additional issue was raised about proposed regulations issued by the HSD regarding requirements for provider agencies to mitigate conflicts of interest. Finally, concerns were raised about limitations to access for certain services for developmentally disabled clients with very high level needs that are not available through any other public program.

Robert Kegel, advocate, reminded the committee about the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, which requires a comprehensive review and analysis of the services, supports and assistance needed for individuals with developmental disabilities and their families. He contends that New Mexico is the only state that denies rehabilitation services to people with developmental disabilities. The state is failing to carry out the law and its requirements, he stated.

Senator Ortiz y Pino suggested that the LHHS could request the data required by law to be provided to the LHHS at its September meeting. Representative Thomson said she asked for this from the Developmental Disabilities Planning Council (DDPC) at the last LHHS meeting, but the DDPC asserted that it does not have that data. Representative Ferrary suggested that the LHHS send a letter to the DDPC member agencies to ask them to provide reports to the DDPC on the unmet needs of the DD waiver so that those needs can be quantified by the November meeting. There was no objection to this request.

### **Autism Spectrum Disorder Task Force Report: House Memorial 51 and Senate Memorial 79 (2017 Regular Session)**

Gay Finlayson, education and outreach manager, UNM Center for Development and Disability (CDD), and Patricia Osbourn, deputy director, UNM CDD, presented the findings and recommendations of House Memorial 51 and Senate Memorial 79. Ms. Finlayson identified the policy recommendations emerging from the memorials, including consideration of an autism spectrum disorder (ASD)-specific waiver through Medicaid, annual reports on the use and costs of applied behavioral analysis in New Mexico, the development of new regulations for DD waiver eligibility and licensure for behavior analysts in the state.

Ms. Osbourn went over the funding recommendations, which are to restore \$3 million of General Fund spending for ASD that has been cut since 2008 and to allocate an additional \$2 million for ASD diagnosis and services to deal with the increased prevalence of ASD. She presented data for young adults with ASD, noting that outcomes are worse when compared to individuals with either intellectual disability or serious mental illness.

Ms. Finlayson and Ms. Osbourn highlighted four tasks necessary to accomplish the goals and recommendations of the Autism Spectrum Disorder Task Force and the costs attached to each task. Tasks include development of a new Medicaid behavioral health benefit for adults with ASD; a plan for developing state resources and procedures for youth with ASD; development of expedited DD waiver criteria for individuals discharged from residential treatment; and development of programs for youth and adults who do not meet DD waiver eligibility criteria. A detailed action plan was developed by the task force and presented to the committee.

Committee members had questions and comments as follows:

- whether any of the requested funding to address the increased prevalence of ASD could be used to reinstate the Camp Rising Sun at UNM: yes;
- an observation of the importance of applied behavioral analysis in the treatment of individuals with ASD;
- whether private insurance covers services for individuals with ASD: it is mandated for health insurance exchange products but only up to age 21;
- recognition of the importance of data regarding the incidence of ASD and the needs of individuals with ASD;
- a strong statement in support of the need for the requested funding;
- a statement of the critical need for support for families of individuals with ASD;
- Ricardo C. Rel, senior director, government affairs, New Mexico State University (NMSU), indicated that this is a prominent issue for the university. He provided a personal story that demonstrates the real need for this funding and these actions;
- clarification regarding the extent to which NMSU is prepared to address this issue: currently, it has no funding to address this need, but it is confident that, working collaboratively, it will be able to address needs in southern New Mexico;
- clarification regarding the *Diagnostic and Statistical Manual of Mental Disorders* (DSM) designation identifying autism: the American Psychiatric Association identifies the fifth edition of the DSM (DSM-5) as having the appropriate designation for ASD. Senator Ortiz y Pino made a motion to send a letter to the DOH expressing the concern of the LHHS that the Centennial Care 2.0 proposal proposes an outdated DSM designation for ASD and requesting that the DOH adopt the DSM-5 designation; the motion passed without objection;
- clarification of the request to establish an office on ASD and where it should be located: that has not been determined; however, it makes sense to locate it in the HSD; and
- a recommendation from Ellen Pinnes, Disability Rights New Mexico, that in order to achieve coverage parity, ASD should be redesignated as a medical and behavioral disorder rather than a social disorder.

### **Adjournment**

The meeting was adjourned at 2:30 p.m.