

Medicaid Cuts in Centennial Care 2.0

Medicaid provides healthcare coverage to more than 850,000 New Mexican children, people with disabilities and low-income adults. With a \$4 to \$1 federal match for Medicaid, New Mexico receives \$4.5 billion each year in federal funding for healthcare services that supports more than 50,000 healthcare jobs in our state.

The Human Services Department (HSD) is proposing major changes to Medicaid in its “Centennial Care 2.0” plan, and will be applying for a Section 1115 waiver from the federal government to implement these changes as an “experimental, pilot or demonstration” project. HSD requested public input on its draft application in October 2017, and intends to submit a final application to the federal government in November 2017. If approved, the Centennial Care 2.0 plan would be effective for five years from years 2019 to 2024.

The plan includes harmful cuts to Medicaid that will cause thousands of New Mexicans to lose coverage. These proposals will create financial hardships for our families, drive up long term costs for our healthcare system, and will lose significant federal matching funds for Medicaid that help sustain jobs and our economy in New Mexico. The cuts include:

- **Premiums** for low-income adults living in near poverty, working disabled individuals, and the Children’s Health Insurance Program (CHIP) that will cause thousands of patients to lose coverage, by locking them out of Medicaid for at least three months if they cannot keep up with monthly payments;
- **Copays:** Higher copays for low-income adults, working disabled individuals, and for children in CHIP that will create financial barriers to getting timely, appropriate healthcare;
- **Ending retroactive coverage** that protects patients from financial debt by paying for the past medical bills that a person had in the three months before applying for Medicaid;
- **Ending the “Transitional Medical Assistance” program** that provides temporary Medicaid coverage for parents living in deep poverty when they take on new jobs or have changes in earnings, resulting in coverage loss;
- **Eliminating important health benefits for parents living in deep poverty,** including certain vision and dental services, occupational, physical and speech therapies, and medical supplies; and **eliminating EPSDT coverage for 19 and 20 year-old children** to receive comprehensive early and periodic screening, diagnostics and treatment.

Please refer to materials distributed to the Legislative Health and Human Services committee on September 20, 2017 for an analysis of each proposal and citations to impact studies and research.