NEW MEXICO LEGISLATURE

LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

2015 INTERIM FINAL REPORT

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Legislative Health and Human Services Committee
2015 Interim Report

Executive Summary

The Legislative Health and Human Services Committee held a total of 21 meeting days with over 350 speakers giving over 150 presentations at locations in Santa Fe, Albuquerque, Las Cruces, Ruidoso and Roswell.

The committee continued its review of the new Centennial Care Medicaid waiver program and the Human Services Department (HSD) and its contracting managed care organizations' progress in meeting Centennial Care's goals of integrating care and improving health outcomes.

The committee spent a considerable amount of time reviewing issues related to children's welfare and the welfare of families statewide. This included a novel approach for the committee, a day-long juvenile justice "summit" held jointly with the Courts, Corrections and Justice Committee, at which committee members heard testimony from experts and stakeholders in a session that included informal, focused roundtable discussions. The committee also reviewed state facilities for juvenile corrections and for behavioral health treatment as well as access to behavioral, physical and reproductive health services for children and youth. The committee heard from the Children, Youth and Families Department, the Department of Health (DOH), the HSD, the J. Paul Taylor Task Force, a number of children and family advocacy and service organizations and individual stakeholders.

In a June 24, 2015 report on the HSD's Medicaid program, the Legislative Finance Committee noted difficulty in comparing rates of utilization of behavioral health services before and after the state's implementation of its new Medicaid waiver (Centennial Care) and the expansion of Medicaid in January 2014. In addition, a September 25, 2015 assessment of the state's 2013-2014 data on behavioral health services by the Centers for Medicare and Medicaid Services concluded that "data [reported by the HSD] could not be verified with a valid data source". To gauge the continuing impact of the loss of most of the state's behavioral health providers following the 2013 suspension of payments to them by the HSD based on a "credible allegation of fraud", and the departure of two of four behavioral health agencies brought in to replace the New Mexico providers, the committee sought information on the status of behavioral health services from the HSD, the judiciary, local law enforcement, school districts and hospitals in several communities. Data obtained from hospitals included both historic and current data on emergency department encounters and inpatient admissions for behavioral health or substance use disorders.

New Mexico leads the nation in many categories, with prescription drug overdoses and alcohol-related deaths among them. With respect to resources to address substance use disorders, testimony revealed a system with too few treatment beds and too few community-based programs.

The DOH provided extensive testimony to the committee on public health matters and on its role as health facilities regulator.

Public health concerns such as breastfeeding, chronic pain, diabetes, human papillomavirus and teen pregnancy were the focus of several presentations before the committee.

The operational and fiscal health and issues relating to transparency of New Mexico hospitals were the subject of testimony at several meetings of the committee this interim. The committee heard from a wide range of hospitals, including nonprofit, investor-owned and government-owned facilities statewide. The committee also reviewed financing matters, including Safety Net Care Pool funding, Medicaid reimbursements, uncompensated care and charity care.

Testimony on social determinants of health, including food security, access to healthy foods, hunger and housing, was heard during several committee meetings.

The committee heard a status update and program review on the New Mexico Health Insurance Exchange and on factors relating to the availability, affordability and quality of health insurance coverage in the state.

Disabilities Concerns Subcommittee

The subcommittee met a total of four days in Roswell, Albuquerque and Santa Fe, covering 16 topics and hearing from 40 presenters and numerous members of the public. Topics considered included: the Eastern New Mexico University-Roswell Special Services Program; intermediate care facilities; treatment and care venues for persons with disabilities needing residential or extended hospitalization; Medicaid home- and community-based services for persons with developmental disabilities; local services for persons with disabilities; an update on litigation challenging the state's use of the Supports Intensity Scale to determine which services will be provided to a person with disabilities; special needs planning; autism spectrum disorder; centers for independent living; the self-directed waiver; the comparative cost of New Mexico's developmental disability waiver program; Medicaid managed care assessments for community-based services; the federal marriage penalty; recent changes to the federal program of all-inclusive care for persons with disabilities; and a report from the House Memorial 9 (2015) Task Force regarding the difficulties faced by children between the ages of 14 and 21 with chronic, long-term and serious health conditions as they transition from pediatric providers into the adult health care system and actions that could be taken by the state to address them.

WORK PLAN AND MEETING SCHEDULE

2015 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE
and the
DISABILITIES CONCERNS SUBCOMMITTEE

Members

Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia
Sen. Gay G. Kernan
Rep. Tim D. Lewis
Sen. Mark Moores
Sen. Benny Shendo, Jr.

Advisory Members

Sen. Sue Wilson Beffort
Sen. Craig W. Brandt
Sen. Jacob R. Candelaria
Rep. Gail Chasey
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Sen. Linda M. Lopez
Rep. James Roger Madalena
Rep. Terry H. McMillan
Sen. Cisco McSorley
Sen. Howie C. Morales
Sen. Bill B. O'Neill
Sen. Mary Kay Papen
Sen. Nancy Rodriguez
Sen. Sander Rue
Rep. Patricio Ruiloba
Sen. William P. Soules
Sen. Mimi Stewart
Rep. Don L. Tripp
Rep. Christine Trujillo

Disabilities Concerns Subcommittee Members

Sen. Nancy Rodriguez, Chair
Rep. Tim D. Lewis, Vice Chair
Sen. Craig W. Brandt
Rep. Miguel P. Garcia
Sen. Linda M. Lopez

Advisory Members

Rep. Deborah A. Armstrong
Sen. Ted Barela
Rep. Nora Espinoza
Sen. Gerald Ortiz y Pino

Work Plan

The Legislative Health and Human Services Committee (LHHS) was established pursuant to Section 2-13-1 NMSA 1978. It is charged with undertaking a continuing study of the programs, agencies, policies, issues and needs relating to health and human services in the state. The LHHS will cover the following topics during the 2015 interim.

Children and Families

The LHHS has established children and families as a major area of focus during the 2015 interim.

The LHHS will hear Secretary of Children, Youth and Families Monique Jacobson's vision for the Children, Youth and Families Department (CYFD) and the CYFD's strategic plan.

In conjunction with the Courts, Corrections and Justice Committee, the LHHS will hold a summit on juvenile justice regarding children at risk, teen violence and the efficacy of several juvenile justice models and facilities, including the New Mexico "Cambiar" model, the Missouri model, the Sierra Blanca facility and the Sequoyah Lodge. The LHHS will invite local and national stakeholders and experts from all three branches of government and the private sector. After the summit, the LHHS will seek to visit juvenile justice facilities and review proposals made at the juvenile justice summit for possible legislative action.

The LHHS will examine services for families where there is a risk or reports of child abuse or neglect. The LHHS will also examine early childhood programming and the accreditation of and access to child care and supportive housing services. The LHHS will explore issues relating to domestic violence and teen pregnancy. In addition, the LHHS will review the latest recommendations from the J. Paul Taylor Task Force on child well-being.

Corrections Health Care

With the passage of Senate Memorial 132 and Senate Bill 42 in the 2015 regular session, the LHHS will hold a corrections health care summit to hear testimony from the Corrections Health Care Task Force, the Corrections Department, the counties and the Human Services Department (HSD) relating to the quality and cost of corrections health care and maximizing Medicaid funds. This review will also entail an examination of policies such as "compassionate release" and medical release as well as the care of elderly, disabled and chronically ill inmates. Also at the corrections health care summit, the LHHS will hear testimony relating to 2015's Senate Joint Memorial 4, which requests reporting from the New Mexico Association of Counties on services for mentally ill individuals awaiting trial.

Health Care Delivery and Health Care Work Force

The LHHS will continue its oversight of policy and programming to track and increase the number and distribution of health care professionals statewide, including incentives for increasing the "pipeline" of recruits and attracting and retaining health care professionals.

The LHHS will continue its review of the status of the state's hospital system, including a report on the sustainability of critical access hospitals statewide and the effect of the Safety Net Care Pool in its second year of implementation.

Pursuant to Senate Memorial 136 from the 2015 regular session, a task force made up of dentists, dental hygienists, dental therapy advocates and other stakeholders has been requested to provide the LHHS with a report of the task force's findings and recommendations related to the feasibility of establishing dental therapy in the state.

2015's House Memorial 33 requests that the Legislative Finance Committee (LFC) and the Department of Health (DOH) study uncompensated health care in the state. The LHHS will hear reporting pursuant to House Memorial 33.

Pursuant to recent discussions and legislation proposed to increase patients' ability to compare hospitals for price and quality, the LHHS will examine the possibilities for the safe disclosure of information to these ends, as required pursuant to 2015's Senate Bill 323, as well as outcomes in other states' experiences in increasing hospital pricing transparency and accountability.

The LHHS will receive updates on health information technology and interoperability, including an update from the state's health information exchange.

As the state's population continues to see an increase in the number of individuals over 60 years of age, the issue of access to health and human services resources in rural areas becomes a greater issue. The LHHS will review the availability of these services and care coordination among these services.

Medicaid

The state's Centennial Care Medicaid waiver program is in its second year of implementation. The LHHS will hear updates from Medicaid recipients, Secretary of Human Services Brent Earnest, HSD staff, Medicaid managed care organizations, federal officials and policy experts on the status of Centennial Care.

The LHHS will review Medicaid long-term care, including the HSD's reintroduction of health homes for implementation as part of the Centennial Care program to serve the mostly needy and vulnerable long-term care recipients, the Program of All-Inclusive Care for the Elderly (PACE) and Money Follows the Person.

Tribal health facilities have raised concerns about care coordination in the Centennial Care program. One tribe has conducted a survey of available care coordination services. The LHHS will hear testimony and review any available data related to this issue.

A year after Medicaid eligibility was expanded pursuant to the federal Patient Protection and Affordable Care Act (PPACA), the LHHS will review available data on the effects that Medicaid expansion has had on the state's economy, health care demographics, health care facilities and health care costs.

The LHHS will hear expert testimony on the efficacy and availability of medical, vision and hearing screenings for children as well as early and periodic screening, diagnostic and treatment "EPSDT" services in the state.

Children in New Mexico with household incomes between 185 percent and 235 percent of the federal poverty level (FPL) currently receive coverage through the state's Children's Health Insurance Program (CHIP), which receives federal matching funds. Continuation of federal funding for CHIP depends on whether the U.S. Congress reauthorizes these funds in 2015. The LHHS will review this matter during the interim, including its implications for keeping this population of children covered.

The U.S. Supreme Court has recently issued a decision that holds that providers of goods and services to a state Medicaid program cannot recover from the program for reimbursement rates that they claim to be inadequate. The LHHS will hear expert testimony on the implications of that decision.

The LHHS will review any developments and other states' experiences with a pediatric dental health care pilot program, which was the subject of recently introduced legislation.

There are a number of issues related to Medicaid managed care that the LHHS will review this interim, including matters related to network adequacy and transparency, state oversight and compliance with new model regulations.

Health Coverage

The LHHS will hear expert testimony relating to the benefits and services that health plans must cover and enrollee responsibilities pursuant to the PPACA, especially as they relate to preventive services and screenings, benefits and services related to women and reproductive health and "balance billing" practices.

The LHHS will continue its review of health insurance provider network adequacy, including information related to other states' responses to network challenges.

The New Mexico Health Insurance Exchange has just ended its second open-enrollment season. The LHHS will receive updates as to the exchange's progress in establishing an infrastructure and increasing access to health coverage. The committee will also hear testimony related to the United States Supreme Court's June 25, 2015 decision in *King v. Burwell*, relating to the constitutionality of the provision of federal subsidies for qualified health plan purchasers through federally operated health insurance marketplaces, and what *Burwell* means for the New Mexico Health Insurance Exchange.

The PPACA provisions requiring large employers to offer affordable health coverage to their employees are now in effect. The LHHS will review the effect that those provisions are having on employers and employees statewide.

The LHHS will hear testimony from experts on the experience of the states of New York and Minnesota in implementing a basic health program pursuant to the PPACA to offer

affordable health insurance coverage to individuals whose household income exceeds the Medicaid eligibility maximum of 138 percent of the FPL and 200 percent of the FPL.

Since its recent establishment, the Office of Superintendent of Insurance has undertaken enhanced health insurance oversight and consumer advocacy functions and has proposed a number of technical and substantive changes to the New Mexico Insurance Code. In addition, the passage of 2015's Senate Bill 3 (Chapter 11) entails changes to the procedures and laws pertaining to the superintendent of insurance's appointment and oversight. The LHHS will review these matters this interim.

Human Services

States such as Utah have implemented "housing first" programs to address homelessness. The LHHS will hear testimony from Utah lawmakers and experts on the efficacy of this approach as well as testimony on the feasibility of combining a plurality of housing programs and providing services such as mobile shower services to homeless individuals.

In light of newly proposed HSD rules relating to employment and training requirements for some recipients of the Supplemental Nutrition Assistance Program, also known as "SNAP" or "Food Stamps", the LHHS will hold a hearing to hear stakeholder testimony.

The LHHS will hear testimony from a panel regarding programming in the state related to food and nutrition and access to healthy foods.

The LHHS will receive an update from the HSD on its use of federal Community Services Block Grant funds.

The LHHS will receive a report from the New Mexico Family Caregiver Task Force. Pursuant to 2014's House Joint Memorial 4, this task force is requested to examine resources and programs for family caregivers to elderly and disabled New Mexicans.

The LHHS will renew its inquiry into the status of adult protective services and protection from elder abuse and exploitation, hearing LFC staff testimony and examining programs at the Aging and Long-Term Services Department, the Office of the Attorney General and senior service agencies, as well as other states' work in this area.

The LHHS will seek an update from the Workforce Solutions Department relating to its administration of unemployment compensation and job training programs. The LHHS will also review a proposal to reduce some unemployment compensation benefits.

Public Health

The LHHS proposes to take another look at the state's ongoing substance dependence crisis, especially as it relates to misuse and dependence on prescription drugs. This review will include the state's options to take advantage of the federal Drug Enforcement Agency's new rules

to allow for more entities to recover unused prescriptions, the Board of Pharmacy's Prescription Drug Monitoring Program, the DOH and the University of New Mexico's reporting pursuant to 2015's House Memorial 98 related to chronic pain and overdose and the state's options for halting the overprescribing of controlled substances.

The LHHS will request that the DOH provide an update to the committee on implementation of the 2014-2016 strategic plan, its public health surveillance indicators report and its efforts to attain public health accreditation and combat hepatitis C statewide.

The LHHS will request an update on the state's Medical Cannabis Program, with testimony from the DOH, producers, enrollees and experts on the program and on some of the practical barriers that enrollees and producers face, as well as funding for the program.

With the removal of the New Mexico Health Policy Commission and the University of New Mexico-Robert Wood Johnson Foundation Center for Health Policy as sources of health care analysis in the state, the LHHS will examine options for establishing or reinvigorating entities with the capacity to provide this analysis.

The LHHS will hear an update on health care services for Native Americans living off-reservation, including local efforts and promising practices from other states.

The LHHS will also hear testimony related to diabetes and its effect on the state, the potential for establishing an all-payer claims database, the statewide nurse advice line, vaccinations, sexual assault services and the public health effects of "vaping" or electronic cigarette use.

Native American Health

The LHHS will hold a joint meeting with the Indian Affairs Committee at Kewa Pueblo on October 5, 2015 to cover matters relating to Native American health.

Health and Human Services Contracting

Pursuant to House Memorial 129 (2015 Regular Session), the committee shall study ways in which the state contracts with nonprofit organizations for some health care and human services. The committee will examine how these contracts and contracting processes meet state programmatic needs and how the state may maximize the benefits to both the state and nonprofit organizations.

Behavioral Health

The LHHS will monitor access to behavioral health services statewide. It will review the strategic plan for the Behavioral Health Services Division of the HSD and receive updates on related litigation and program integrity activities. The committee will also review data on indicators for mental illness, substance abuse and drug overdose and receive updates on developments at the federal level and in other states relating to behavioral health services.

Disabilities Concerns Subcommittee

The Disabilities Concerns Subcommittee of the LHHS was established pursuant to Section 2-13-3.1 NMSA 1978 and is charged with a continuing study of the programs, agencies, policies, issues and needs relating to individuals with disabilities. During the 2015 interim, the Disabilities Concerns Subcommittee will monitor access to services for persons with disabilities throughout the state, receive testimony related to the federal Achieving a Better Life Experience or "ABLE" Act, receive updates on related litigation and program integrity activities and receive updates on developments at the federal level and in other states relating to services for persons with disabilities, including autism. The subcommittee is to provide a report and recommendations to the LHHS before the conclusion of the LHHS's interim.

Legislative Health and Human Services Committee
2015 Approved Meeting Schedule

Date	Location
June 5	Santa Fe Organizational Meeting
July 15	Las Cruces — New Mexico State University
July 16-17	Las Cruces — La Clinica de Familia
August 24-25	Ruidoso
August 26-27	Roswell
September 21-22	Albuquerque
September 23	Albuquerque — Juvenile Justice Summit/Joint Meeting with Courts, Corrections and Justice Committee
September 24	Albuquerque
October 5	Kewa Pueblo — Joint Meeting with Indian Affairs Committee
October 6-7	Santa Fe
October 19-21	Santa Fe
November 16-18	Santa Fe

Disabilities Concerns Subcommittee
2015 Approved Meeting Schedule

Date	Location
August 28	Roswell
September 25	Albuquerque
October 22	Santa Fe

AGENDAS AND MINUTES

Revised: June 3, 2015

TENTATIVE AGENDA
for the
ORGANIZATIONAL MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

June 5, 2015
Room 322, State Capitol
Santa Fe

Friday, June 5

9:00 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

9:10 a.m. (1) **Review of Health and Human Services Legislation from the 2015 Regular Session**
—Michael Hely, Staff Attorney, Legislative Council Service (LCS)
—Shawn Mathis, Staff Attorney, LCS

10:30 a.m. (2) **Health and Human Services Budgetary Update**
—Christine Boerner, Senior Fiscal Analyst, Legislative Finance Committee (LFC)
—Kelly Klundt, Fiscal Analyst, LFC
—Eric Chenier, Fiscal Analyst, LFC

11:30 a.m. **Lunch**

1:00 p.m. (3) **Update on Centennial Care and Behavioral Health Services for Medicaid Clients; Behavioral Health Collaborative Strategic Plan**
—Brent Earnest, Secretary, Human Services Department (HSD)
—Wayne Lindstrom, Ph.D., Director, Behavioral Health Services Division, HSD

3:00 p.m. **Public Comment**

3:30 p.m. (4) **Review of Work Plan and Meeting Schedule**
—Michael Hely, Staff Attorney, LCS
—Shawn Mathis, Staff Attorney, LCS

4:30 p.m. **Recess**

MINUTES
of the
FIRST MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

June 5, 2015
Room 322, State Capitol
Santa Fe, New Mexico

The first meeting of the Legislative Health and Human Services Committee (LHHS) was called to order by Senator Gerald Ortiz y Pino, chair, on June 5, 2015 at 9:00 a.m. in Room 322 of the State Capitol.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia
Rep. Tim D. Lewis
Sen. Benny Shendo, Jr.

Absent
Sen. Gay G. Kernan
Sen. Mark Moores

Advisory Members
Sen. Craig W. Brandt
Sen. Jacob R. Candelaria
Rep. Gail Chasey
Sen. Linda M. Lopez
Rep. James Roger Madalena
Sen. Cisco McSorley
Sen. Howie C. Morales
Sen. Bill B. O'Neill
Sen. Mary Kay Papen
Rep. Patricio Ruiloba
Sen. William P. Soules
Sen. Mimi Stewart
Rep. Don L. Tripp
Rep. Christine Trujillo

Sen. Sue Wilson Beffort
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Sen. Nancy Rodriguez
Sen. Sander Rue

Staff
Michael Hely, Legislative Council Service (LCS)
Shawn Mathis, LCS
Diego Jimenez, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Friday, June 5

Committee chairs announced that starting on time and keeping on schedule would be a priority in the coming interim. Later, they also explained that with respect to the committee's interim agenda, priority would be given to matters likely to be the subject of legislation in the coming 30-day session, specifically: budgets, appropriations and revenue bills; bills drawn pursuant to special messages of the governor; and bills of the last regular session vetoed by the governor.

Review of LHHS Legislation (2015 Regular Session)

A review of the fate of 2015 legislation endorsed by the committee during the last interim was the first agenda item, including a review of the seven long-term initiatives that were recommended by last year's Behavioral Health Subcommittee and endorsed by the committee. (See handouts.) Also discussed were appropriations to the Administrative Office of the Courts and to the Human Services Department (HSD), contingent upon federal approval of the Tribal-State Class III Gaming Compact approved in the First Session of the Fifty-Second Legislature. At the request of the committee chair, staff has obtained clarification that if an appropriation is contingent, it is not allocated or funded unless and until the contingency comes to pass; thus, there is no budget impact if the contingency does not come to pass.

Health and Human Services Budgetary Update

Next, the committee received an update on the state's health and human services budget from Legislative Finance Committee (LFC) staff. (See handout.) Items discussed included:

- a projected $37 million shortfall for fiscal year 2016 in the HSD's budget;
- "pockets" of major behavioral health service disruptions statewide since the 2013 credible allegations of fraud against 15 provider agencies;
- a lack of care coordination among Medicaid managed care organizations (MCOs). Only 2% of enrollees receive care coordination;
- right-sizing the Department of Health's (DOH's) budget to meet health needs and take advantage of expanded Medicaid;
- whether appropriate outcome measures are being used on agency report cards;
- an assertion that noncompetitive salaries for DOH staff nurses are at least partially due to the veto of a 3% salary increase for DOH nurses and that the DOH's inability to compete for nurses to hire means an increased reliance upon contract nurses;
- the extent and cost of the DOH's use of contract nurses;

- whether a $4 million supplemental appropriation to the DOH will be sufficient for anticipated expenses through the end of 2015;
- DOH employee retention;
- cuts in funding to sexual assault services;
- the Children, Youth and Families Department's (CYFD's) progress in filling vacancies through "rapid hiring", resulting in a recent 2% decrease in vacancies;
- the numbers of reported child abuse and neglect cases that the CYFD has investigated is only 87.3%, whereas the national standard is 95%; and
- the CYFD now has close to 19,000 children on child-care assistance rolls.

Update on Centennial Care and Behavioral Health Services for Medicaid Clients; Interagency Behavioral Health Purchasing Collaborative (IBHPC) Strategic Plan

Following the committee's lunch break, Secretary of Human Services Brent Earnest, accompanied by various HSD staff members, presented an update on Centennial Care and behavioral health services for Medicaid clients. (See handouts.) Secretary Earnest informed the committee that Wayne Lindstrom, Ph.D., the director of the department's Behavioral Health Services Division who was scheduled to present the IBHPC's strategic plan, was unable to attend due to a family emergency.

According to Secretary Earnest, the HSD has continued to see "significant growth" in the use of behavioral health services by Medicaid recipients. Key to this increase are the Medicaid expansion and the reformation of the state's Medicaid program, known as Centennial Care. He explained that the major change in the state's Medicaid program involves the requirement that MCOs provide care coordination for every covered life. In addition, Secretary Earnest reported "high levels of satisfaction" from patient surveys.

Secretary Earnest also highlighted recently appropriated funding for crisis stabilization and triage units, "which should get people into the right [treatment] setting", and he told the committee that the HSD is working with Dona Ana County and Bernalillo County to establish these resources. He also informed the committee that $1 million of the HSD's budget would be spent on an investment zone strategy, an approach that is being utilized by the CYFD.

Finally, Secretary Earnest informed the committee of three areas of focus for his agency going forward: 1) updating HSD regulations (including regulations to allow reimbursement of practitioners that are not independently licensed but that are supervised); 2) changes in provider payment levels; and 3) work force.

Committee members questioned Secretary Earnest on the following matters:

- the data used by the HSD to conclude that substantially more Medicaid recipients are receiving behavioral health services;
- the use of extrapolation in resolving alleged overpayments by the HSD to Medicaid providers;

- the cost of Medicaid expenditures on prescription drugs, and the effect that psychiatric medications have on the Medicaid budget;
- the departure of the behavioral health agency, La Frontera, and its cooperation with the HSD on making a transition;
- whether new behavioral health provider agencies have been identified to replace departing and departed behavioral health provider agencies;
- the status of behavioral health providers for whom the attorney general had completed investigations after no finding of fraud;
- the number of the HSD's tribal consultations in the past year;
- the apparent discrepancy between the "significant" increase in recipients receiving behavioral health services and the relatively small increase in associated costs;
- the higher rates of population served in some counties compared to others;
- rates of hospitalization, arrests, incarceration, homicide and suicide as indicators of how the mentally ill population is being served;
- whether per person behavioral health spending has been increased or reduced;
- the methodology for conducting patient satisfaction surveys;
- whether the HSD had collected any patient satisfaction data for the period of time Medicaid recipients were being served by Arizona behavioral health providers;
- the exclusion of costs for behavioral health medications from the cost data presented by the HSD;
- options for Supplemental Nutrition Assistance Program (SNAP) recipients in rural areas where jobs may not be available under new proposed SNAP requirements;
- whether care coordination is an appropriate substitute for case management and enlarging the classification of practitioners who can offer comprehensive community support services; and
- regulatory changes in school-based behavioral health services.

Public Comment

Two public comment periods were held in which the following issues were brought to the committee's attention:

- the HSD's new work requirements for SNAP recipients, with the HSD's only public hearing on the proposed amendments scheduled for Friday, July 17, from 1:30 p.m. to 4:00 p.m. at the DOH Harold Runnels Building Auditorium, 1190 St. Francis Drive, in Santa Fe;
- inconsistencies in behavioral health data recently reported by the HSD;
- the continuing need for a behavioral health clearinghouse;
- the need for court-ordered differential response services for at-risk families;
- the need for declaration of a state of emergency with respect to deaths from drug overdoses;
- the availability of a nurse registry from the New Mexico Hospital Association for use by state agencies;

- the need for a center for independent living for persons with disabilities in the nine northern counties of the state;
- the need for access to sign language interpreters during the legislative session;
- continued concern over adequate staffing and retention of nurses at health facilities statewide;
- a status update from Healing Addiction In Our Community on its youth transitional living center in Albuquerque;
- DOH rules that are barriers to wider distribution of Narcan and the importance of getting Narcan into the hands of as many people as possible, particularly first responders;
- 17% percent of New Mexico's population is living with a disability, yet there are few services — especially for those living in rural areas;
- a status update from the Forward New Mexico pipeline program for rural and frontier students interested in health professions;
- the lack of transportation for those wanting to access behavioral health services;
- the need to develop uniform reporting tools for behavioral health services;
- a status update on school-based health clinics;
- a commenter's difficulty in obtaining information from state agencies;
- concerns about a reported 20% drop in Temporary Assistance for Needy Families enrollment during the past year; and
- the CYFD's request for authority to obtain court orders to provide services to families where there has been no substantiation of abuse or neglect.

Commenters requested that the following be included in the committee's interim agenda:

- hunger and poverty;
- changes in SNAP regulations (to the committee's July agenda before a public hearing on proposed amendments to regulations);
- the feasibility of consolidating all hunger programs into one state entity;
- an analysis of the global impact of the Medicaid expansion on the state's economy and budget;
- mental health in prisons and county jails;
- long-term services under Centennial Care;
- use of seclusion and restraints on children living with autism;
- memorials directed to the committee;
- update on sexual assault programs;
- implementation of the federal Achieving a Better Life Experience (ABLE) Act;
- medically fragile waiver transition to Centennial Care in 2016 and income eligibility;
- reimbursement for dialectical behavioral therapy; and
- new federal rules extending mental health parity to MCOs and health insurance exchange plans.

Committee Requests for Information

Representative Espinoza requested committee staff to keep a running list of requests by committee members for information from presenters. Requests for further information made at this meeting are as follows:

Request to the LFC

1. How much of the DOH's budget is dedicated to pregnancy prevention?

Requests to the HSD

1. How many seriously mentally ill and seriously emotionally disturbed children received behavioral health services?
2. How many tribal consultations has the HSD had in the last year? Please provide details on participants and tribes to Representative Madalena and Senator Shendo. They also request that they be notified when these consultations take place.
3. With expanded Medicaid, how much is the state funding for alcohol and drug rehabilitation and treatment?
4. How many behavioral health consumers have been hospitalized for the same periods that the HSD is reporting significant increases in recipients receiving services?
5. Please provide a copy of the metrics that the HSD is using for behavioral health and the data corresponding to such metrics.
6. Please provide consumer satisfaction data for 2012-2013 and 2013-2014.
7. Please provide data for numbers of behavioral health consumers served for 2012-2103.
8. Please provide pharmacy expenditures for the recipients of behavioral health services for 2012-2013 and 2013-2014.
9. Please provide data on medical services for the same unduplicated behavioral health recipient population that the department has used to show a "significant" increase in behavioral health recipients under Centennial Care and the corresponding pharmaceutical costs for this same population.
10. Please provide an explanation of the effect of the proposed changes in school-based services for Medicaid-eligible recipients under 21 years of age. Please also provide a copy of comments on the proposed regulations from school districts.
11. Please provide information on the status of suspended funds to the referred behavioral health providers.

Committee 2015 Interim Work Plan

The committee concluded its meeting with a discussion of its work plan. A copy of the revised work plan is posted on the committee web site.

Adjournment

There being no further business before the committee, the first meeting of the LHHS adjourned at 5:13 p.m.

Revised: July 13, 2015

TENTATIVE AGENDA
for the
SECOND MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

July 15-17, 2015
Las Cruces

Wednesday, July 15 — Barbara Hubbard Room, Pan American Center, New Mexico State University

8:30 a.m. **Welcome and Introduction**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:45 a.m. (1) **Welcome**
—Donna Wagner, Ph.D., Dean, College of Health and Social Services, New Mexico State University (NMSU)

9:00 a.m. (2) **Cooperative Extension Service Health Outreach**
—Karim A. Martinez, County Program Director and Home Economist, Dona Ana County Cooperative Extension Service, NMSU

10:00 a.m. (3) **School, Law Enforcement, Judicial and Corrections Behavioral Health Panel**
—Judge Marci E. Beyer and Judge Mary W. Rosner, Third Judicial District Court
—Major Brent Barlow, Dona Ana County Sheriff's Office
—Sergeant Robert McCord, Las Cruces Police Department
—Martin Greer, Ph.D., Lead Psychologist, Las Cruces Public Schools
—Chris Barela, Director, Dona Ana County Detention Center

12:00 noon **Lunch (Provided by NMSU)**

1:00 p.m. (4) **Hospital Behavioral Health Panel**
—John Harris, Chief Executive Officer (CEO), Memorial Medical Center
—Robert Mansfield, CEO, Mesilla Valley Hospital
—Kelly Clark, R.N., Chief Quality Officer, MountainView Regional Medical Center

2:00 p.m. (5) **Panel of La Frontera Replacement Providers**
—Suzan Martinez de Gonzales, CEO, La Clinica de Familia (LCDF)
—Steve Hanson, CEO, Presbyterian Medical Services (PMS)
—Doug Smith, Executive Vice President, PMS
—Neil Bowen, Ph.D., Chief Mental Health Officer, Hidalgo Medical Services (HMS)
—Darrick Nelson, Chief Medical Officer, HMS

3:00 p.m. (6) **Behavioral Health Report from Managed Care Organizations**
—Sharon Huerta, Vice President and Chief Operating Officer of Medicaid Operations and Centennial Care, Blue Cross Blue Shield New Mexico
—Steve DeSaulniers, Director of Health Plan Operations-Behavioral Health, Molina Healthcare of New Mexico
—Liz Lacouture, Executive Director of Behavioral Health, Presbyterian Healthcare Services
—Denise Leonardi, M.D., Chief Medical Officer, United Healthcare Community Plan of New Mexico
—Timothy Miller, Executive Director, OptumHealth New Mexico

4:00 p.m. (7) **Public Comment**

5:00 p.m. **Recess**

Thursday, July 16 — La Clinica de Familia, 385 Calle de Alegra, Building "A", Conference Rooms A & B

8:30 a.m. **Welcome and Introduction**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:35 a.m. (8) **Welcome and Tour of LCDF**
—Suzan Martinez de Gonzales, CEO, LCDF

9:15 a.m. (9) **Community Services Block Grant**
—Sean Pearson, Deputy Secretary, Human Services Department (HSD)
—Marilyn Martinez, Director, Income Support Division, HSD

10:00 a.m. (10) **Supplemental Nutrition Assistance Program (SNAP) — Proposed Rules**
—Brent Earnest, Secretary, HSD
—Lisa Roberts, SL Start
—Margo Dixon, SL Start
—Paul J. Gessing, President, Rio Grande Foundation
—Louise Pocock, Staff Attorney, New Mexico Center on Law and Poverty
—Ruth Hoffman, Board of Directors, New Mexico Conference of Churches
—Sandra Aragon, SNAP Recipient, Los Lunas

12:00 noon **Lunch (Provided by LCDF)**

1:00 p.m. (11) **Public Comment**

1:30 p.m. (12) **Providing Access to Fresh, Nutritious Foods for Healthy Outcomes: Private/Public Cooperative Programming**
—Pam Roy, Executive Director, Farm to Table
—Gloria Begay, Executive Director, Diné Food Sovereignty Alliance
—Denise Miller, Executive Director, New Mexico Farmers' Marketing Association
—Aaron Sharratt, Co-Founder and Director of Development and Administration, La Semilla Food Center

3:00 p.m. (13) **Consolidation of Food and Nutrition Programs — Senate Memorial 93**
—Caitlin Smith, Staff Attorney, Project Appleseed
—Bill Ludwig, Regional Administrator, Food and Nutrition Service, United States Department of Agriculture
—Steve Hendrix, Division Director, Early Childhood Services Division, Children, Youth and Families Department
—Kerry Thomson, Clinic Operations Manager, New Mexico WIC Program, Department of Health (DOH)
—Hipolito "Paul" Aguilar, Deputy Secretary, Finance and Operations, Public Education Department

4:30 p.m. **Recess**

Friday, July 17 — La Clinica de Familia, 385 Calle de Alegra, Building "A", Conference Rooms A & B

8:40 a.m. (14) **Dona Ana County Health and Human Services Department (DACHHS); Health Care Assistance Program; Community Resource Centers; Crisis Triage; Emergency Medical Services**
—Jamie Michael, Director, DACHHS
—Robert Mansfield, CEO, Mesilla Valley Hospital
—Joaquin Graham, American Medical Response

10:00 a.m. (15) **Addressing Social Determinants of Health in Rural New Mexico**
—K'Dawn Jackson, Interim Community and Organizational Development Director, HMS
—Mary Stoecker, B.S.N., Community Health Promotion Team, Southwest Public Health Region, DOH
—Kim Dominguez, Director of Public Transportation, Corre Caminos

11:00 a.m. (16) **Addressing Barriers and Increasing Access to Health Care in Rural New Mexico**
—Suzan Martinez de Gonzales, CEO, LCDF
—Darrick Nelson, M.D., Chief Medical Office, HMS
—Charlie Alfero, Executive Director, Southwest Center for Health Innovation

12:00 noon (17) **Working Lunch (Provided by LCDF): Protective Services for Seniors**
—Pam Galbraith, Program Evaluator, Legislative Finance Committee (LFC)
—Brian Hoffmeister, Program Evaluator, LFC
—Barbara Rios, Executive Director, Deming Area Agency on Aging
—Donald Wilson, Executive Director, The Village at Northrise
—Juliet Keene, Assistant Attorney General, Medicaid Fraud and Elder Abuse Division, Office of the Attorney General

2:00 p.m. (18) **Public Comment**

2:30 p.m. **Adjourn**

MINUTES
of the
SECOND MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

July 15-17, 2015
Barbara Hubbard Room, Pan American Center, New Mexico State University
La Clinica de Familia, 385 Calle de Alegre, Building A
Las Cruces

The second meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on July 15, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:30 a.m. in the Barbara Hubbard Room in the Pan American Center at New Mexico State University (NMSU) in Las Cruces.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia (7/16, 7/17)
Sen. Gay G. Kernan
Rep. Tim D. Lewis
Sen. Benny Shendo, Jr. (7/16, 7/17)

Absent
Sen. Mark Moores

Advisory Members
Sen. Jacob R. Candelaria (7/16)
Sen. Linda M. Lopez (7/15, 7/17)
Rep. James Roger Madalena (7/16, 7/17)
Sen. Cisco McSorley (7/17)
Sen. Howie C. Morales (7/17)
Sen. Mary Kay Papen (7/15)
Sen. Nancy Rodriguez
Rep. Patricio Ruiloba
Sen. William P. Soules
Sen. Mimi Stewart (7/15, 7/17)
Sen. Sue Wilson Beffort
Sen. Craig W. Brandt
Rep. Gail Chasey
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Sen. Bill B. O'Neill
Sen. Sander Rue
Rep. Don L. Tripp
Rep. Christine Trujillo

Guest Legislators
Sen. Joseph Cervantes (7/15)
Rep. Jeff Steinborn (7/15)

(Attendance dates are noted for members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, Research Assistant, LCS (7/15, 7/16)
Nancy Martinez, Intern, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Wednesday, July 15 — Barbara Hubbard Room, Pan American Center, NMSU

Welcome and Introductions
Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves. The committee has much work ahead of it during the interim, with 22 days of scheduled meetings in which it will examine many complex issues, said Senator Ortiz y Pino. He then introduced Donna Wagner, Ph.D., dean of the College of Health and Social Services at NMSU.

Dr. Wagner described NMSU as having more than 30 years' experience dealing with most of the issues on the committee's agenda during this interim, and she directed committee members' attention to her handout, which details the college's role in preparing students and meeting needs of the state's aging work force. Dr. Wagner also introduced epidemiologist Jill McDonald, Ph.D., who will draw on her extensive background in maternal and child health as the new director of the Southwest Institute for Health Disparities Research at NMSU. Dr. McDonald's research will examine health disparities, such as child obesity rates, across southern New Mexico and the border region, with the goal of informing better public policy decisions.

Cooperative Extension Service Health Outreach
Karim Martinez, county program director and home economist with the Dona Ana Cooperative Extension Service at NMSU, provided committee members with a presentation and handout on the historic role of the extension service in cooperation with county, state and federal governments. In addition to traditional roles in nutrition, food safety and preservation, parenting skills, physical activity and youth development, the extension service now is expanding to include training in health, health insurance literacy and chronic disease self-management. Ms. Martinez reminded committee members that the extension service has long provided trusted services in communities throughout the state and that its infrastructure could be extremely valuable to the legislature in helping to deliver new programs and services.

Behavioral Health System Update

Wayne Lindstrom, Ph.D., director of the Behavioral Health Services Division (BHSD) of the Human Services Department (HSD) and chief executive officer (CEO) of the Interagency Behavioral Health Purchasing Collaborative, described the state's system for behavioral health services as one of the most fragmented he has ever seen. Dr. Lindstrom urged legislators to look at simplifying the system rather than overhauling it yet again, focusing on reducing regulations and streamlining how it is financed. Work force issues are, by far, the biggest challenge to the system, Dr. Lindstrom asserted, with tremendous service provider pipeline issues that have not been resolved. Reimbursement rates are not high enough, he said, despite a recent 12.5 percent increase in rates.

In response to committee members' questions about the 2013 behavioral health upheaval and the recent departure of La Frontera New Mexico, an organization brought in from Arizona to replace providers accused of fraud, Dr. Lindstrom said that he was not working in New Mexico in 2013 and has had to "play the hand" he was dealt. Nonetheless, by working with local communities, the latest transition is going well, he said, and committee members will hear more about this in testimony later today. A two-year plan for the entire behavioral health system is being assembled by the BHSD, with input from providers and judicial and corrections representatives. Dr. Lindstrom provided members with a 2015 report of behavioral health collaborative initiatives. He said that there will be an opportunity for public input on the proposed two-year plan within the next several months. Other committee members expressed concern to Dr. Lindstrom about excessive use of psychotropic drugs, rather than behavior modification, in children in foster care and in low-income families; urged payment of funds withheld by the state to providers who have been cleared of fraud charges; and inquired about efforts to identify behavioral health service users "lost" during the 2013 transition.

Motion for Letter Approved

A committee member moved that a letter be sent from the committee to the attorney general urging that the remaining investigations of behavioral health care providers be resolved as soon as possible. Another committee member noted that the legislature provided additional funding to the attorney general specifically for this purpose. The motion was seconded and passed unanimously.

School, Law Enforcement, Judicial and Corrections Behavioral Health Panel

Judge Marci E. Beyer and Judge Mary W. Rosner, both of the Third Judicial District Court, described increasing problems with fewer mental health services available for both children and adults. Delays in assessments for youth, a lack of residential treatment options and fewer therapeutic foster families leave her with very few treatment options, Judge Beyer explained, and often children are returned to families that have no training or services available. The more contacts juveniles have with the system, the more likely they are to repeat; the longer detentions and the delays keep children caught on a treadmill, she said. Judge Rosner described her work with adults in evidentiary hearings for an involuntary hold. A person who needs long-term health care can be sent to the New Mexico Behavioral Health Institute (NMBHI) in Las

Vegas, 400 miles away, but if the patient has a dual diagnosis, such as alcoholism and mental illness, the patient will not be accepted. The average stay in Las Vegas is four to seven days, she said, and such a short-term effort serves neither the state nor the individual. Judge Rosner emphasized what is needed most is a long-term state mental health facility in Dona Ana County.

Martin Greer, Ph.D., lead psychologist for the Las Cruces Public School District, described a network of professional counselors throughout the school system and the services available at five school-based health centers in high schools (see handout). Collaboration with community behavioral health service providers has been good, Dr. Greer said, with a mobile crisis service and the use of behavior management services (BMS) being especially valuable. Despite an increase in serious cases over the past three years, BMS has essentially disappeared, he lamented. Difficulties in getting counseling appointments, frequent changes in therapists and the lack of BMS have been upsetting to families.

Major Brent Barlow, Dona Ana County Sheriff's Department, provided a snapshot of the overwhelming work requirements for his short-staffed deputy sheriffs in their role to ensure public safety. He ticked off a list of many mandated services to be provided by the sheriff's department, but mental health provider is not one of them. Nonetheless, last year his deputies made 89 transports to the NMBHI and spent countless hours in hospital emergency rooms (ERs) waiting with arrestees for services. While Major Barlow supports the planned crisis triage center in Dona Ana County, he sees the 10-bed facility as a "drop in the bucket"; what is desperately needed here is a long-term mental health facility, he said.

Sergeant Robert McCord, Las Cruces Police Department, told committee members that he has increased crisis intervention training for officers, now up to 75. In the month of June, approximately two persons per day were taken into custody in Las Cruces who had behavioral health issues. It is a serious national issue that one in three incarcerated individuals is mentally ill, Sergeant McCord said, and he feels the proportion is actually higher. New Mexico has increased its population but reduced the number of beds available for help, and he agrees with fellow panelists that resources are severely lacking in the southern part of the state. Chris Barela, director of the Dona Ana County Detention Center, said that incarceration has become the default mental health treatment in the county and is averaging longer periods of time.

On questioning, committee members and panelists discussed the following issues:

- the importance of early intervention and the fact that 70 percent of visits to school-based health centers in Las Cruces are for mental health services; only 10 percent are for reproductive health;
- problems with dual diagnoses and denial of payment by health insurers;
- the possible reexamination of the long-term value of BMS in schools;
- the need for standards for credentialing and licensing for crisis triage centers, which are a new level of care; and
- the possibility of Mesilla Valley Hospital becoming a long-term care facility.

Hospital Behavioral Health Panel

Steve Ruwoldt, chief operating officer of Memorial Medical Center in Las Cruces, said his hospital, with 12 psychiatric beds and one psychiatrist on staff, is focused on acute care. The average stay in the psychiatric unit, which is located in the hospital but is isolated, has been 4.5 days during the last three to four years. The 30-day readmission rate for Memorial Medical Center's psychiatric unit is 9.7 percent, Mr. Ruwoldt said.

Robert Mansfield, CEO of Mesilla Valley Hospital, described the hospital's 88-bed psychiatric facility (see handout) as being licensed by the Department of Health (DOH) to provide acute care services; it is not licensed to provide long-term care. Mesilla Valley Hospital serves the entire state, with about half of its patients coming from Dona Ana County. The beds are broken down into the following categories: adolescent, 14; adult, 24; geriatric, 11; intensive care, 12; and substance abuse, 27. The hospital has seen an increase in walk-ins, Mr. Mansfield said, with up to 10 people per week coming in for help. Currently, the hospital is experiencing significant resource issues with recruitment of psychiatrists and nurse practitioners. There has been an increasing problem with discharged patients (445 through June) unable to get follow-up appointments with behavioral health providers within the prescribed seven days.

Kelly Clark, R.N., chief quality officer at Mountain View Regional Medical Center, said that the center does not have any psychiatric beds, but has experienced a significant increase in behavioral health ER visits, a 41 percent increase over the past three years. There was also an increase of 27 percent during the same period in behavioral health transfers from the center to other facilities for admission elsewhere. In 2014, there was a total of 34,560 visits to the center's ER, with 2,584 of those visits for behavioral health issues.

On questioning, committee and panel members discussed the important role of law enforcement with behavioral health emergency admissions, varying rates of compensation for care and the possibility of establishing a day-treatment program at Mesilla Valley Hospital.

Panel of La Frontera New Mexico Replacement Providers

Suzan Martinez de Gonzales, CEO of La Clinica de Familia (LCDF), said the 30-year-old nonprofit organization was asked by the HSD to consider taking on core behavioral health services in Dona Ana County following the departure of La Frontera New Mexico. On August 1, 2015, LCDF will assume La Frontera New Mexico's patient caseload. LCDF is a federally qualified health center (FQHC). The clinic was built as a medical/dental facility and is transitioning to become a mental health center, as well. Ms. Martinez de Gonzales described many challenges and barriers (see handout) to this transition, including rebuilding trust within the community. Approximately 85 percent of the staff from La Frontera New Mexico will transfer to LCDF, which has been working closely with the managed care organizations (MCOs) in billing procedures, as reimbursement rules and regulations for FQHCs differ from those of other providers. Acquisition of medical records and assessments, training and orientation of staff and licensing and credentialing are all slated for completion by the official August 1 transition date. Ms. Martinez de Gonzales emphasized that she has requested that the state provide an audit of

revenue generated by LCDF under the new FQHC model at 3-, 6- and 12-month intervals to ensure that the payment structure is adequate. If it is not, she said, she will ask for a second infusion of funds to provide services to the approximately 4,000 behavioral health consumers who were being served at one time or another by La Frontera.

A committee member moved that a letter be sent from the LHHS to the Medicaid MCOs stating that the LHHS supports LCDF's request for the close financial monitoring requested by Ms. Martinez de Gonzales. The motion was seconded and passed unanimously.

Neil Bowen, Ph.D., is the chief mental health officer at Hidalgo Medical Services (HMS), which has clinics in six locations and is a core service agency serving Hidalgo and Grant counties. Dr. Bowen told committee members that six weeks into their assumption of La Frontera clients, things are going much more smoothly than anticipated, as services were stepped up to accommodate additional consumers (see handout). The licensure process and coordination of patient information were challenging, Dr. Bowen said, and recruitment of staff remains a problem in this part of the state.

Doug Smith, executive vice president of Presbyterian Medical Services, which has locations in Luna, Otero and Lincoln counties, said transition goals have been met (see handout). Mr. Smith posited that with 140,000 behavioral health consumers statewide, efforts should not be directed toward building a "health care center" but rather toward building a health care system. He urged a reduction in silos of health care and a movement toward an integrated model, focusing on collaboration. Addressing the issues of barriers and challenges, Mr. Smith said, "Work force, work force and work force," and urged legislators to triple the state's current plans for payment of educational debt to help attract new recruits.

On questioning, committee members and panelists discussed the following issues:

- concern about the FQHC model allowing payment for only one service, despite multiple services being provided on the same day;
- why local agencies were willing to step in after La Frontera New Mexico left, claiming $10 million in losses;
- problems with provider recruitment, especially as it relates to finding the provider's spouse a good job;
- problems with time lines for credentialing and plans to require all MCOs to use the same national organizations; and
- efforts to locate behavioral health consumers who may have "fallen through the cracks" during the past three years' upheaval.

Behavioral Health Report from MCOs

Felicia Spaulding, representing Blue Cross Blue Shield New Mexico (BCBS), said that out of a total enrollment of 125,905 BCBS members in New Mexico, 13,565 have been identified with a behavioral health diagnosis, and, of those, 522 are affected by La Frontera New Mexico's recent departure (see handout). Multidisciplinary planning is an important part of

efforts to build a behavioral health network, Ms. Spaulding said, and there are many benefits involved with the FQHC model.

Steve DeSaulniers, director of health plan operations in behavioral health for Molina Healthcare of New Mexico (Molina), reported a total of 218,553 Molina members statewide, with 23,383 having received behavioral health services (see handout). Mr. DeSaulniers said the transition of services has been a very collaborative process that started in January, with Molina contacting consumers to make certain that they got appointments with new providers. He also described care coordination activities, what he termed a "breakthrough" in telecommunications that can provide access from home or a nearby clinic and the expansion of peer support services.

Liz Lacouture, executive director of behavioral health for Presbyterian Healthcare Services (PHS), said her organization, which has been serving Medicaid consumers since 1987, has 40,000 new expansion members out of a total of 206,379 members (see handout). Approximately 1,000 PHS members are affected by La Frontera's departure, she said, and by pulling together with the BHSD, Children, Youth and Families Department (CYFD) and New Mexico Crisis and Access Line, PHS has really committed to making the transition go as smoothly as possible. In this transition, the FQHCs are getting the support they need, Ms. Lacouture said. In a recent satisfaction survey, PHS members rated services as good or better than before the transition.

Denise Leonardi, M.D., chief medical officer of United Healthcare Community Plan of New Mexico (UHC), said that of UHC's 80,775 total members, approximately 44 percent came from the expansion of Medicaid and 13 percent are behavioral health consumers (see handout). Of the latter, 326 have been affected by the behavioral health transition. Dr. Leonardi said her organization believes in holistic care and provides support for mental health "first aid" in Spanish and in English, and for chronic disease management. A value-added service is transportation to and from a pharmacy for pick-up of medication.

Timothy Miller, executive director of OptumHealth New Mexico, said his organization administers non-Medicaid funds for approximately 30,000 consumers. Spending decisions are made by the state, and there is a three-day turnaround for payment to providers.

On questioning, committee members and panel presenters discussed the following topics:

- lack of awareness of the New Mexico Crisis and Access Line and the funding struggles of the Nurse Advice New Mexico service;
- gaps in Medicaid care coordination, with only two percent of MCO members receiving this service, according to the Legislative Finance Committee (LFC);
- efforts to increase access to detox services for adolescents and adults;
- identification of other behavioral health providers that may be in financial trouble;
- formulary exception process for prescription needs; and
- behavioral health service coverage for Sierra County.

Committee Requests for Information

Requests from committee members for further information from all MCOs included the following:

- a copy of the waiver policy for care coordinators who are fearful of a particular home visit to a consumer for an assessment;
- contact information (i.e., a business card) from each of today's presenters;
- a list from each MCO of contracted behavioral health providers in southeastern New Mexico; and
- the number of "super utilizers" of emergency services, broken out by county.

Approval of Minutes

Minutes from the June 5, 2015 meeting of the LHHS in Santa Fe were unanimously approved.

Public Comment

Ron Gurley, who runs a jail diversion program, told members that they were going to see a major effort in southeastern New Mexico to get a 100-bed mental health hospital. More money is needed for pretrial services, medications and other jail diversion efforts, he said. Mr. Gurley's wife, Nicole Gurley, described the many difficulties in helping to provide for their adult daughter, who has had life-long mental health issues.

Penny McCameron, a United States Army veteran, said she was healthy all of her life until she suffered a severe back injury, which ultimately plunged her into poverty and homelessness. She came today to thank legislators for the expansion of Medicaid and for case managers and a care coordinator from UHC who provided the help she needed to reassemble her life.

Becky Beckett has been a member of the local mental health task force and a consumer for her adult daughter, and she has been through all three transitions in New Mexico's behavioral health system. She lamented the loss of services in the region and was critical of Memorial Medical Center, which she said has recently curtailed its mental health services.

Anna Otero Hatanaka, executive director of the Association of Developmental Disabilities Community Providers, criticized New Mexico for refusing to release funds owed to agencies that have been cleared of fraud accusations by the attorney general. She noted that the state did not have any problem finding the money to pay Arizona agencies to come into New Mexico to take over those businesses.

Portofino Ordinales thanked Molina and the state's drug court system for getting him the help he needed and for giving him a new life.

Recess

The committee recessed at 5:50 p.m.

Thursday, July 16 — LCDF, Las Cruces

Welcome and Introductions

Representative Espinoza reconvened the meeting at 8:30 a.m. in Conference Rooms A and B at LCDF, 385 Calle de Alegra in Building A. Representative Espinoza welcomed those assembled and asked legislators and staff to introduce themselves.

Tour of LCDF Facility

Ms. Martinez de Gonzales offered committee members and staff a tour of the combined health/dental clinic and administrative offices/call center at the LCDF location. Two full-time dentists, two full-time dental hygienists, four physicians and one nurse practitioner provide services with expanded hours at LCDF. Ms. Martinez de Gonzales said that LCDF has been working closely with officials at Burrell College of Osteopathic Medicine, which is under construction on the NMSU campus, for the future provision of expanded psychiatric services.

Community Services Block Grant (CSBG)

Marilyn Martinez, director of the Income Support Division of the HSD, described the history of the CSBG, a federal program administered through the states that was first authorized in 1981 for the purpose of reducing poverty (see handout). In New Mexico, an annual allocation of more than $3.5 million is distributed to community action agencies (CAAs) throughout the state, 90 percent of which must go to professional service contracts in the six designated regions. A legislative hearing must be held at least every three years in conjunction with development of the CSBG state plan. Five percent of the allocation goes to administrative expenses, with the remaining five percent used for miscellaneous purposes, including innovative programs. Funds are used according to community need to provide services, including emergency food, utility and rent assistance, assistance with prescriptions and employment and training, among others. The HSD provides monthly review, annual audits and on-site management evaluations. In fiscal year 2014, in addition to more than $3 million in CSBG funds, each CAA also received nearly $36.4 million in combined federal, state, local and private funding and resources.

Ms. Martinez discussed the state's CSBG 2016-2017 plan that must be accepted by the federal Office of Community Services that has implemented extensive new performance standards. She referred members to the appendix of her presentation (see handout) for more details about the new guidelines. In addition to a legislative hearing, a public hearing on the state's draft plan is scheduled on July 30 in Santa Fe. The plan must be submitted to the federal agency by September 1, 2015.

On questioning, committee members asked Ms. Martinez to provide the following additional information to the committee:

- the name and telephone and email contacts for each agency and each agency's executive director for the six CAAs in New Mexico;
- a breakdown by category of funds spent in the last fiscal year by each CAA;

- copies of comments from the public hearing and how these will be incorporated into the new plan;
- details of the proposed use of innovation funds for training staff; and
- a request for the HSD to notify legislators when the agency is holding a public meeting in legislators' communities.

Supplemental Nutrition Assistance Program (SNAP) — Proposed Rules

Brent Earnest, secretary of the HSD, discussed new rules for the state's work program for the SNAP (see handout). There were 495,195 individuals registered in New Mexico as of May 2015 for this federally funded program, which is administered by the state. The federally mandated employment and training program operated by the state was suspended in 2009 with the federal American Recovery and Reinvestment Act of 2009, but it will now be reinstated, Secretary Earnest said. On May 29, 2015, the HSD published its proposed rule to re-implement the work requirements, which will be finalized by October 1. Many exemptions exist for adults and may apply to 276,007 individuals, Secretary Earnest said, with less than 30 percent being subject to mandatory work requirements (see handout). The new state rule extends requirements to youths aged 16 to 18 who are not in school and to able-bodied adults between the ages of 50 and 59. The HSD, through its contractor, SL Start, will provide assistance to all SNAP recipients to become more self-sufficient and to meet the new work requirements, Secretary Earnest said. The HSD will start "rolling out" implementation of the new requirements on March 1, 2016. Details of work activities that healthy adults without dependents must complete are described in the HSD handout, as are those required for adults with dependents.

Lisa Roberts, who is employed by SL Start, said her company has a contract with the HSD's New Mexico Works program to engage Temporary Assistance for Needy Families (TANF) and SNAP participants in work participation through assessments, screenings and referrals to educational opportunities and through the utilization of a network of employment partners (see handout). SL Start opened its SNAP education and training center in Santa Fe in October 2014, offering additional field office staff and training statewide, Ms. Roberts said. The goal of the program is to increase work participation among New Mexico SNAP beneficiaries by identifying barriers to employment and, ultimately, overcoming those barriers and increasing employment. Some reimbursement is available through the program to overcome the barriers of transportation and child care, Ms. Roberts said.

Paul J. Gessing, president of the Rio Grande Foundation, spoke in support of the proposed reinstituted and expanded work requirements for able-bodied SNAP recipients (see handout). More than 21 percent of all New Mexicans receive food stamps, which are meant to be a bridge for people who are between jobs or who have fallen on hard times, and volunteering and improving work skills through education are great ways to find a job, Mr. Gessing said. The new proposal is reasonable, and it encourages self-reliance rather than dependency, he said. Food stamps do not stimulate the economy; New Mexicans working every day and honing their skills will make the state better and more prosperous, Mr. Gessing opined.

Louise Pocock, attorney with the New Mexico Center on Law and Poverty, disagreed with Mr. Gessing (see handout), and she asserted that the state does not have the resources to handle the 70,000 additional work program clients, citing systemic problems uncovered in a 2014 audit by the U.S. Department of Agriculture (USDA), which oversees the SNAP program, including illegal billing by SL Start. There is no data showing that the existing program has helped people find employment, Ms. Pocock said, and economic conditions in New Mexico are worse now than they were in 2009. Offer these programs on a voluntary basis, she urged; do not cut off funds that help feed families. Ms. Pocock introduced Debra Kidd, a SNAP beneficiary in the work program who disputed Ms. Roberts' version of SL Start services. Ms. Kidd said she never got an individual assessment and, over an extended time seeking assistance, she has never been involved in activities described by SL Start. It sounds great, Ms. Kidd said, and she urged SL Start to follow through on these activities.

Ruth Hoffman, director of Lutheran Advocacy Ministry-New Mexico, pointed out that New Mexico has the highest rate of long-term unemployment in the country, and SNAP is a vital program to those struggling to meet their families' nutritional needs (see handout). It is unwise to expand work requirements when there is no evidence that the current program helps SNAP participants attain job skills or find jobs, Ms. Hoffman asserted, and she fears participants will be pushed off SNAP when they are unable to comply with a poorly planned and poorly administered program.

Sandra Aragon, a SNAP recipient, testified to receiving great support from her caseworker at SL Start. She said she was given assistance with her online application, has been inspired to improve her résumé and has been looking for jobs.

On questioning, committee members and panelists discussed the following topics:

- the cost of the new SNAP work program, to be shared equally between state and federal entities, estimated by Secretary Earnest to be $2 million but countered by Ms. Pocock to be as high as $7 million;
- the concern about SL Start's capacity to manage the influx of SNAP recipients required to work and the lack of information about anticipated staffing increases, additional office locations and increased access to information about required services;
- tribal concerns about low participation in outreach efforts;
- the concern about good-cause exemptions, the HSD's definition of "disabled" and the effects of behavioral health service disruptions for some beneficiaries; and
- the multiplier effect of SNAP spending in local economies.

Requests to the HSD and to SL Start from committee members included the provision of:

- a copy of results of the 2014 USDA audit of New Mexico's SNAP program, including examination of possible illegal claims by SL Start;
- outcome data from the HSD and SL Start for the SNAP work program since 2011; and

- details of cost estimates for implementation of the new rule.

Public Comment

Bill Jordan, senior policy advisor for New Mexico Voices for Children, told committee members that the $400,000 appropriated for the SNAP Double Up Food Bucks program at farmers' markets is a big success, but under the new HSD rule, fewer people will be eligible, and the program will be undermined. The problem in New Mexico is hunger, not that there are too many SNAP recipients, Mr. Jordan said. The Kids Count ranking will come out next week, and New Mexico is still at the bottom for child well-being, he said.

Lorenzo Alba, executive director of Casa de Peregrinos, asserted that nonprofits like his that feed people will suffer the backlash of the new work program. In Dona Ana County, 38 percent of those served by his agency are children; in rural areas, 30 percent are senior citizens. Currently, 125 to 150 families are being served in Las Cruces each day that his agency is open.

Javier Benavidez, director in New Mexico of the Southwest Organizing Project, said he is bringing a busload of folks up to Santa Fe tomorrow to testify at the public hearing for the new work rule. Poverty is not a luxury, he stated; corporate tax cuts are.

Las Cruces attorney Yvonne Flores said she was on food stamps during college and the last three semesters of law school, and she could not have made it through without that assistance.

Kari Bachman, coordinator of Place Matters in Dona Ana County, said the SNAP program could be improved; changing work requirements is not an improvement but will increase food insecurity. The proposed changes create a disincentive for participation and have not been proven to be an effective strategy. She reiterated the economic boost that local communities receive for each dollar spent in SNAP benefits. New Mexico is better served by giving benefits to those who deserve them and by helping families out of poverty, she said.

Providing Access to Fresh, Nutritious Foods for Healthy Outcomes: Private/Public Cooperative Programming

A panel presentation that included representatives of Farm to Table, the New Mexico Farmers' Marketing Association and La Semilla Food Center (see handout) provided a report on progress in locally based agriculture and in the recognition of the importance of fresh food; the links between farming, health and local economies; and innovative public/private and community partnerships.

Pam Roy, executive director of Farm to Table, provided the economic backdrop: one in five New Mexicans is on SNAP, 28 percent of the state's children are food insecure and one-half of the state is considered to be a "food desert". Low-income families spend a significantly larger proportion of their income on food, she said. Farm to Table works to promote locally based agriculture by enhancing market opportunities for farmers and by partnering with other

organizations and agencies to bring innovation to food nutrition and farming programs. Ms. Roy said some health clinics and MCOs are reaching out to food organizations, and they provide prescriptions, education and vouchers for fresh food and training and toolkits for community health workers. The Navajo Nation's Diné Food Sovereignty Alliance aims to restore the traditional food system and develop food literacy and wellness training. These efforts are being aided by a new "junk food tax".

Ms. Roy described several innovative programs funded by the state: $450,000 to farmers for senior citizen and Women, Infants, and Children (WIC) nutrition and $400,000 for SNAP Double Up Food Bucks to purchase fresh fruits and vegetables at farmers' markets. Others include the Cuba mobile farmers' market, the MoGro mobile market in Sandoval County and the Bernalillo Veggies Van, among others. The New Mexico Grown Fresh Fruits and Vegetables for School Meals program, with $479,300 in state funding, has numerous community partners throughout the state and is a big success, having engaged more than 7,500 students and trained more than 150 teachers. The New Mexico Food and Agriculture Policy Council, partnering with local and regional policy councils and private nonprofits, is leading the way in New Mexico, Ms. Roy said. She urged legislators to review all food and nutrition programs, to coordinate with state agencies to develop and report on best practices and to maximize funding opportunities for successful programs.

On questioning, committee members discussed with panel participants the following topics:

- ideas for forming a food hub in southern New Mexico, perhaps utilizing public buildings that often sit idle;
- supplemental SNAP dollars delegated for seniors and possible legislation to restore pre-recession levels of added state dollars;
- data collected from the SNAP Double Up Food Bucks program;
- successful food growing programs at some juvenile detention centers; and
- restoration of farmland for organic transition, with assistance from NMSU through a grant program.

Consolidation of Food and Nutrition Programs — Senate Memorial 93

Caitlin Smith, staff attorney for Project Appleseed, an Albuquerque nonprofit organization that works to address the root causes of poverty, discussed Senate Memorial 93 from the 2015 regular legislative session, which directs the LHHS to study the feasibility of combining state-administered nutrition programs (see handout). Ms. Smith's organization recommends combining seven programs into a single state agency whose core competency is social services. Currently, meal programs are administered by the Public Education Department (PED) and the CYFD. Direct certification through SNAP in New Mexico lags behind federal benchmarks requiring that school-age recipients be registered to receive free meals. In 2014, the PED sent out incorrect deadlines and eligibility numbers to school districts, and, in the ensuing crisis, advocates and the USDA conducted trainings around the state with the PED and signed up many more eligible school children. However, the PED remains under USDA oversight. Ms.

Smith concluded that program consolidation is a strong option for increasing effectiveness in the long term.

Steve Hendrix, director of the Early Childhood Services Division, CYFD, described the two food and nutrition programs administered by the CYFD: the Child and Adult Care Food program and the Summer Food Service program (see handout). The first program provides reimbursement to child care providers for nutritious meals and snacks to approximately 37,000 children daily in New Mexico, and the second program provides nutritious meals to children during the summer when school is not in session. Both programs are 100 percent federally funded. Having served over two million meals in 2014, New Mexico ranks second only to Washington, D.C., in delivery success, Mr. Hendrix said. He noted that because of differing USDA regulations and reimbursement rates, bureaucratic barriers will remain, in spite of the goals outlined in Senate Memorial 93. Considering the CYFD's success with its meal programs, the agency is concerned that combining all food and nutrition programs might have the opposite effect by increasing administrative confusion.

Hipolito "Paul" Aguilar, deputy secretary of finance and operations for the PED, was unable to attend but provided a handout that detailed the department's objections to combining all programs under one agency (see handout). Several committee members expressed disappointment that the PED was unable to send a representative to the important discussion.

Kerry Thompson, clinic operations manager for the New Mexico WIC program, said that, under federal law, WIC must be administered by a state health agency, and, thus, its placement under the DOH is mandated (see handout). The New Mexico WIC program serves low-income pregnant women and postpartum women with infants and children up to age five who are found to be at nutritional risk, Ms. Thompson said, and the program serves more than half of all babies in the state. Participants learn about healthy eating, get support for breastfeeding and are informed about available health care and other services. The New Mexico WIC program is a significant resource in the state's effort to prevent obesity in young children, Ms. Thompson said. In 2013, 19 states, including New Mexico, reported to the federal Centers for Disease Control and Prevention a decline in obesity among low-income preschoolers — the first time these numbers decreased in a generation.

Bill Ludwig, regional administrator with the Food and Nutrition Service, USDA, oversees five states, and he emphasized to the committee that, in his opinion, from many years' experience, it does not matter so much which agency handles the program. What is important is the leadership in that agency. SNAP is usually administered by a social services agency because the TANF program and Medicaid are administered by a social services agency and usually serve the same clients. In New Mexico, these nutrition programs are extremely important, Mr. Ludwig emphasized, because of the high levels of poverty. He provided several examples of successful and not-so-successful transitions, and he said that the USDA is here today not to recommend a course of action, but, rather, to provide technical support. Mr. Ludwig had high praise for New Mexico's summer meals program and the WIC program.

On questioning, committee members and panelists discussed the following topics:

- progress toward resolution of USDA problems with the PED;
- efforts by the CYFD to scale back some regulations for registered child care homes and encouraging them to stay in the food program; and
- a committee member's observation that staff often follow a program from one agency to a new agency, and, thus, there is no real change.

Requests for Further Information

Committee members asked Mr. Hely to follow up with the PED for a report on what it has done to resolve its problems with certification and with the USDA. Committee members also asked Mr. Hely to provide members with a copy of the report and an update on the PED corrective plan.

Recess

The committee recessed at 4:20 p.m.

Friday, July 17 — LCDF, Las Cruces

Welcome and Introductions

The meeting was called to order by Representative Espinoza at 8:30 a.m. She welcomed those assembled and asked committee members and staff to introduce themselves.

Dona Ana County Health and Human Services Department (DACHHS): Health Care Assistance Program; Community Resource Centers; Crisis Triage; Emergency Medical Services

Jamie Michel, director of the DACHHS, said that Dona Ana County serves a very different constituency from the rest of the state, with many families more connected to Mexico and Texas than to New Mexico. There are three divisions in her department: court compliance; outreach and education; and program operations. Programs offered at six community resource centers throughout the county (see handout) include health promotion (diabetes prevention/management; mental health stigma reduction and access to care; and parent/child development), substance abuse prevention and growing food connections, among others. The department functions as the county health care safety net and provides ambulance services, indigent burials, county-supported Medicaid and health care assistance for the underinsured and uninsured. The department also conducts the local DWI program.

Ms. Michel discussed the county's crisis triage center, which was completed three years ago, but is still not open. The county did not have an operator for the center after the top two choices from a request for proposals dropped out. Recently, however, Mesilla Valley Hospital has agreed to step up to operate the new facility built on land next to the county detention center. Mesilla Valley Hospital CEO Robert Mansfield said that development of an algorithm will help a mobile response team evaluate the needs of individuals needing mental health services.

Joaquin Graham, operations manager of American Medical Response, which holds the contract to provide ambulance service in Dona Ana County, said the frequency of behavioral health transportation is significant, averaging 126 hours per month and involving two emergency medical technicians (EMTs) and a paramedic for transports to Mesilla Valley Hospital, the NMBHI or other facilities. Mr. Graham said his company is working to establish a mental health transport unit for stable patients that would free up the ambulance to return to 911 service. Another issue that needs resolution is adding behavioral health to the scope of practice for EMTs so they can bill for services. On any given day in Dona Ana County, there are between five and 10 calls for strictly behavioral health issues, he said. EMTs are great at evaluating individuals on-site, and EMTs could be tied into a community system where assessments are conducted before calling 911.

On questioning, committee members and presenters discussed the following issues:

- problems with the perception that the new crisis triage center is part of the jail;
- the possibility of state-funded behavioral health beds in Dona Ana County;
- the success of mental health first-aid training in the community and of evidence-based mental health training for promotoras, the latter funded by a foundation grant and being readied to share with other communities;
- the effects of the behavioral health provider shakeup on Dona Ana County, which caused a lack of access to medication for many consumers, increased ER visits and dramatically increased walk-ins to Mesilla Valley Hospital; and
- a call by one committee member urging the committee to endorse legislation for a statewide investment in crisis intervention training.

Addressing Social Determinants of Health in Rural New Mexico

Mary Stoecker, B.S.N., Community Health Promotion Team, Southwest Public Health Region, DOH, described a health system innovation project model, which is now in the design phase, that is a collaboration with the HSD and is funded by the federal Centers for Medicare and Medicaid Services. Three goals of the project are: 1) to provide an enhanced experience of health care; 2) to reduce costs; and 3) to improve population health and health outcomes (see handout).

K'Dawn Jackson, interim director of community and organizational development for HMS, said her organization has been using the promotora/community health worker (CHW) model to help remove barriers and address social determinants in community health. While most of its CHW work has been supported by grants, HMS is now moving toward contracting for services, she said. Results have been measurable, from reducing ER visits to decreasing costly appointment "no-shows" in the clinics and documenting positive lifestyle/behavior changes through CHW intervention. Another important component of community health is improving transportation options in southwest New Mexico, Ms. Jackson said. The Grant County Transit Consortium is working to improve the use of appropriate transportation by urging MCOs to utilize local, rather than out-of-state, providers for non-emergencies and by exploring the possibility of a state transit fund that can be used for a local match in grant applications.

A committee member noted that economic development talks are often about such things as broadband and that this transportation piece needs to be brought before the Jobs Council and the Economic and Rural Development Committee.

Addressing Barriers and Increasing Access to Health Care in Rural New Mexico

Ms. Martinez de Gonzales said that LCDF has eight sites, including two school-based sites, and serves over 24,000 rural patients, with nearly 8,000 of these being Spanish-speaking only. A huge challenge in taking on behavioral health will be to provide services in Spanish; having a translator in the room will not be sufficient, she said. LCDF is in the early stages of acquiring a nearby obstetrics-gynecology and pediatrics clinic that serves the same population. She described a staff of 15 physicians, 10 advanced practitioners, 10 dentists, eight dental hygienists and eight licensed social workers, as well as collaborations and pilot projects with multiple partners. She also noted significant information technology challenges (see handout).

Darrick Nelson, M.D., chief medical officer of HMS, said that with 40 percent of the state's primary care physicians now at retirement age, the lack of new providers is the biggest barrier to better health care in rural New Mexico. Maldistribution is also an issue, with half of the state's physicians residing in Bernalillo County. Now, HMS has its first two medical residents from the University of New Mexico and both plan to stay in rural New Mexico, Dr. Nelson said, but a way must be found to increase the number of slots for residency training; there were 600 applicants for those two positions.

Charlie Alfero, executive director of the Southwest Center for Health Innovation, said that "growing our own" is the key. There are many loan repayment programs available to attract health care professionals, and he would much rather see those dollars go to New Mexicans who are more likely stay in the state. The center has been working with more than 6,000 youths over the past five years, holding math, science and other academic preparatory classes to start to create a pipeline of health care professionals. The DOH is talking about diverting this funding elsewhere, and there will be a summit on August 10-11, 2015 at the Indian Pueblo Cultural Center to discuss this and other training issues in Albuquerque, Mr. Alfero said. He urged committee members to attend.

Mr. Alfero also said that the payment system for medical services needs to allow for more creativity in primary care services, including allowing payment for non-face-to-face encounters, such as telemedicine. Volume-based payments are a barrier to rural health care, he asserted; cost-based reimbursement is best for ensuring that wanted services are provided.

On questioning, committee members and presenters discussed the following topics:

- the administrative burden for physicians and dentists, who spend more time on the computer than with patients, driving them toward retirement;
- residency training at community health centers utilizing a unique Medicaid model that avoids the federal cap and costs the state $25,000 per resident instead of the current $100,000;

- opportunities with the new Burrell College of Osteopathic Medicine at NMSU; and
- challenges for LCDF in integrating 1,900 behavioral health consumers transitioning from La Frontera New Mexico.

Protective Services for Seniors

Brian Hoffmeister, program evaluator, LFC, discussed results of a report on the Adult Protective Services Division (APSD) of the Aging and Long-Term Services Department (ALTSD), which was presented to the LFC on May 12, 2015. The APSD is charged with investigating reports of maltreatment of incapacitated adults, with the goal of correcting or eliminating abuse, neglect or exploitation, and transitioning the protected adult to the least restrictive safe environment. Allegation investigation is a key service in APSD programs, and, through contracted providers, there is an operation of a system providing in-home services. The LFC evaluation concluded that the APSD does not have sufficient information about client outcomes and the effectiveness of its outreach efforts. The LFC recommended that the legislature clarify definitions of "neglect" and "self-neglect" in statute; consider dedicating other sources of federal funding to the APSD; and consider leveraging general fund dollars with Medicaid case management. The report contained numerous recommendations to the ALTSD, including updating and improving APSD performance measures, monitoring caseloads, engaging NMSU to expand its social work internship program and establishing client outcome performance measures and the production of more comprehensive data for reporting to the public, among others.

Barbara Rios, executive director of the Deming Area Agency on Aging, described her nonprofit organization's work in providing services and programs for the elderly in Luna County. A referral for investigation of possible elder abuse must be documented with a thorough assessment, she said. The majority of referrals are cases of self-abuse, with hoarding, an excess of animals in the home and little or no food for human consumption being the most common issues. Luna County is very rural, with a rapidly aging population, Ms. Rios said, and many folks who moved to Luna County left their support system behind. Her agency can provide complete care services, allowing individuals to remain in their homes as long as possible, and tracks all of its cases. Ms. Rios said she can provide detailed data on outcomes to the state.

Juliet Keene, assistant attorney general, Medicaid Fraud and Elder Abuse Division, Office of the Attorney General, said her division has a different function than that of other state agencies. Created by federal statute for law enforcement, it includes three attorneys, forensic auditors and medical investigators, a fraud investigator and other legal staff. The division investigates Medicaid fraud cases in facilities and against providers for services not rendered and, in some cases, for actual harm done to a consumer. In rural New Mexico, most nursing home care is Medicaid-funded.

Donald Wilson is executive director of The Village at Northrise in Las Cruces, which provides independent, assisted living and nursing home care. Mr. Wilson said that if a person comes into the facility from outside and is being abusive to a resident, the facility reports it to the

APSD. More complicated situations arise when a resident who no longer has the ability to navigate financial decision-making becomes a victim of financial exploitation, sometimes by a family member. Many individuals have not made advance arrangements or designated a power-of-attorney for financial matters. Mr. Wilson said there is an employee abuse registry that can be searched by employers before hiring, but unless there has been a finding by the court, a name cannot be listed, and many cases are pleaded down.

On questioning, committee members and presenters discussed the following issues:

- the need for a systemic look at funding and sources to increase capacity for pursuing reports of abuse, neglect and exploitation;
- the fact that institutional care is covered by state statute, but care in individual homes is not;
- referrals for abuse on tribal lands;
- the hotline for reporting abuse not being available after business hours;
- role of the ombudsman in unannounced visits to facilities; and
- delays and lack of cooperation from MCOs in providing services, such as home-delivered meals, and in disputes over eligibility, payment and changes in level of care.

Public Comment

Becky Horner, state director of the March of Dimes Foundation, told committee members that an increasing number of babies are being born in New Mexico addicted to opiates and other drugs. Her organization will be looking at policy recommendations for the state and at programs to provide services to pregnant women. She provided members with a folder containing information about the March of Dimes and about prenatal drug use and newborn health.

Adjournment

There being no further business before the committee, the second meeting of the LHHS for the 2015 interim adjourned at 3:00 p.m.

Revised: August 21, 2015

TENTATIVE AGENDA
for the
THIRD MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

August 24-25 — Ruidoso
August 26-27 — Roswell

Monday, August 24 — Region IX Education Cooperative, 237 Service Road, Horton Complex, Ruidoso

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:40 a.m. (1) **Legal Services for Families and Youth at Risk**
—Matthew Bernstein, Staff Attorney, Pegasus Legal Services for Children
—Jesse Hahnel, Esq., Executive Director, National Center for Youth Law

10:30 a.m. (2) **Children, Youth and Families Department (CYFD): Strategic Plan, Juvenile Justice**
—Monique Jacobson, Secretary, CYFD

12:00 noon **Lunch**

1:00 p.m. (3) **Juvenile Justice Advisory Committee: Continuum Sites**
—Ted Allen, Coordinator, Lincoln County Juvenile Justice Board, Continuum Board Leadership Team
—Ben Thomas, Executive Director, Rocky Mountain Youth Corps
—Stephen Carter, Executive Director, Eco Servants
—Gina Corlis, Workforce Investment Act Program Director, Region IX Education Cooperative

3:00 p.m. (4) **Public Comment**

4:00 p.m. **Recess**

Tuesday, August 25 — Region IX Education Cooperative, 237 Service Road, Horton Complex, Ruidoso

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:45 a.m. (5) **Update on Behavioral Health Issues**
—Wayne Lindstrom, Ph.D., Director, Behavioral Health Services Division, Human Services Department (HSD)

9:30 a.m. (6) **Panel Update on Local Behavioral Health Services**
—Rex Wilson, Southern Region Director, Presbyterian Medical Services
—Susan Flores, Otero County Commissioner
—James Kerlin, Chief Executive Officer (CEO), The Counseling Center
—Misty McArthur, Behavioral Health Therapist, Lincoln County Medical Center
—Jim Heckert, CEO, Gerald Champion Regional Medical Center (GCRMC)
—Antonio Gonzales, M.D., Behavioral Medicine Program Director, GCRMC
—Frank Pieri, M.D., Board Certified in Psychiatry

12:00 noon **Lunch**

1:00 p.m. (7) **Psychological Evaluations and the Courts**
—Kenneth C. Kenney, Ph.D., M.S.W.

2:00 p.m. (8) **Judicial System Behavioral Health Panel**
—Angie K. Schneider, Twelfth Judicial District Court Judge
—Diana A. Martwick, Twelfth Judicial District Attorney, Alamogordo

3:00 p.m. (9) **Update from the Aging and Long-Term Services Department**
—Myles Copeland, Secretary-Designate, Aging and Long-Term Services Department

4:00 p.m. (10) **Public Comment**

5:00 p.m. **Recess**

Wednesday, August 26 — New Mexico Military Institute, Room 200 Auditorium, Roswell

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:40 a.m. (11) **Welcome**
—Major General Jerry W. Grizzle, United States Army (Retired), President/Superintendent, New Mexico Military Institute

9:00 a.m. (12) **Overview of New Mexico Hospital Industry**
—Jeff Dye, President and CEO, New Mexico Hospital Association

10:00 a.m. (13) **Challenges Facing Rural Hospitals**
—Brock Slabach, Senior Vice President for Member Services, National Rural Health Association

11:00 a.m. (14) **Safety Net Care Pool Update**
—Brent Earnest, Secretary, HSD
—Charles Sallee, Deputy Director for Program Evaluation, Legislative Finance Committee

12:00 noon **(Working Lunch Provided)**

12:30 p.m. (15) **Consumer Panel**
—John Heaton and Tom Miller, Co-Chairs, Carlsbad Mayor's Hospital Task Force

1:00 p.m. (16) **Nonprofit Rural Hospital Panel**
—Brenda Romero, Administrator, Española Hospital, Presbyterian Healthcare Services
—Bill Patten, CEO, Holy Cross Hospital, Taos

2:00 p.m. (17) **Public Hospital Panel**
—Brian Cunningham, CEO, Gila Regional Medical Center
—Michael Miller, Government Relations Representative for Special Hospital Districts
—Shawn Lerch, CEO, Miner's Colfax Medical Center

3:30 p.m. (18) **Investor-Owned Hospital Panel**
—Marybeth Maassen, Community Relations and Patient Advocate, Los Alamos Medical Center
—Gail Nash, Chief Nursing Officer, MountainView Regional Medical Center, Las Cruces

4:30 p.m. (19) **Public Comment**

5:00 p.m. **Recess**

Thursday, August 27 — New Mexico Military Institute, Room 200 Auditorium, Roswell

8:30 a.m. (20) **Welcome and Local Health Care Update**
—Dennis Kintigh, Mayor, City of Roswell
—Dorothy Hellums, Chair, Mayor's Committee on Health Care Professional Recruitment and Retention, Roswell
—Seferino Montaño, CEO, La Casa Family Health Center

9:30 a.m. (21) **Report on Health Care Professional Summit**
—Representative Deborah A. Armstrong

10:00 a.m. (22) **Health Care Work Force Pipeline Panel**
—Betty Chang, M.D., Associate Dean for Graduate Medical Education and Designated Institutional Official, Professor of Internal Medicine, University of New Mexico Health Sciences Center (UNMHSC)
—Valerie Romero-Leggott, M.D., Vice Chancellor for Diversity, UNMHSC
—Brian Gibbs, Ph.D., D.P.A., O.T.R., Associate Vice Chancellor for Diversity, UNMHSC
—Charlie Alfero, Executive Director, Hidalgo Medical Services
—George Mychaskiw II, D.O., F.A.A.P., F.A.C.O.P., Founding Dean and Chief Academic Officer, Burrell College of Osteopathic Medicine, New Mexico State University

11:30 a.m. (23) **State Health Care Loan Programs**
—Harrison Rommel, Ph.D., Financial Aid Director, Higher Education Department

12:30 p.m. (24) **UNM Hospital Shaken Baby Syndrome Prevention Program (Working Lunch Provided)**
—Jayme Vincent Robertson, M.S.N., R.N., R.N.C., Intermediate Care Nursery Unit Director, University of New Mexico Hospital (UNMH)
—Frances Kathleen Lopez-Bushnell, A.P.R.N., Ed.D., M.P.H., M.S.N., C.T.S.C., Director of Nursing Research, UNMH

1:30 p.m. (25) **Safe Staffing**
—Jack Needleman, Ph.D., Professor, Department of Health Policy and Management, University of California, Los Angeles
—Lorie MacIver, B.S.N., R.N.C., President, District 1199 NM, National Union of Hospital and Healthcare Employees
—Diane Spencer, R.N.
—Martha Jaramillo, R.N.

3:00 p.m. (26) **Public Comment**

4:00 p.m. **Adjourn**

MINUTES
of the
THIRD MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

August 24-27, 2015
Region IX Education Cooperative, 237 Service Road, Horton Complex, Ruidoso
New Mexico Military Institute, Daniels Leadership Center Auditorium, Roswell

The third meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on August 24, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:35 a.m. in the Horton Complex of the Region IX Education Cooperative at 237 Service Road in Ruidoso.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Sen. Gay G. Kernan (8/25, 8/26)
Sen. Mark Moores (8/24, 8/25, 8/26)

Absent
Rep. Miguel P. Garcia
Rep. Tim D. Lewis
Sen. Benny Shendo, Jr.

Advisory Members
Sen. Jacob R. Candelaria (8/24, 8/25)
Sen. Cisco McSorley (8/24, 8/25, 8/26)
Sen. Howie C. Morales (8/26)
Sen. Mary Kay Papen (8/25)
Rep. Patricio Ruiloba
Sen. William P. Soules (8/24, 8/25, 8/26)

Sen. Sue Wilson Beffort
Sen. Craig W. Brandt
Rep. Gail Chasey
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Sen. Linda M. Lopez
Rep. James Roger Madalena
Rep. Terry H. McMillan
Sen. Bill B. O'Neill
Sen. Nancy Rodriguez
Sen. Sander Rue
Sen. Mimi Stewart
Rep. Don L. Tripp
Rep. Christine Trujillo

(Attendance dates are noted for members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Nancy Martinez, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

<u>Monday, August 24</u> — Horton Complex, Region IX Education Cooperative, Ruidoso

Welcome and Introductions

Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves. Several members of the audience introduced themselves, including Kenneth C. Kenney, Ph.D., M.S.W., a Ruidoso psychologist; John Trent, Children, Youth and Families Department (CYFD); Atasi Uppal, an attorney with the National Center for Youth Law; Ted Allen, coordinator, Lincoln County Juvenile Justice Board, Continuum Board Leadership Team; and Gina Corliss, Eastern New Mexico youth program director for the federal Workforce Innovation and Opportunity Act (WIOA). Dede Feldman, a former state senator, was in the audience and brought greetings to the committee from former LHHS Chair J. Paul Taylor, with whom she just celebrated his ninety-fifth birthday.

Legal Services for Families and Youth at Risk

Matthew Bernstein, staff attorney with Pegasus Legal Services for Children, informed committee members that ensuring equal access to quality education is a primary goal of his nonprofit organization, especially as equal access affects minority children and children with disabilities (see handout). Mr. Bernstein described the Education Justice Project, a collaboration under way in Sandoval County among Pegasus Legal Services for Children, Disability Rights New Mexico (DRNM) and the Native American Disability Law Center (NADLC), the latter organization serving some of the most impoverished citizens in the nation. He noted that the school-to-prison pipeline too often involves students with disabilities who end up in jail, even though they are eligible for special education. Interventions such as seclusion or involuntary confinement have become routine in schools that fail to recognize that behavior is a manifestation of a disability, Mr. Bernstein said, and families often do not know their rights or what services are available.

The goal of the Education Justice Project is to connect students, teachers and administrators to resources, to encourage utilization of positive behavioral supports in schools and to reduce racial disparities in school suspensions and in referrals to law enforcement. Mr. Bernstein asked committee members for a $90,000 appropriation to support the project and to provide additional funding for expansion of the NADLC to meet what he described as enormous need.

Jesse Hahnel, Esq., executive director of the National Center for Youth Law, told committee members that he was formerly the director of FosterEd, a nonprofit organization in

Oakland, California, dedicated to improving educational outcomes of children and youth in foster care (see handout) by ensuring that each child is supported by an educational champion and strengthened by an education team. Children in foster care have markedly worse education outcomes than other at-risk children, Mr. Hahnel said, with less than 50 percent graduating from high school and roughly 40 percent receiving special education services. It is vital to identify the needs and strengths of children in foster care, he said, and each child needs to have an adult in his or her life who has high expectations and who cares and advocates for each child's success. No single agency or school can close this achievement gap, Mr. Hahnel asserted, but an interdisciplinary collaboration of CYFD staff, teachers, parents, coaches, mentors and others who care can achieve this goal. In New Mexico, there is a collaborative team composed of state and local agencies and representatives from the New Mexico Supreme Court, Office of the Governor, the CYFD, the Public Education Department (PED) and local governments that is looking to establish a pilot project to be used as the basis for a new statewide program. Lea County, with approximately 150 students in foster care, has been chosen as the site for an initial pilot project to be launched in January 2016, utilizing funding through Title IV, Part E of the federal Social Security Act.

On questioning, committee members and panelists discussed the following issues:

- the overuse of psychotropic drugs in children in lieu of behavior modification, physical exercise and activities at school;
- the use and inadequacy of federal funds for special education services;
- how school districts might access Title IV, Part E funding through a memorandum of understanding (MOU) with the CYFD;
- information-sharing and cross-training as antidotes to "siloed" agency plans that fail to holistically address the needs of children;
- a greater emphasis on the first response to juvenile offenders, with better utilization of school resource officers to prevent the criminalizing of children;
- the zero-tolerance policy's disproportionate effect on minority children and children in foster care;
- the continuing expansion of training in trauma-informed care; and
- the importance of appropriate services for children in all venues, including venues at school and at home.

CYFD: Strategic Plan, Juvenile Justice

Monique Jacobson, secretary, CYFD, told committee members that she was appointed by the governor in December 2014. Secretary Jacobson described her efforts to revamp the agency's core mission: "Improve the quality of life for our children". The 2,000-plus staff members of the CYFD cannot change the root causes of most problems, Secretary Jacobson said, but they can prevent injury and ensure safety, and they can help improve the quality of life and prepare children to become contributing members of society. Important operating principles have been collaboratively developed, she said, beginning with the principle of staff being kind, respectful and responsive in creating a culture of accountability and support (see handout).

Strategic "planks" of the CYFD's core mission include shoring up the Protective Services Division staff with more supervisors and more manageable caseloads and with new plans for recruitment and retention. Foster families will be better supported through additional training and a streamlined process for licensure. New programming will be developed for juvenile justice, and early childhood services will be expanded, with an increase in eligibility and with higher rates for rural providers. A behavioral health needs assessment will be developed for each county, Secretary Jacobson said, and prevention initiatives include increased home visits, improved communications with law enforcement, more training in mental health first aid and fast-track hiring for new employees. With a $479 million budget, Secretary Jacobson said that the CYFD intends to minimize reversions to the general fund, include specific deliverables and outcomes in its contracts and break down the "them versus us" mentality between the agency and the community. A committee member complimented Secretary Jacobson on her "listening" approach and noted that representatives of the CYFD have been present at numerous committee meetings this interim.

On questioning, committee members and Secretary Jacobson discussed the following topics:

- supports for agency personnel, including more manageable caseloads and an emphasis on self-care, with more time to decompress from stressful situations;
- efforts to give foster children who are aging out of the system a voice at the table;
- a strategic plan to double down on CYFD programs that have been proven effective; and
- the possibility of using federal funds to increase home visitations, given that 82 percent of New Mexico births are now funded through Medicaid.

Request to Agency From Legislator

Representative Espinoza asked Secretary Jacobson to provide a memorandum to the committee regarding Title IV, Part E funding parameters and the process involved in obtaining an MOU to access these funds.

Juvenile Justice Advisory Committee: Continuum Sites

Mr. Allen described his vision of youth as problem-solvers and said that he feels that community service should be seen as an asset-based system rather than a deficit-based one. Mr. Allen said that he began his work as a youth counselor with the Santa Fe Mountain Center and remains a proponent of the effectiveness of therapeutic adventure programs and community building (see handout). His nonprofit agency is one of 19 sites in New Mexico that receive grant funds from the Annie E. Casey Foundation to support alternatives to juvenile detention. Currently, there are six programs in Lincoln County funded by the CYFD, and with agencies coordinating and working together, Mr. Allen said that the county might be able to establish a model national service training center.

Ben Thomas, executive director of the Rocky Mountain Youth Corps (RMYC) headquartered in Taos, described a network of national, state and local governmental partners, as

well as private foundations, that provides opportunities for young adults to make a difference in themselves and their communities. Using a team approach, the RMYC oversees crews that service high-priority community projects throughout the state and that provide real-world skill certifications and stepping stones to new opportunities, Mr. Thomas said.

Stephen Carter, executive director of Ecoservants, based in Ruidoso, described his organization as a grassroots nonprofit organization that partners with AmeriCorps and others to provide crucial training and certifications for young adults and to provide local solutions to environmental challenges. EcoRanger teams, using only hand tools, built seven miles of multiuse trails in 2013 and six miles in 2014. The trails are located on federal, state and Mescalero Apache tribal lands and at Fort Stanton. About half of each crew is female, Mr. Carter said, and crews have been expanded to Cloudcroft recently. Plans for the next year include a partnership with the New Mexico Youth Conservation Corps (NMYCC) and an expansion of current efforts in forest wildfire response, mitigation and recovery. Ecoservants targets young people who do not have work skills and who have few opportunities, Mr. Carter said.

Ms. Corliss told committee members that WIOA grant funds used in her region do not duplicate services already provided by others, but rather provide assistance to low-income youths between the ages of 16 and 24 who need education and training to achieve their life and career goals. WIOA funds help with tutoring, money management, career exploration, preparation of resumes and preparation for job interviews. Through partnerships with regional colleges, the Workforce Solutions Department, the CYFD and other agencies, WIOA funds help young adults, often one-on-one, with transition out of the foster care or juvenile justice system and into employment.

On questioning of panel participants, several committee members noted that the ongoing communication among these various organizations is clearly beneficial to the community as well as to the participants. For example, the NMYCC was able to run a work crew in the small town of Mora, providing seven to 10 youths with summer jobs that paid a living wage. Asked by the committee chair what more could be done in New Mexico, panelists responded that more funding for after-school programs would help and that existing resources at the CYFD could be better aligned. Local collaboration is key for these programs to work, another panelist cautioned, and one-size-fits-all is not appropriate. Follow-up data collection is difficult for some organizations, but they are working to remedy this.

Diana Martwick, Twelfth Judicial District attorney in Alamogordo, was recognized by the chair to speak about her juvenile caseload. Her caseload has dropped dramatically in Lincoln County over the past several years after many of these programs became established, and she sees a very clear connection with program success.

Request to Agency from Legislator

Representative Espinoza asked a Legislative Finance Committee (LFC) representative who was in the audience if the LFC could prepare a chart illustrating federal and state funding that goes to various entities. Representative Espinoza was informed that it may take some time, but it can be done.

Recess

There being no public comment, the committee recessed at 3:50 p.m.

<u>Tuesday, August 25</u> — Horton Complex, Region IX Education Cooperative, Ruidoso

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:35 a.m., welcomed those assembled and asked committee members and staff to introduce themselves.

Update on Behavioral Health Issues

Wayne Lindstrom, Ph.D., director of the Behavioral Health Services Division, Human Services Department (HSD), and chief executive officer (CEO) of the Interagency Behavioral Health Purchasing Collaborative, described three areas of focus for the collaborative's strategic initiative to strengthen the state's behavioral health service system: finance, regulation and work force challenges. The initiative was launched on July 30, 2015 with 59 participants from a wide range of stakeholders (see handout) who will complete an action plan by December 14. The plan then will be presented to collaborative agencies in January 2016 and will be followed by a two-year implementation effort. Dr. Lindstrom emphasized that the initiative is not a system transformation, but rather an attempt to resolve issues that present the greatest challenges to the effective delivery and the sustainability of behavioral health services in New Mexico.

Dr. Lindstrom provided committee members with an executive summary of issues identified in the initial meeting (see handout), where 85 percent of participants agreed to continue working to develop the implementation goals. Addressing areas of greatest concern, the original work group broke into three subgroups for discussion of specific barriers and needs, Dr. Lindstrom said. Work force is clearly the greatest challenge, but fragmented regulations, low rates of reimbursement and barriers in certification and credentialing also make for a difficult work environment.

On questioning, committee members and Dr. Lindstrom discussed the following issues:

- licensed alcohol and drug abuse counselors not being able to be reimbursed under Medicaid and the HSD's efforts to change this;
- the need for a new category requiring regulation of boarding homes;
- changes to licensing standards so services rendered in a crisis triage center can be reimbursed;
- changes to Medicaid waivers to allow certified peer workers to be reimbursed;

- some providers being required to collect gross receipts taxes while other providers, such as managed care organizations (MCOs), are not;
- the extreme shortage of behavioral health providers across the state — many have been "cannibalized" by Centennial Care, the MCOs and private insurers — and the need to recruit in every category;
- case management being replaced by "comprehensive community support services", but the certification process is slow and cumbersome; separate certification is soon to be eliminated by the HSD; and
- the upcoming HSD/PED memorandum that will clarify behavioral health management services as a Medicaid benefit meant for short-term transition in high-risk students, not meant for school-based Individualized Education Program services.

Panel Update on Local Behavioral Health Services

Rex Wilson, southern region director of Presbyterian Medical Services (PMS), told committee members that the recent transition of four behavioral health programs to PMS has gone very well, with 95 percent of the staff transferring with the programs and the location. Because PMS already has a strong relationship with federally qualified health centers (FQHCs) located in each community in Otero County, except Ruidoso, it is important not to duplicate services, Mr. Wilson said. Provider recruitment efforts are ongoing, with two offers of interest this week from clinicians in Florida. Most PMS psychiatric services are being delivered through telemed, Mr. Wilson said, and clinics are beginning to see new patients who have been without services for 18 to 24 months; they are starting to recover some consumers lost in the previous transition to Arizona providers.

Susan Flores, who serves as an Otero County commissioner, told committee members that the bad news is that detention centers in every county are being misused as mental health facilities, and local governments cannot afford the legal liability of incarcerating the mentally ill for long periods of time. Ms. Flores cited a national study about this issue, and said she would email a copy of the study to committee members. Individuals are being jailed for behaviors that stem from mental illness, homelessness and addiction, and since these individuals cannot post bail, they are held until trial. The solution, Ms. Flores believes, is pretrial diversion and assessment programs. Regional facilities are needed for this, and help from the state for a financing mechanism is critical. The New Mexico Association of Counties (NMAC) is working to help restore funding that was cut from county detention budgets last year, Ms. Flores said. A regional solution needs to become a priority.

Dan Bryant, longtime Otero County attorney, who was recently appointed judge on the Twelfth Judicial District Court, described work by an NMAC task force assembled in response to Senate Joint Memorial (SJM) 4 from the last regular session. The task force has had multiple meetings and will be bringing its findings to the attention of the legislature, Mr. Bryant said. There have been at least seven lawsuits filed against counties for putting persons with mental health problems in jail. Some counties are transporting mentally ill and drug- and alcohol-addicted inmates to Texas for services. Lawsuits have cost New Mexico counties more than $25

million, which could have been directed to better address this population, Mr. Bryant said. Hopefully, he said, the report generated from SJM 4 will provide some good suggestions.

Jim Heckert, CEO of Gerald Champion Regional Medical Center (GCRMC) in Alamogordo, described a broadening of the medical center's mission: prior to 2010, there were no behavioral health services at the GCRMC, but a 12-bed geriatric psychiatric unit was opened during that year. It soon became clear that the greatest need was for outpatient behavioral health services, Mr. Heckert said, and the program has expanded to include adults of all ages. In July, the GCRMC broke ground for a Behavioral Medicine Department with 36 inpatient beds and a renovated outpatient clinic. Frank Pieri, M.D., a board-certified psychiatrist hired in 2013, will head the department, Mr. Heckert said. Statistics provided by Mr. Heckert (see handout) indicate a yearly increase of 12 percent (previously, three percent was considered "normal") since 2013 in emergency room (ER) visits by individuals with behavioral health and/or substance abuse issues.

Dr. Pieri testified that there is more need in the region than available providers can meet, and currently there are 144 persons on the GCRMC's outpatient waiting list. The department's interface with law enforcement and judicial officials is extremely important, he said, so that individuals who need care are not criminalized and services are coordinated with PMS and other local providers. The GCRMC has two psychiatric nurse practitioners and a three-month waiting list for inpatient treatment; referrals come from Silver City to Las Cruces to Albuquerque. Under Dr. Pieri, the GCRMC now offers electroconvulsive therapy, an updated procedure for individuals who have not been helped by medication.

On questioning, committee members and panel participants discussed the following topics:

- the possibility of a psychiatric residency training program at the GCRMC;
- limited formularies for psychiatric drugs at detention centers and a lack of communication between jails and treating physicians;
- no beds available for children with psychiatric needs, often requiring out-of-state placement;
- effective community-based services as a way to reduce the need for inpatient beds;
- lack of current data and continued use of decade-old gap analysis to identify needs;
- the increasing and unreimbursed cost of probation violators to county governments; and
- the possibility of using local option liquor excise taxes to help fund county jail deficits.

Public Comment

Tasia Young, lobbyist with the NMAC, said that New Mexico is one of only two states with more people in jail than in prison. The NMAC is looking at regional options to help solve the problems identified in SJM 4. Jails take between 30 and 40 percent of every county's budget, Ms. Young said. The committee chair asked Ms. Young to report results of the NMAC study authorized by SJM 4 to the LHHS.

Ellen Pinnes, attorney for the Disability Coalition, DRNM, spoke of last year's legislative effort to limit the use of solitary confinement, which died in committee. A recent report on National Public Radio included New Mexico as a state with a high number of persons in solitary confinement, and the report outlined solitary confinement's devastating effect on inmates, she said. She urged committee members to revisit that bill.

Approval of Minutes

A motion was made and seconded to adopt the minutes from the July 15-17, 2015 LHHS meeting in Las Cruces; the motion was approved unanimously.

Psychological Evaluations and the Courts

Dr. Kenney said that he conducts psychological tests for the CYFD, children in juvenile justice systems, social security disability evaluations, disputed custody cases and conservatorship and guardianship. Dr. Kenney described problems with evaluations in New Mexico, a very poorly resourced state with 30 percent of children living in poverty. It has been estimated that 750 psychologists are needed in New Mexico; there are currently 250, but 30 percent of these do not practice, and not all psychologists are interested in juvenile justice or CYFD cases. Consequently, it takes a long time to schedule these evaluations, write reports and provide testimony. Very few psychologists are available for this kind of work, and a lack of an evaluation can keep people incarcerated longer. Forensic psychology requires extensive training, but the state does not reimburse for testimony or travel time and payment is often slow. Dr. Kenney questioned the effectiveness of evaluations for juveniles and the criteria used to determine the need for them. He endorsed the idea of a task force of stakeholders appointed by the CYFD to examine the use, performance, cost and training involved to determine if there is a better way to conduct evaluations.

On questioning, committee members discussed with Dr. Kenney the following issues:

- determinations of "amenability to treatment" that are decided by formula;
- why there are so few psychologists who specialize in forensic psychology;
- the possible use of paraprofessionals for evaluations in some court proceedings; and
- MCOs' denial of payment for custody evaluations because there is no medical necessity for them.

Public Comment

Denise Lang, a member of the local health collaborative, has no background in mental health treatment, but her husband, a veteran who lost both legs in combat, committed suicide. A short time later, her son, who had always been a good student, ended up in jail and went to prison for six years. Ms. Lang said there is no longer a substance abuse treatment facility in Otero County, but there is a great need for long-term treatment.

Judicial System Behavioral Health Panel

Angie K. Schneider, Twelfth Judicial District Court judge, worked with troubled youth as an attorney before becoming a judge two years ago, she said. In the adult criminal cases, abuse

and neglect cases and delinquency cases that come before her, Judge Schneider said that at least 90 percent of the individuals have mental health issues. With adults, she can try to craft a sentence that includes treatment services. Because time limits are strict with juveniles, many are fast-tracked for assessment and services, and they often are suffering from undiagnosed mental health issues, she said.

Ms. Martwick said she came to New Mexico from California and was appalled at the lack of resources in New Mexico. In prosecuting juveniles, the system looks at the family as a unit and, in a "rocket docket" plan initiated with Judge Schneider, works for swift consequences and immediate supervision under a juvenile probation officer. Juveniles who have behavioral health needs are identified and provided with those services. Ms. Martwick said that she particularly wants to bring to committee members' attention the fact that the New Mexico Behavioral Health Institute at Las Vegas (NMBHI) is no longer doing competency evaluations, something it had been providing her office for many years. She asked committee members to investigate the reasons for this policy change at the state's only mental health facility. Ms. Martwick asked that money be set aside for district attorneys to pay for these evaluations, if this policy is permanent.

On questioning, committee members, Judge Schneider and Ms. Martwick discussed the following issues:

- the need for mental health screening and Medicaid eligibility to be determined at the same time the defendant's eligibility for a public defender is assessed;
- a request from regional district attorneys to reinstate the "guilty but mentally ill" verdict;
- Judge Schneider's efforts to establish a mental health court and a juvenile assessment resource center; and
- the need for more intervention up front and more behavioral health services available closer to home.

Motion to Send Letter to the NMBHI

A motion was made, seconded and approved to send a letter to the NMBHI asking representatives to appear before the LHHS to explain evaluation procedures and to clarify why an individual with dual diagnoses would be turned away from services. It was also suggested that copies of this letter be transmitted to the Courts, Corrections and Justice Committee and the Administrative Office of the Courts.

Response Received from Attorney General

Mr. Hely informed committee members that he had just received an email copy of a response from Attorney General Balderas to the LHHS's letter requesting an update of the status of behavioral health agency investigations. Mr. Hely read this response and said copies would be provided to committee members.

Update from the Aging and Long-Term Services Department (ALTSD)

Myles Copeland, secretary-designate, ALTSD, presented committee members with an overview of department services, efforts to address issues identified in a recent LFC program evaluation and details of increasing challenges for the agency (see handout). Nearly one-third of New Mexico's population will be 60 years or older by 2030, making New Mexico the third highest in the nation for the percentage of population in that age group. In fiscal year (FY) 2014, the Adult Protective Services Division (APS) of the ALTSD received nearly 12,000 reports of adult abuse, neglect and exploitation — 61 percent for self-neglect, with about 25 percent of those substantiated. Over the past three years, reports have increased by 14 percent, Secretary-Designate Copeland said. Investigations are conducted 24/7 through a network of five regions, with 22 field offices that serve all counties in the state and that work with health care providers, law enforcement, the judicial system, behavioral health agencies and a wide range of community agencies to protect adults who do not have the capacity to protect themselves. Services ranging from emergency placement to adult day care and, most often, provision of in-home services keep adults safe from continued abuse or neglect. Congregate and home-delivered meals, transportation, the Aging and Disability Resource Center (ADRC) and employment programs are other important ALTSD services. The department's New Mexico State Plan for Family Caregivers will be presented later this interim, Secretary-Designate Copeland said.

Upon questioning, committee members, Secretary-Designate Copeland and Peggy Lucero Gutierrez, deputy division director, APS, ALTSD, discussed the following issues:

- the definition of "incapacitation" and a recommendation by a committee member that agency staff review an online magazine out of Hobbs, "Seniors Standing Strong";
- a detailed description of the ADRC and the services that it provides;
- clarification of the long-term care ombudsman role as it relates to the APS;
- administrative changes in southern New Mexico with consolidation of two area agencies on aging;
- details of the Savvy Caregiver Program that can help reduce stress and conflict; and
- relief in current staffing levels with additional funding from the legislature, but the need for three more positions in the ADRC still exists.

Public Comment

James Kerlin, CEO of The Counseling Center in Alamogordo, one of the 15 agencies accused of fraud in 2013 by the HSD, apologized that he was unable to participate in the local services panel earlier in the day due to a scheduling conflict. Mr. Kerlin said The Counseling Center still is fighting in court to clear its name and now, through several contracts with the county, has regained about two percent of its former business volume. The current behavioral health transition from La Frontera to PMS is going smoothly, he said, and there is good collaboration between PMS and his agency. It is beneficial that the hospital is increasing the number of beds, but the problem of getting services back to where they were before the original shakeup remains.

The Counseling Center still has not been reinstated to provide Medicaid services, Mr. Kerlin said, and is awaiting a date in district court. The center had been in business for 42 years prior to the 2013 upheaval; it had a staff of 60, with 45 clinicians and 1,200 active clients. The HSD maintains that The Counseling Center owes $386,000, but Mr. Kerlin says it is actually about $23,000, well within the normal error rate when billing for thousands of services. The state has withheld all payments, not just Medicaid, and The Counseling Center was virtually put out of business, despite having scored 100 percent on previous audits by OptumHealth.

Doris Husted, public policy director of The ARC of New Mexico, encouraged committee members to support and encourage diversion programs that work with the developmentally disabled so that these individuals do not end up in jail and then back out on the street with people who put them in a position to get arrested again. She also noted that sometimes a caregiver is an elderly person caring for an adult child, and that these people need support, too.

Jim Jackson, executive director of DRNM, gave an update on new HSD rules regarding school-based behavioral health services that, for the first time, allow a range of providers to bill through the school-based Medicaid program. These rules were adopted as of July 1. The change in procedures is not part of managed care Medicaid. It is a fee-for-service arrangement, Mr. Jackson said, and he advised members to ask the HSD to detail what support services might be available to schools for learning how to bill Medicaid.

Recess

The committee recessed at 4:40 p.m. Mr. Hely reminded committee members and staff that the next day's meeting will be held at the New Mexico Military Institute (NMMI) in Roswell.

<u>Wednesday, August 26</u> — NMMI, Daniels Leadership Center Auditorium, Roswell

Welcome and Introductions

Representative Espinoza reconvened the meeting at 8:35 a.m., welcomed those assembled and asked committee members and staff to introduce themselves. She then introduced Major General Jerry W. Grizzle, United States Army (Retired), president and superintendent of NMMI, who welcomed the LHHS to the Daniels Leadership Center. Opened in 2006, the center was the gift of alumnus R.W. "Bill" Daniels, cable pioneer and philanthropist, funded through his charity, the Daniels Fund, he said. General Grizzle gave an overview of the growth of the school, which is operating near capacity with an average of 942 cadets. The high school program now is larger than the junior college, with an increasing number of female cadets, now up to 21 percent of the student body. The school receives lottery tuition scholarships, General Grizzle said, and all scholarships are being used. September 19-20 is Legislative Weekend at NMMI, when legislators can meet constituent cadets and their parents.

Overview of New Mexico Hospital Industry

Jeff Dye, president and CEO of the New Mexico Hospital Association (NMHA), provided updated facts and figures about New Mexico's 54 hospitals (see handout), of which four are state-owned, seven are government-owned, 22 are investor-owned and 21 are nonprofit or community-owned. His organization represents 44 hospitals and tracks trends and information about the $6.8 billion industry that has a huge economic impact in the state. Ensuring quality and patient safety is the top priority for hospitals, Mr. Dye said, and New Mexico ranks well on many quality measures, including readmission rates and inpatient Medicare spending. Since 2013, there has been an increase in behavioral disorder encounters treated in emergency rooms and an overall slowdown in aggregate hospital activity (one percent growth instead of the more usual three to four percent). NMHA members also lost $11 million in cuts to Medicare patients and $17 million in services to Medicaid patients with the implementation of the federal Patient Protection and Affordable Care Act (ACA).

While the number of New Mexicans with health insurance increased dramatically with the expansion of Medicaid, NMHA members still provided more than $389 million in uncompensated care in 2014. New Mexico has a high rate of poverty and an aging population with chronic health conditions. Medicare and Medicaid payment rates fall well short of hospitals' costs, Mr. Dye asserted, and high deductibles and unaffordable insurance policies add further to hospitals' uncompensated care expenses. On a positive note, innovations such as a nurse practice team approach to delivery of care and shifting to the use of "progressive" hospital beds are beginning to show positive results, Mr. Dye said, and the NMHA is collaborating with groups statewide to address work force vacancy issues.

On questioning, committee members and Mr. Dye discussed the following topics:

- the need for greater understanding of the new International Statistical Classification of Diseases and Related Health Problems, Tenth Revision, commonly known as the "ICD-10 coding system", the need for more coders and how the new code is shaping health policy;
- cost versus charges in hospital billing and who is eligible for financial assistance;
- the anticipated reports from the HSD on hospital tax receipts;
- problems with MCOs and delayed payments to hospitals;
- the cost-shifting required when Medicaid pays only 76 percent of costs; and
- implications of consolidation of hospitals and insurers.

Challenges Facing Rural Hospitals

Brock Slabach, senior vice president for member services at the National Rural Health Association, told committee members that Medicare and expanded Medicaid have given more coverage to a lot more people but not more access to services. Mr. Slabach's nonprofit nonpartisan association represents 21,000 members nationwide (see handout), he said. He provided some history about the closure of many rural hospitals in the early 1990s resulting from the unintended consequence of a 1983 payment systems change. In 1997, the critical access hospital (CAH) program was created to help low-volume rural facilities where patients are

generally poorer, older and less healthy. Today, there are 1,330 CAHs, nine of which are in New Mexico. A CAH must have fewer than 25 beds, provide 24/7 care and have an average length of stay of four days. These hospitals were originally paid by Medicare at 101 percent of reasonable costs, but congressional sequestration later reduced rates by two percent, so providing rural health care continues to be extremely challenging, Mr. Slabach said. Hospital closures are returning, with 41 closures since January 2013 and 283 facilities currently identified as vulnerable. State Medicaid programs that have been turned over to commercial insurance companies have also negatively affected care in rural areas.

Lack of access to care is creating "medical deserts", Mr. Slabach pointed out, and when rural hospitals close, towns will struggle to survive; a new business will not locate in a town where residents do not have access to medical care. Rural hospitals are economic engines of their communities, with each $1.00 spent equal to $5.00 generated in the community; a single physician in a rural area can create 23 jobs. In urban areas, hospital costs are increased by specialty care, while in rural settings, the emphasis is on primary care, resulting in lower costs for delivering services. Management of chronic diseases, which is the biggest driver of Medicare costs, holds promise for the survival of rural hospitals because, as of January 2016, rural hospitals will be able to participate in care coordination codes.

Mr. Slabach recommended that a rural impact analysis be conducted before any legislation or new regulation affecting hospitals is implemented. Federal policy is key to the operation of rural hospitals, and he urged legislators to work closely with their congressional delegation to protect rural hospitals. Mr. Slabach compared rural health to the Arctic tundra — once stepped upon, it is gone forever.

Safety Net Care Pool (SNCP)Update

Brent Earnest, secretary of Human Services, said that the SNCP was included in the Centennial Care Medicaid waiver to replace the Sole Community Provider Program (see handout). The waiver also included increases to inpatient reimbursement rates for SNCP hospitals. The SNCP is composed of the Uncompensated Care Pool and the Hospital Quality Improvement Incentive Pool (HQIIP), Secretary Earnest explained, and is designed to increase transparency and standardize applications against actual costs. The HQIIP makes payments to hospitals for improved quality of care. Both pools are designed to recognize the differences between smaller and larger hospitals, Secretary Earnest said. Enhanced rates paid to SNCP hospitals have added up to $114.6 million, and the HSD is currently reviewing the enhanced rates for its FY 2017 budget. The SNCP replaced a program that was solely funded by counties, and Senate Bill (SB) 268 in the 2014 legislative session required counties to dedicate the equivalent of a one-twelfth percent gross receipts tax increment for that program. The tax-increment payments left the program with an annual shortfall of $9 million in 2014 and $10 million in 2015 and generated a request to the legislature to supplement the program, Secretary Earnest said. The HSD is evaluating the projected shortfall for FY 2016 and is anticipating a smaller adjustment, Secretary Earnest said.

Charles Sallee, deputy director for program evaluation, LFC, presented background on key issues in Medicaid funding for rural hospitals and the modification of local indigent fund requirements. Medicaid expansion is diminishing the need for robust county-operated indigent programs, Mr. Sallee said. Historically, these funds were the source of supplemental rural hospital payments. Several policy changes since 2011 have increased competition for the funds. A 2011 LFC evaluation found problems with Medicaid administration and financing for rural sole provider community hospitals, with some actually being overcompensated. The new SNCP program is designed to prevent overcompensation and add transparency, but the HSD has insufficient funding to fully implement the program, due in part to high cost and lack of revenue, Mr. Sallee explained. The legislature has chosen not to provide the additional $9 million per year to cover previous county contributions, Mr. Sallee noted. In September 2015, an LFC staff analysis will be issued on the impact of expanded health care coverage on uncompensated care at New Mexico hospitals and FQHCs. In October, another LFC report will evaluate opportunities to leverage unmatched state and local funds for Medicaid. Monitoring of total Medicaid deficiency projections, funding needs for FY 2016 and FY 2017 and the impact on supplemental funding for rural hospitals will continue, Mr. Sallee said. On September 1, 2015, the LFC will receive the proposed HSD FY 2017 budget.

On questioning, committee members, Secretary Earnest and Mr. Sallee discussed the following topics:

- the one-eighth tax increment requested by the HSD versus the one-twelfth increment approved in SB 268, which has set up the program for a continuing deficit, with payments to hospitals now needing to be reduced;
- the notification to hospitals about upcoming reduced payments;
- setting up 2015 baselines for improved hospital care; and
- the impact of cutting health care spending when this sector of the economy has become the leader in New Mexico's slowly recovering economy.

Consumer Panel

John Heaton, co-chair of the Mayor's Hospital Reform Committee in Carlsbad, testified about what his committee has identified as monopolistic overcharging abuse (see handout) by the Carlsbad Medical Center, the area's sole community provider hospital, which is owned by Community Health Systems (CHS). In a recent presentation to the Carlsbad City Council, repeated for LHHS members, Mr. Heaton described hospital overcharging and service deficiencies that have affected businesses and recruitment. Using data provided by Intrepid Potash, the county's largest business with more than 600 employees, he listed prices for common medical procedures that are as much as 10 times higher in Carlsbad than in other communities in New Mexico. Mr. Heaton said that CHS, which owns six hospitals in New Mexico, has targeted small community hospitals for purchase, particularly where there is no competition. CHS charges the highest sticker prices for medical services in the state, according to a 2012 analysis by *The Santa Fe New Mexican*, and the company has been fined $100 million by the federal government in an overbilling scheme and another $75 million by the United States Department of Justice to settle allegations of false claims.

Intrepid Potash claims that it has had no success trying to negotiate lower prices with the hospital, Mr. Heaton said, and has begun offering incentives to employees to travel to other locations for elective procedures, which are done at much lower prices, even after adding compensation for airfare and hotel. The company has also established its own health clinic, hired a benefits value advisor and introduced cash incentives. Mr. Heaton noted that the figures he provided in his handout have nothing to do with Medicare or Medicaid; they are what is charged for self-insured programs like the one at Intrepid Potash. He concluded with a quote from Gerald Anderson, professor at Johns Hopkins Bloomberg School of Public Health and co-author of a study, "America's Top 50 Health Care Thugs", about CHS: "They are price-gouging because they can. They are marking up prices because no one is telling them they can't.". Mr. Heaton urged legislators to tell CHS, "You can't.".

In exploring possible solutions to the problem, Mr. Heaton suggested that Carlsbad could demand that CHS sell the hospital to another group, develop significant competition by agreement with an outside hospital or seek a legislative fix by declaring sole community provider hospitals as monopolies, i.e., utilities that can be controlled through a rate review board. This latter solution has worked well in the state of Maryland for the last 20 years, he pointed out, where a price-control board establishes a gross revenue cap for each sole community provider hospital and controls growth by the rate of inflation. Several committee members expressed interest in exploring possible legislative changes to the SNCP program to exclude payments to hospitals with significant profits, such as CHS in Carlsbad. Another committee member noted that these issues extend beyond Carlsbad and encouraged the Mayor's Hospital Reform Committee to continue working on solutions.

Nonprofit Rural Hospital Panel

Brenda Romero, administrator of Presbyterian Espanola Hospital, Presbyterian Healthcare Services (PHS), described the 80-bed acute care hospital that was founded in 1946. Working with the community, PHS took over in 1977. Today, there are 28 primary care and multi-specialist providers, including a cardiologist, endocrinologist, neurologist and clinical pharmacist. Ms. Romero, who has been with the hospital for 30 years, said that the employment of 347 individuals makes the hospital a huge economic driver. Presbyterian Espanola Hospital is a lifeline in the community, she said, and its goal is to improve the health of everyone in the region.

Al Santos, administrator of Lincoln County Medical Center in Ruidoso, told committee members that the center is a nonprofit CAH that opened in 1950, is owned by the county and has been affiliated with PHS since 1972. The medical center was recognized by the Joint Commission as a top performer on key quality measures in 2011 and 2012 and was named a top 100 CAH in 2013. With 34 primary care and specialty providers, including dentists, the hospital is currently in the early stages of a renovation project. Nine new providers — all under 42 years of age — have been brought into the community, along with their families, Mr. Santos said. The medical center manages three rural clinics, an emergency medical services program with 36 paramedics and a free mental health triage service for all residents of Lincoln County. The

mental health clinic, which has been operating for two years, is based on a five-visit model, and this triage has helped reduce ER admissions by 20 to 30 percent. At least a dozen other counties have asked for help in setting up a similar program, Mr. Santos said. Emergency medical technicians are being leveraged to provide some primary care under the supervision of the hospital medical director and this is helping to reduce hospital admissions. The SNCP program has been very important to the center's financial planning; 71 percent of the county is on Medicaid, Mr. Santos said.

Public Hospital Panel

Gila Regional Medical Center (GRMC) in Silver City serves four counties — Grant, Hidalgo, Luna and Catron — and has 68 beds, 723 employees and a payroll of nearly $36 million, Brian Cunningham, CEO of GMRC, told committee members. The center has a 10-bed adult behavioral health unit, a cancer center, an outpatient surgical center, primary and specialty care clinics, rehabilitation services and a fitness/wellness center. As a county-owned public hospital, the GRMC is governed by a board of trustees appointed by county commissioners, and any profits return to the hospital and staff. A strong hospital is an economic driver, Mr. Cunningham said. Impacts of the ACA include significant costs for equipment upgrades and training, transition to electronic health records, new coding and huge financial challenges. The GRMC was $9 million in the red during this transition, Mr. Cunningham said, and had to replace the entire senior leadership. In just under a year, the GRMC accomplished a $10 million turnaround and now is just beyond a break-even point. Mr. Cunningham said that he applauds transparency efforts and feels that nurse staffing legislation is well-intended, but that the nurse staffing formula does not take into account other staffing needs. Health care is the most complex industry on the planet, he said.

Michael Miller, government relations representative for special hospital districts, described how a district is formed as a political subdivision with its own elected board. A petition from voters within designated boundaries, signed by a certain percentage of voters who voted in the last election, is presented to the board of county commissioners, which then calls for an election. Board members are elected to staggered terms and must stand for election every five years, Mr. Miller explained. The board can sue, be sued, impose taxes, establish a tax rate for hospital operation and maintenance and call for a bond election. The board has the power to lease the hospital to outside entities, as has been done in Artesia. There is a ceiling on the amount of the mill levy that can be imposed, and the mill levy must go to the public for a vote every four years for reauthorization. There are six hospital districts in southern New Mexico: Nor-Lea, Jal, Eunice, Artesia, Roosevelt County and South-Central Colfax County. There are more hospital districts in the southern part of the state because of oil and gas revenues, Mr. Miller said, but sometimes local property valuation will not support a hospital district.

Shawn Lerch, CEO of Miners' Colfax Medical Center in Raton, said that the medical center, in partnership with the University of New Mexico (UNM), is the national leader in research of diseases of miners (see handout). A black lung and respiratory disease outreach program includes a mobile unit that travels throughout the state and parts of the western United

States providing comprehensive health screening with satellite connectivity to telehealth. Founded in 1904 to serve miners and their families, Miners' Colfax Medical Center today is a 25-bed CAH and is the only intensive care unit and the only obstetrics service within a 100-mile radius. The medical center also operates 47 long-term care beds in the original hospital. This unit is highly ranked, due in part to a gerontologist on staff and one of the lowest rankings for use of psychotropic medication in long-term care. With a payroll greater than $16 million and with 233 employees, the center is an economic driver in the community, Mr. Lerch noted. Mr. Lerch said pay rates for health care providers need to be increased; a nurse can make $5.00 more per hour by crossing the border into Colorado. While slow payments from the MCOs have been a problem, the new SNCP and uncompensated care programs have benefited the medical center, Mr. Lerch said, turning its bottom line from red to black. Miners' Colfax Medical Center currently is budgeting for renovation of unoccupied spaces in its facility to expand behavioral health services for adults, children and geriatric clients, generating as many as 150 new jobs.

Investor-Owned Hospitals

Mary Beth Maassen, community relations and patient advocate, Los Alamos Medical Center, described the 47-bed facility that serves Los Alamos County and the surrounding region with emergency services, general and specialized surgery, obstetrics, pediatrics and neonatology, as well as physical therapy, diagnostic imaging and full laboratory services. The medical center went through four owners in seven years prior to being purchased in 2011 by LifePoint Health, a Tennessee-based company that operates hospitals in 20 states.

With $1.4 million in capital improvements in 2014, Los Alamos Medical Center showed an 89 percent improvement in meeting and improving patient safety goals and measures over a three-year period, Ms. Maassen said, and moved from the bottom 10 percent to the top 10 percent nationwide. It also earned the LifePoint Operational Excellence Award, an iVantage Analytics Award for Overall Excellence in Outcomes and Financial Stability and four-star status from Medicaid's patient satisfaction rating system. In 2014, its chief nursing officer, Tracie Stratton, R.N., M.S., won LifePoint's Nursing Officer of the Year in a competition with more than 60 hospitals nationwide. In the past year, Los Alamos Medical Center provided more than $2.4 million in services to the uninsured and annually sponsors multiple special events and health fairs in the community. Its strength is in the dedication of its staff, Ms. Maassen emphasized, and in its partnerships with Classic Air Medical, X-Ray Associates of New Mexico, Emergent Medical Associates and Blue Cross Blue Shield of New Mexico in the emergency room.

Public Comment

Bruce Wetherbee thanked committee members for putting the day's program together and lamented that there was no media presence. He urged more state money for hospitals, noting that traveling nurses are going to spend their money elsewhere.

Mike Gallagher, Lea County manager, told members that the hospital situation that was described in Carlsbad also exists in Hobbs, and it is of great concern to his community.

Recess

The committee recessed at 3:35 p.m.

<u>Thursday, August 27</u> — NMMI, Daniels Leadership Center Auditorium, Roswell

Welcome and Introductions

Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves. He noted that many committee members were absent due to a Legislative Education Study Committee meeting also being held in Roswell. He then introduced Dennis Kintigh, a former state representative and current mayor of Roswell.

Mayor Kintigh welcomed committee members to Roswell and praised the LCS for its year-round professional, nonpartisan assistance. Roswell experienced another major shutdown in behavioral health services, Mayor Kintigh noted, and committee members will hear more about how the city has dealt with this major crisis. His interest in behavioral health comes from a law enforcement background — if social services do not exist, then individuals needing help end up in the criminal justice system. Mayor Kintigh said he supports reintroduction of the assisted outpatient treatment bill that was carried last session by Senator Papen.

Dorothy Hellums is chair of Roswell's Community Health Care Solutions Committee and was appointed by the mayor following her retirement from 27 years in health care administration. This committee is composed of a broad base of health practitioners in private and group practices, school district officials and community groups that work to recruit and retain health care providers (see handout). The committee is very proactive, Ms. Hellums said, noting that city officials attended a recent American Academy of Physicians conference in Albuquerque for recruitment purposes and was the only city delegation in attendance. It also has met with the director of preceptorship programs at UNM and has hosted students just completing their first year of medical school. The city provides welcome receptions, concert tickets, free passes to gyms and many other amenities in its efforts to attract new providers to the community. Ms. Hellums said that the credentialing bill passed by the last legislature has been crucial for new physicians to be able to bill for services and that the non-compete bill has helped in recruiting physicians. The committee is close to bringing a medical residency center back to Roswell, Ms. Hellums said, where medical residents can train alongside local physicians.

Seferino Montano is CEO of La Casa Family Health Center, a 40-year-old nonprofit serving four counties and operating clinics in Clovis, Portales and Hondo, as well as in Roswell. In addition to primary care clinics, La Casa Family Health Center operates a dental clinic in Clovis, multiple school-based dental clinics in several communities and a pediatric clinic in Roswell. Mr. Montano said that he was surprised when he was asked by the Roswell mayor whether La Casa Family Health Center could take over behavioral health services in Chaves County after the pullout of Turquoise Health and Wellness. With his board's approval, and after consultation with PMS, the MCOs, the Department of Health (DOH), the mayor and county commissioners, La Casa Family Health Center committed to begin building a community

behavioral health services model. Most of the behavioral health practitioners left the area after two failed transitions, but some agreed to stay on. La Casa Family Health Center has hired a clinical director, is interviewing for two staff positions and has a psychiatrist starting in just a few days, Mr. Montano said.

On questioning, committee members and participants discussed the following issues:

- La Casa's Family Health Center's need for a new facility to accommodate expanded services;
- consultation with the LFC on possible state funding assistance for a new facility;
- other area organizations that already deal with substance abuse issues;
- plans to collaborate with Mental Health Resources in Roosevelt County; and
- the use of social work interns to supplement existing staff.

Report on Health Care Professional Summit

Representative Armstrong and Charles Alfero, executive director of the Hidalgo Medical Services (HMS) Center for Health Innovation, discussed the health care professional summit held in Albuquerque earlier this month, sponsored by the New Mexico Primary Care Training Consortium. Residency training slots paid by Medicare are hospital-based, and they have been capped. Since the ACA, new efforts are under way to utilize Medicaid funding to expand training to rural area clinics, hospitals and FQHCs, which would also present great opportunities for rural communities to recruit and retain providers. One way to do this is to create a residency program separate from a medical school, such as one in family medicine at HMS. Another way is to take an existing program and expand it by creating a relationship with an FQHC. The consortium has received federal grants for technical assistance on this, Mr. Alfero said, and could possibly be the entity that applies for accreditation to the Accreditation Council of Graduate Medical Education. This would create economies of scale through a broader umbrella-accredited program. Mr. Alfero also discussed ongoing efforts to interest and train young people for future careers in health care. The summit broke out into work groups to discuss different approaches, Representative Armstrong said, noting that Senator Mark Moores also attended.

Vanessa Hawker, director of budget and administrative services at UNM Health Sciences Center (HSC), spoke from the audience to report that UNM currently has 18 state-funded residencies and will ask for another nine, for a total of 31 in family and internal medicine, psychiatry and general surgery.

Health Care Work Force Pipeline Panel

Betty Chang, M.D., associate dean for graduate medical education (GME) and professor of internal medicine at the UNM HSC, said that GME is a complex enterprise that is not capable of rapid expansion. There are 53 UNM residency programs and two stand-alone programs, one at HMS and the other at the Memorial Medical Center in Las Cruces. Currently, there are two more programs seeking accreditation, one in plastic surgery and the other in clinical informatics (medical records). Dr. Chang described the history of funding for residency programs nationally (see handout), with Medicare, in 1984, setting payment rates to hospitals for residency salary and

faculty time. In 1997, the federal Balanced Budget Act of 1997 put a cap on the number of positions, that Medicare could fund, giving rise to current efforts to expand slots through alternative funding. State-funded GME positions, which cost $100,000 each, are allowing for increased exposure to underserved and underrepresented populations, especially in rural areas throughout the state.

Valerie Romero-Leggott, M.D., vice chancellor for diversity at UNM HSC, told committee members that she is responsible for a variety of programs that address faculty diversity, linguistic and cultural competence, family involvement and community engagement, and that she is responsible for leadership on issues of inclusion and equity. In addition, her Office for Diversity leads a series of K-20 educational pipeline programs, HEALTH NM (see handout). Starting with Dream Makers Health Careers Club in middle school and followed by a high school club program and a Health Careers Academy, HEALTH NM continues with five separate programs for students in college and two programs for students in graduate school in pharmacy and pre-med. The Office for Diversity also conducts programs to advance science, technology, engineering, mathematics and health, commonly know as "STEM-H", research and development and conducts an annual Career Exploration Extravaganza at the UNM HSC campus, where approximately 800 students from around the state come to envision themselves as scientists and health professionals.

George Mychaskiw II, D.O., introduced himself as the founding dean and chief academic officer of the new Burrell College of Osteopathic Medicine under construction on the campus of New Mexico State University in Las Cruces (see handout). The college is a freestanding, privately funded and independently operated entity that is dedicated to improving the health of residents in the southwestern United States and in northern Mexico, Dr. Mychaskiw said. By August 2016, the college will have 162 osteopathic medical students, 38 full-time faculty, 38 post-baccalaureate students and 89 employees. As of August 4, 2015, the college has received more than 2,700 student applications. Pending final approval, 168 new residency positions will be created, he said, with many more in progress. Clinical training will take place primarily in Albuquerque, Las Cruces and El Paso. It is the Burrell College of Osteopathic Medicine's intent to establish a culturally diverse, supportive and inclusive environment, with the philosophy of osteopathy closely aligned with American Indian and Hispanic cultural ways of healing body, mind and spirit.

Dr. Mychaskiw said he will be asking legislators to amend NMAC 5.7.4, the Primary Care Physician Student Loan-for-Service Program's definition of "university", to include Burrell College of Osteopathic Medicine, as well as UNM School of Medicine. A committee member noted that adding the Burrell College of Osteopathic Medicine will reduce the amount of funds available for UNM students. Committee members suggested that the legislature may need to expand the loan repayment fund and provide more funding to middle and high school pipeline programs.

Mr. Alfero described Forward NM Pathways to Health Careers, a work force development program of HMS that has been funded through the DOH, where finding out about health careers starts in junior high school (see handout). A variety of programs, including school clubs and summer mathematics and science, health career and ACT- and MCAT-preparation academies aim to improve the supply of homegrown talent. This model should be expanded statewide, Mr. Alfero urged, so there will be less dependence on recruitment efforts outside of New Mexico.

State Health Care Loan Programs

Harrison Rommel, Ph.D., financial aid director of the Higher Education Department (HED), said there are 29 state-run financial aid programs for students of health care education. Loan-for-service programs are for students currently pursuing a degree, while loan-repayment programs are for practicing professionals who have completed their education. Both programs require repayment with interest if the service commitment (usually two to three years) is not fulfilled (see handout), Dr. Rommel explained. In 2014, the legislature expanded incentives for student loan repayment for health professionals practicing in underserved communities and provided funding for a new CYFD-worker loan-repayment program.

The HED was only able to fund 29 of 133 eligible applicants for practicing professionals in FY 2015 and 27 of 106 eligible applicants in FY 2016. The allied and medical loan-for-service programs could not fund all eligible applicants in FY 2015 and FY 2016, but the nursing loan-for-service program did fund all eligible applicants, Dr. Rommel said. In 2016, 33 nursing graduates will enter the New Mexico work force. Dr. Rommel also described programs for nurse educators and for a primary care tuition waiver for the last year of medical school, as well as a dental residency program and Western Interstate Commission for Higher Education loans-for-service in veterinary medicine and dentistry. The financial aid budget has received reduced appropriations since 2011, Dr. Rommel noted, even with the addition of new programs.

UNM Hospital Shaken Baby Syndrome Prevention Program

Jayme Vincent Robertson, M.S.N., R.N., R.N.C., director of the Intermediate Care Nursery Unit at UNM Hospital, and Frances Kathleen Lopez-Bushnell, A.P.R.N., Ed.D., M.P.H., M.S.N., C.T.S.C., director of nursing research at UNM Hospital, presented a short video and printed educational materials about shaken baby syndrome (see handout). New Mexico has the highest rate of death from child abuse, Ms. Robertson said, and shaken baby syndrome is a leading cause of learning disabilities. It is often underreported, undertreated and misdiagnosed. Crying is the main cause of the abuse, she said, and while most perpetrators are males in their 20s, women with postpartum depression are another subgroup of abusers. Educating new parents about shaken baby syndrome while the parents are still in the hospital has been determined by research to reduce the incidence of the syndrome by 47 percent, Ms. Robertson said. UNM Hospital has replicated this education program and is implementing it now, utilizing a life-like doll to show parents how easily an infant can be injured and teaching parents to walk away for a moment while the baby is safely in a crib. Every parent or guardian is getting this instruction, and UNM is tracking the results.

After demonstrating the use of the doll and showing the video to committee members, Ms. Robertson and Ms. Lopez-Bushnell asked legislators to help by mandating this education at all birthing facilities in New Mexico prior to a baby's discharge. Most hospitals already teach breastfeeding, but few educate parents about shaken baby syndrome. Thirty-nine babies with shaken baby syndrome that were brought into the UNM Hospital ER cost an average of $300,000 each to treat, the nurses testified; two dolls for each center, plus the video and educational materials, averages about $2,000, they said. Committee members commented that the video could be shown in clinic waiting rooms and also in home visitation programs. The committee chair said he wanted the LHHS to consider a bill mandating this preventive training and asked presenters to work on this with LCS staff.

Safe Staffing

Jack Needleman, Ph.D., professor and chair, Department of Health Policy and Management, University of California at Los Angeles (UCLA) Fielding School of Public Health, said that for the past 15 years, he has conducted research on nurse staffing and quality of care in hospitals. He presented committee members with a written copy of his comments, a PowerPoint presentation, several articles on nurse staffing and inpatient hospital mortality and the 2015 National Healthcare Retention & RN Staffing Report from NSI Nursing Solutions, Inc. His research has been utilized by the Centers for Medicare and Medicaid Services, the Joint Commission, the American Nurses Association and the U.S. Agency for Healthcare Research and Quality, among others. Prior to coming to UCLA, Dr. Needleman was on the faculty at the Harvard School of Public Health.

Dr. Needleman discussed in detail five key issues, as follows.

1. Nursing is complex and cognitively and managerially challenging work.
2. There is extensive evidence that nurse staffing levels influence patient safety and outcomes, such as death and hospital-acquired complications.
3. Patients are entitled to nurse staffing at levels that ensure safe and reliable care.
4. Higher, safer staffing is affordable.
5. The right staffing levels vary from hospital to hospital and unit to unit, so hospital-staff jointly developed models are a good approach to ensure the right staffing.

In five years of data involving 250,000 patients, the causal relationship between staffing and outcomes is clear, Dr. Needleman said, and policy and management should reflect this: lower-than-target staffing is associated with higher mortality rates and with "missed care" (the failure to deliver care) correlating with adverse events. The charge that more staffing is not affordable is simply a "red herring", Dr. Needleman asserted.

Diane Spencer, R.N., said that New Mexico needs to adopt SB 284, the safe staffing legislation carried by Senator Lopez that died in last year's regular legislative session, because hospitals keep cutting back on staff. Unsafe staffing levels are the main reason experienced nurses leave. Nurses are like the canary in the coal mine, Ms. Spencer said, with two out of five

departing nurses citing understaffing as the reason and 54 percent citing excessive workloads. Improved staffing is not more costly; it actually saves millions of dollars, Ms. Spencer noted. While the DOH has opposed safe staffing legislation every year, along with requirements for it to publish information quarterly, as has the NMHA, 14 other states are working on similar legislation, which, like SB 284, mirrors federal legislation that is languishing in Congress.

Lorie MacIver, B.S.N., R.N.C., president of District 1199 NM, National Union of Hospital and Healthcare Employees, asked committee members: does New Mexico want to be in the forefront or at the bottom, again? The state can educate nurses, but if nurses cannot be retained, what is the point? Nurses will stay if there is a state law for safe staffing.

On questioning, committee members and panel presenters discussed the following topics:

- medical errors as the top reason for hospital deaths;
- increasing nurse responsibilities, such as discharge planning, adding to daily pressure;
- other states that have adopted the model proposed in New Mexico include California, Connecticut, Illinois, Minnesota, New Jersey and Texas; and
- the importance of recognizing nursing as the core of patient care.

Public Comment

Sharon Argenbright, said she holds a master's degree in nursing, has taught nursing and has worked in acute care. Nurses are leaving, she said, and now 25 percent of nurses are "traveling", which increases costs. Dr. Needleman has called for a 1:5 ratio of nurses to patients, but Ms. Argenbright said that 1:4 or 1:3 is better. Last week, on the floor where she was working, there was a 1:9 ratio. What is needed is a bill with teeth to force hospitals to do what the law says, she said.

Adjournment

There being no further business before the committee, the meeting was adjourned at 2:50 p.m.

Revised: September 18, 2015

TENTATIVE AGENDA
for the
FOURTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

September 21-24, 2015
Albuquerque

Monday, September 21 – University of New Mexico (UNM), Student Union Building (SUB), Ballroom C, Albuquerque

8:30 a.m. **Welcome and Introductions; Approval of August 2015 Minutes**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:40 a.m. (1) **Child Well-Being in New Mexico: Kids Count Report and J. Paul Taylor Task Force Report**
—Amber Wallin, Director, Kids Count, New Mexico Voices for Children (NMVC)
—Bill Jordan, Senior Policy Advisor, NMVC
—Yael Cannon, Esq., Assistant Professor of Law, UNM School of Law
—Tara Ford, Legal Director, Pegasus Legal Services
—Brian Griesmeyer, Student, UNM School of Law

10:30 a.m. (2) **Reducing Teen Pregnancy**
—Greta Klingler, Director, Colorado Family Planning Initiative, Colorado Department of Public Health and Environment
—Retta Ward, Secretary, Department of Health (DOH)
—Charles Sallee, Deputy Director, Legislative Finance Committee (LFC)
—Yann Lussiez, Program Evaluator, LFC

12:00 noon **Lunch (provided for members)**

1:00 p.m. (3) **Medicaid Centennial Care; Update on Children's Health Insurance Program; All-Payer Claims Database Project**
—Jon Courtney, Program Evaluator, Legislative Finance Committee (LFC)
—Brent Earnest, Secretary, Human Services Department (HSD)

3:00 p.m. (4) **Health Care Analysis at UNM**
—Gabe Sanchez, Ph.D., Executive Director, Robert Wood Johnson Foundation (RWJF) Center for Health Policy, UNM
—Sam Howarth, Ph.D., Senior Fellow, RWJF Center for Health Policy, UNM

4:00 p.m. (5) **Legislative Health and Human Services Committee (LHHS) Legislation Review for 2016 Regular Session**
—Shawn Mathis, Staff Attorney, Legislative Council Service (LCS)

4:30 p.m. (6) **Public Comment**

5:00 p.m. **Recess**

Tuesday, September 22 – UNM SUB, Ballroom C, Albuquerque

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair
—Representative Nora Espinoza, Vice Chair

8:45 a.m. (7) **Addressing Behavioral Health Issues of Seniors**
—Janice E. Knoefel, M.D., M.P.H, Professor, Internal Medicine (Geriatrics) and Neurology, UNM
—David Peters, M.D., Board-Certified in Psychiatry, Neurology and Geriatric Psychiatry
—Mohamad Hadi Khafaja, M.D., Assistant Professor, Department of Psychiatry and Behavioral Sciences, UNM Health Sciences Center

10:30 a.m. (8) **Assisted Living Services**
—Margaret Surrock, President, The Assisted Living Services Organization

11:00 a.m. (9) **Long-Term Services and Supports in Indian Country**
—Lora Church, Director, Indian Area Agency on Aging
—Randella Bluehouse, Executive Director, National Indian Council on Aging
—Michael Banes, Laguna Rainbow Nursing Facility
—Eleanor Toya, L.M.S.W., Indian Health Service, Acoma-Canoncito-Laguna Indian Hospital

12:00 noon **Working Lunch**

(10) **Older Adult Health Status and Dementia**
—Dr. Michael Landen, State Epidemiologist, DOH

1:00 p.m. (11) **Support Services for Caregivers of the Elderly**
—Cindy Anderson, Executive Director, Peopleworks-NM
—Melyssa Agee-Mares, M.S.W., L.I.S.W., Dementia Caregiver Program Director, Peopleworks-NM
—Adrienne R. Smith, Founder and Executive Director, New Mexico Direct Caregivers Coalition

2:00 p.m. (12) **Program of All-Inclusive Care for the Elderly (PACE)**
—Nancy Smith-Leslie, Director, Medical Assistance Division (MAD), HSD
—Angela Medrano, Deputy Director, MAD, HSD
—Beverly Dahan, Vice President of Government and Legislative Affairs, InnovAge Greater New Mexico (IGNM) PACE
—Gina DeBlassie, Chief Operating Officer, IGNM PACE

3:00 p.m. (13) **New Mexico State Plan for Family Caregivers, House Joint Memorial 4 (2014) Family Caregiver Task Force Report**
—Myles Copeland, Secretary-Designate, Aging and Long-Term Services Department
—Gene Varela, State Director, AARP New Mexico

4:00 p.m. (14) **Public Comment**

4:30 p.m. **Recess**

Wednesday, September 23 – UNM SUB, Ballroom C, Albuquerque

8:30 a.m. (15) **Joint Courts, Corrections and Justice Committee (CCJ) and LHHS Summit on Juvenile Justice: Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Senator Richard C. Martinez, Co-Chair, CCJ
—Representative Nora Espinoza, Vice Chair, LHHS
—Representative Zachary J. Cook, Co-Chair, CCJ

8:45 a.m. (16) **Welcome from UNM**
—Robert G. Frank, M.D., President, UNM

8:55 a.m. (17) **Overview of the Day's Work**
—Philip Crump, Facilitator
—David Gold, Facilitator

9:05 a.m. (18) **Juvenile Justice Overview: Other States**
—Sarah Brown, National Conference of State Legislatures (NCSL)
—Anne Teigen, NCSL

9:20 a.m. (19) **Juvenile Justice: The Children, Youth and Families Department (CYFD)**
—Monique Jacobson, Secretary, CYFD

9:35 a.m. (20) **Performance Review: Cambiar New Mexico**
—Kelly Klundt, Senior Fiscal Analyst, LFC

9:55 a.m. **Break**

10:00 a.m. (21) **The Missouri Model and Cambiar New Mexico**
—Tom Breedlove, Senior Consultant, Missouri Youth Institute
—Peter Cubra, Esq.

10:20 a.m. (22) **Sequoyah Adolescent Treatment Center: The Building Bridges Model**
—Retta Ward, Secretary, DOH

10:35 a.m. (23) **Sequoyah Adolescent Treatment Center Task Force**
—Anilla Del Fabbro, M.D., Division Chief for Child and Adolescent Psychiatry, UNM
—Henry Gardner, Ph.D.

10:50 a.m. (24) **The Neuropsychology of Youth Violence**
—Gregory Van Rybroek, Ph.D., J.D., Director, Mendota Mental Health Institute
—Kent A. Kiehl, Ph.D., Professor of Psychology, Neuroscience and Law, UNM

11:20 a.m. (25) **Reducing the Flow in the School-to-Prison Pipeline Through the Southwest Community School Collaborative**
—Representative Patricio Ruiloba, Member, New Mexico House of Representatives; School Resource Officer, Albuquerque Public Schools
—G. Antonio Gonzales, Principal, Atrisco Heritage Academy High School
—Jolene Aguilar, Partnership for Community Action

11:35 a.m. (26) **Youth Empowerment and Diversion: Promising Practices**
—Michael Gass, M.D., Professor, College of Health and Human Services, University of New Hampshire
—Daniel "Nane" Alejandrez, Executive Director, Barrios Unidos Institute

for Peace and Economic Development
—Sky Gray, Executive Director, Santa Fe Mountain Center
—Albino Garcia, Jr., Executive Director, La Plazita Institute

12:15 p.m. (27) **Youth Panel on Youth Empowerment**
—Rosie Garibaldi, Youth Justice Advocate, New Mexico Forum for Youth in Community
—Alyssa Lopez, Member, Leaders Organization to Unite and Decriminalize (LOUD)
—Cristian Valverde, Member, LOUD
—Dylan Gomez, Member, LOUD
—Iziah Hudson, Member, LOUD

12:30 p.m. **What to Expect: Roundtable Discussions**
—Philip Crump, Facilitator
—Dave Gold, Facilitator

12:35 p.m. **Lunch (provided for members)**

Afternoon Session:

There will be two roundtable sessions. Each attendee, legislator, presenter and member of the public is requested to fully participate in these roundtable discussions. Participants will be asked to choose two of the three major topic areas to discuss and to then pose questions about to expert presenters, other legislators and other attendees. The three topic areas are:

- **Cambiar New Mexico model administered by the CYFD;**
- **the Sequoyah Adolescent Treatment Center administered by the DOH; or**
- **youth empowerment and diversion programming.**

Roundtable participants will be asked to formulate answers to the following questions with regards to the three topic areas listed above.

1. **What is working well?**
2. **What needs to change?**
3. **Who needs to change it? Is there a role for the legislature in changing it?**

A "scribe" will be seated at each table. The scribe is a staff member or student who will record the answers that each table devises. Participants will choose one person to present the answers each table has devised at the end of the roundtable session.

1:30 p.m. **First Roundtable Discussion**

2:15 p.m. **Reporting from First Roundtable Discussion**

2:30 p.m. **Break**

2:45 p.m. **Second Roundtable Discussion**

3:30 p.m. **Reporting from Second Roundtable Discussion**

3:45 p.m. **Break**

4:00 p.m. **What I Learned: Participant Panels**

4:45 p.m. **Wrap-Up**

5:00 p.m. **Recess**

Thursday, September 24 — CHI St. Joseph's Children, 1516 Fifth St. NW, Albuquerque

8:30 a.m. **Welcome and Introductions**

8:40 a.m. (28) **Welcome to CHI St. Joseph's Children**
—Allen Sanchez, President and Chief Executive Officer (CEO), CHI St. Joseph's Children

9:00 a.m. (29) **High-Quality Early Learning in New Mexico: An Exploration of Practices That Work For Children From All Backgrounds**
—Hailey Heinz, M.A., Research Scholar, UNM Center for Education Policy Research

9:30 a.m. (30) **Agents and Brokers Discuss New Mexico's Health Insurance Market**
—Anne Sperling, Employee Benefits Manager, Daniels Insurance, Inc.
—Sherrie K. Williams, Licensed Insurance Broker and Owner, Williams Sales and Service, LLC
—Sherrye Butler, Independent Insurance Agent, Hub International Insurance Services, Inc.

10:30 a.m. (31) **Health Insurance Market, Rate Review, Reinsurance, Risk Adjustment; Update on the New Mexico Health Insurance Exchange (NMHIX)**
—John Franchini, Superintendent of Insurance
—Lisa Reid, Office of Superintendent of Insurance (OSI)
—Paige Duhamel, Esq., OSI
—Amy Dowd, CEO, NMHIX

12:00 noon **Lunch**

1:00 p.m. (32) **Health Insurance Market, Rate Review, Reinsurance, Risk Adjustment**
—Martin Hickey, M.D., CEO, New Mexico Health Connections
—Brandon Fryar, Vice President and Chief Financial Officer, Presbyterian Health Plan
—TBD, Blue Cross and Blue Shield of New Mexico

2:30 p.m. (33) **Update on the New Mexico Medical Insurance Pool (NMMIP)**
—Representative Deborah A. Armstrong, Member, New Mexico House of Representatives; Executive Director, NMMIP

3:30 p.m. (34) **Health Coverage Affordability and Availability**
—Dick Mason, Health Care for All Coalition

4:30 p.m. (35) **Public Comment**

5:00 p.m. **Adjourn**

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

September 21-24, 2015
University of New Mexico, Student Union Building, Ballroom C, Albuquerque
CHI St. Joseph's Children, 1516 Fifth Street NW, Albuquerque

The fourth meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on September 21, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:42 a.m. in Ballroom C of the Student Union Building at the University of New Mexico (UNM) in Albuquerque.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia (9/21, 9/22, 9/23)
Sen. Gay G. Kernan
Sen. Mark Moores (9/21, 9/23, 9/24)
Sen. Benny Shendo, Jr. (9/21, 9/24)

Absent
Rep. Tim D. Lewis

Advisory Members
Sen. Sue Wilson Beffort
Sen. Jacob R. Candelaria
Rep. Gail Chasey (9/21, 9/23)
Sen. Linda M. Lopez (9/21, 9/22, 9/23)
Rep. James Roger Madalena
Sen. Cisco McSorley (9/21, 9/22, 9/23)
Sen. Howie C. Morales (9/21)
Sen. Bill B. O'Neill (9/21, 9/23)
Sen. Mary Kay Papen (9/22)
Sen. Nancy Rodriguez
Rep. Patricio Ruiloba
Sen. William P. Soules (9/21, 9/22, 9/23)
Sen. Craig W. Brandt
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Sen. Sander Rue
Sen. Mimi Stewart
Rep. Don L. Tripp
Rep. Christine Trujillo

Guest Legislator
Sen. Carroll H. Leavell (9/24)

(Attendance dates are noted for members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Monday, September 21

Welcome and Introductions
Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves.

Child Well-Being in New Mexico: KIDS COUNT and J. Paul Taylor Task Force Reports
Amber Wallin is the director of KIDS COUNT, a program of New Mexico Voices for Children (NMVC) and part of a national initiative funded by the Annie E. Casey Foundation to track the status of children in economic well-being, education, health and family and community (see handouts). She noted that in 2013, New Mexico ranked fiftieth in child well-being, rising only slightly to forty-ninth in 2014 and 2015. Ms. Wallin described the state's status as second-highest in the rate of poverty (21 percent living at or below poverty level), with 42 percent of its working families living below 200 percent of the federal poverty level. Income levels impact education, Ms. Wallin asserted, with poorer children scoring significantly lower in reading proficiency. Despite school meal programs, 28 percent of New Mexico's children remain food-insecure, and the percentage of children who have experienced trauma is significantly higher in New Mexico than the national average. These factors are among those that result in higher rates of child abuse and neglect; higher rates of teen parents and high school dropouts; higher rates of violent crime; and higher poverty rates as adults.

Bill Jordan, senior policy advisor, NMVC, offered an explanation as to how New Mexico came to be in last place in child well-being, with cuts in K-12 per pupil and special education funding, and less access to early care and education programs now than there was in 2010. Enrollment in child care assistance has dropped by 30 percent. Funding for outreach to enroll children in Medicaid has been eliminated. Mr. Jordan stated an opinion that tax cuts have made New Mexico even more regressive with less revenue available for essential services. Critical of the state for giving business tax breaks, Mr. Jordan said New Mexico families with the lowest incomes pay the highest rates in state and local taxes. Legislators must make children a priority in all policy, and he urged development of a "children's agenda" and adoption of the

NMVC's Campaign for a Better New Mexico (see handout). Funding for child care is critical, Mr. Jordan said; child care costs more annually than a year's tuition at UNM. He urged legislators to consider investing a fraction of the land grant permanent funds in early education, a solution successfully applied in other states, and to make certain that Medicaid funds are utilized for home-visiting programs.

Yael Cannon, assistant professor at UNM School of Law and co-chair of the J. Paul Taylor Early Childhood Task Force, told the committee that attorneys see many adults in the criminal system who could have been spared if, as children, their needs had been identified early and addressed. Introducing her task force co-chair, Tara Ford, who is the legal director of Pegasus Legal Services, Ms. Cannon described the task force's policy recommendations put forth in the 2014 report (see handout). These include: (1) ensuring state compliance with existing Medicaid early and periodic screening, diagnosis and treatment (EPSDT) screens; (2) developing programs to support parents of newborns; (3) maximizing family support services for young children based on needs rather than a mental health diagnosis; and (4) requesting the Legislative Finance Committee (LFC) to investigate and report on Human Services Department (HSD) data for Medicaid services, spending and outcomes in early intervention programs.

Brian Griesmeyer, a student at UNM School of Law, provided the results of a study he conducted on EPSDT and its utilization in New Mexico (see handout). The federally mandated screening includes both physical and mental health measures, a physical examination, immunizations, laboratory tests and health education for the child and caregiver. In New Mexico, there are no specific requirements to ensure that all components of the EPSDT screen are completed and no mandated standard form. A number of other states have reformed their laws and regulations to ensure that EPSDT screens are in compliance with federal law and include the necessary mental health screening of all children.

On questioning, committee members and panel presenters discussed the following issues:

- 85 percent of brain development takes place in the first five years of life, yet only one percent of the budget is invested in early childhood;
- strategies for maximizing available Medicaid dollars for early education and services;
- problems with over-labeling mental health issues in young children;
- the need for a comprehensive tax break expenditure report for budgeting decisions;
- the difficulty in maintaining program eligibility for single parents when child support income is being counted but not received;
- negative effects from new accreditation regulations at child care centers;
- the suggested creation of a state children's council or early education agency;
- the need to address geographical and racial health disparities; and
- identifying causes of the drop-off in registered home child care providers.

Reducing Teen Pregnancy

Greta Klingler, director, Colorado Family Planning Initiative, Colorado Department of Public Health and Environment, described the privately funded program that began in 2008 and continued through 2014. Results have been dramatic, with a 48 percent reduction in teen pregnancy and teen abortions. The initiative cost $27 million over seven years and saved Colorado an estimated $79 million in costs to Medicaid, while the state reduced its teen pregnancies, which improved its national ranking from fortieth to nineteenth. The family planning initiative focused on providing free long-acting reversible contraceptives (LARCs) to low-income teens and on providing training, outreach and education to providers and health center staff. Intrauterine devices and implants were chosen as the most effective means of contraception and were provided to participating clinics free of charge; nonetheless, the program required considerable clinical training and support, Ms. Klingler said.

Other impacts of the Colorado initiative included a 25 percent reduction in the federal Women, Infants and Children Program enrollment, a 20 percent decrease in infant mortality and a 57 percent decrease in second (or more) births to teens 15 to 19 years of age. Using Colorado's federal Title X network, existing clinics and federally qualified health centers, the project encompassed 69 locations in 36 counties. Fears about it causing a higher rate of sexually transmitted infections were unfounded, according to Ms. Klingler. In fact, sexually transmitted infection rates actually dropped, and condom use increased during this period. Extensive media coverage has helped to normalize discussion of these issues, Ms. Klingler said.

Charles Sallee, deputy director of the LFC, provided committee members with a copy of a May 2015 LFC report on effective practices to reduce teen pregnancy (see handout) that analyzed teen birth characteristics and trends in New Mexico and identified evidence-based approaches to reduce risky adolescent behaviors. Recommendations included forming a collaboration that includes the Department of Health (DOH), the HSD, the Children, Youth and Families Department (CYFD) and the Public Education Department to develop a comprehensive, coordinated teen pregnancy prevention strategy, to implement best practices in clinical prevention and to provide for legislative investments into programs with proven outcomes for teen parents and their children.

Yann Lussiez, LFC program evaluator, told the committee that another LFC report will be issued next month that examines maximizing the use of Medicaid funds and school-based health centers to reduce New Mexico's high rate of teen pregnancy.

Retta Ward, secretary of health, presented the program and financial targets of a DOH delayed parenthood project (see handout) that aims to reduce teen birth rates in New Mexico by 50 percent over four years. Secretary Ward said there were 2,584 births to teenage mothers in 2014, which is 61 percent above the national average. The cost of each of these births includes an estimated $25,000 in Medicaid and other public assistance, lower high school graduation rates and decreased opportunities for parent and child. Secretary Ward said she believes this is a winnable public health battle.

On questioning, committee members and panel presenters discussed the following issues:

- the lack of LARC providers, especially in rural areas;
- confusion about Medicaid family planning benefits and pregnancy levels of service;
- the possibility of private funding to supplement the New Mexico state plan, similar to the Colorado model;
- the importance of accurate information regarding contraceptive devices, both for legislators and the general public;
- problems with confidentiality for teenage consumers with private insurance;
- ideas for outreach and community engagement to implement the state plan; and
- why the DOH pays to contract with multiple abstinence education providers when these programs have been proven ineffective.

Legislator Request to Agency

A member requested that Secretary Ward provide prior to the final LHHS meeting in November: (1) the dollar amount of funding proposed for LARCs in the state plan budget; and (2) the dollar amount proposed for spending on high-risk teens with two or more births.

Medicaid Centennial Care (CC); Update on Children's Health Insurance Program (CHIP); All-Payer Claims Database (APCD) Project

Jon Courtney, Ph.D., LFC program evaluation manager, and Maria Griego, LFC program evaluator, provided committee members with the LFC's June 2015 report and a PowerPoint presentation on the CC waiver and Medicaid managed care costs (see handouts). Three themes emerged in this evaluation, Dr. Courtney said: (1) cost-containment initiatives are at risk, and Medicaid reliance on the general fund will increase; (2) the amount and quality of utilization data has deteriorated, leaving a question of whether enrollees are receiving more or less care; and (3) additional controls are needed to ensure that rates are appropriately low and to better position the legislature to set financial priorities for Medicaid. Estimates of what CC would save the state have not come to pass, he said, and care coordination — the centerpiece of CC — has been difficult, with only 47 percent of enrollees reached in the first year. The health homes initiative, another key component of CC, was significantly scaled back, implementation was delayed and performance metrics were removed from contracts. The number of children 18 years and under receiving behavioral health comprehensive community support services dropped by one-half after the 2013 suspension of 15 behavioral health providers and has barely increased, and evidence-based therapy spending in the same age group also fell more than one-half after the suspension and has increased only slightly. The report asserts that the HSD could have saved $28 million in general fund dollars by setting service rates at the lower end of the range and requiring all managed care organizations (MCOs) to charge the same rates for the same services.

Dr. Courtney provided a Robert Wood Johnson Foundation (RWJF) chart that showed other states that have identified hundreds of millions of dollars in savings and revenues, and he urged more transparent projection processes for New Mexico. Other strategies that could be

employed to identify savings and decrease costs, include negotiating lower costs for high-priced drugs, implementing health homes targeting Medicaid patients with diabetes and examining the medical loss ratio requirement as efficiencies are gained. In October, another LFC evaluation will identify additional Medicaid leveraging and cost-saving opportunities.

Brent Earnest, secretary of human services, provided a rebuttal of all LFC criticisms in a lengthy letter included in the LFC report, citing inaccuracies and misunderstandings about the program that led the evaluation to unreliable findings (see report). He introduced Nancy Smith-Leslie, Medical Assistance Division director, HSD, who said the department disagrees that there has been a reduction in utilization of behavioral health services. In a PowerPoint presentation (see handout), Secretary Earnest presented an overview of CC, with enrollment at 822,428 as of August 2015, and touted pay increases for primary care providers, an increase in telehealth visits, increasing use of community health workers and several payment reform projects that were launched in July.

Reporting on the CHIP, Secretary Earnest described its reauthorization by the U.S. Congress and an increase in the federal medical assistance percentage in New Mexico to 100 percent. Prior to implementation of the federal Patient Protection and Affordable Care Act (ACA), there were 6,641 children enrolled in CHIP; as of August 31, 2015, and under a simplified enrollment process, 15,676 children are now enrolled.

Reporting further, Secretary Earnest said the HSD has issued a request for proposals to provide planning for the APCD. Procurement is almost complete, he said, and the HSD expects to announce the choice of a consultant in October, with work to begin immediately. Discussion of the database design will include representatives from state agencies; payers and insurers; health care providers and consumers; employers; health information exchanges and the health insurance exchange; self-insured groups; universities; and tribal governments, among others. He also described work on a $2 million state innovation model grant from the federal Centers for Medicare and Medicaid Services (CMS) that seeks to test innovative health delivery and payment models that will reduce health care costs, enhance quality of care and improve population health.

On questioning, committee members, Dr. Courtney and Secretary Earnest discussed the following issues:

- problems with MCO members who are "not willing to engage";
- the lack of good data to compare levels of behavioral health services;
- ways to reimburse LARC costs so that providers can maintain a stock of the devices;
- efforts to streamline Medicaid administrative burden for dental providers; and
- discussion of variation in MCO rates and the HSD setting rates by risk-adjustment.

Request to Agency

A committee member asked Secretary Earnest for a follow-up of what the HSD is doing within CC to impact teen pregnancy rates, noting that the state had more than 500 births last year

to teens who already had at least one child. The chair agreed, determining that a report on teen pregnancy measures within CC will be added to the LHHS agenda.

Health Care Analysis at UNM

Gabriel Sanchez, Ph.D., is executive director of the RWJF Center for Health Policy at UNM (see handout). The center has two principal aims, Dr. Sanchez said: (1) diversification of the health policy research work force (there currently are 20 fellows in the center's Ph.D. program); and (2) engagement of high-quality applied research to provide data-driven policy recommendations. Over the past several years, the center has increased New Mexico-focused research, tackling some of the most important policy issues in behavioral health and early childhood health and education, Dr. Sanchez said.

Sam Howarth, Ph.D., a senior fellow at the center, described a recent New Mexico project sponsored by the National Institutes of Health: an assessment of Hispanics' relationship with the ACA that concluded that, while the rate of uninsured individuals was significantly lower after the law went into effect, health care costs remain critical to Hispanics in New Mexico. A series of slides in the handout featured other center research projects, many of them for state or local government agencies, and a demonstration of a web-based behavioral health provider mapping tool. Dr. Howarth urged committee members to utilize the center's research capacity.

Minutes Approved

Minutes from the August 24-27 LHHS meeting in Ruidoso and Roswell were approved, with a minor spelling correction to two mentions of Mr. Sallee's name.

Public Comment

Ruth Williams, public policy director for the New Mexico Alliance for School-Based Health Care, reminded committee members that last year, 27 percent of students in schools with a health care center received an EPSDT; the goal for next year is 38 percent. Sixty-three percent of visits to the school centers are for behavioral health issues, she said.

Roberta Rael is director of Generation Justice, a multimedia youth project that is examining behavioral health in New Mexico and gathering the voices of families, young people, practitioners and many others. The group would like to be on the LHHS agenda in October to present results of more than 45 interviews.

Recess

The committee recessed at 5:05 p.m.

Tuesday, September 22

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:45 a.m. in Ballroom C, Student Union Building, UNM, welcomed those assembled and asked committee members and staff to introduce themselves.

Addressing Behavioral Health Issues of Seniors

Janice E. Knoefel, M.D., M.P.H., professor in geriatrics and neurology at UNM, told committee members that in New Mexico, with the fourth-highest percentage of residents over age 65, "the silver tsunami" is already here. There are too few providers, too many of them concentrated in urban areas and too few with the knowledge and skills required to adequately address dementia. There are 73 monthly support group meetings throughout the state conducted by volunteers in every county, Dr. Knoefel said, and national organizations have established quality indicators for dementia care excellence. New Mexico has a broad coalition of engaged stakeholders, an annual state conference on dementia care, a dedicated dementia clinic at UNM directed by herself and a state plan for Alzheimer's and related dementias that has been approved by the governor. There are subcommittees working on the plan's six goals, and Dr. Knoefel urged full implementation of the plan in all areas.

In 2011, Project ECHO received funding from the Reynolds Foundation to train a cadre of dementia care providers in all disciplines to educate rural communities and providers in dementia care, Dr. Knoefel said. The goal is to improve quality and outcomes. Partners in the project included experts in geriatrics, neurology, pharmacy, nursing, physical and occupational therapy; volunteers; representatives of the Aging and Long-Term Services Department (ALTSD), the Veterans Health Administration and industry partners, including residential or home care professionals; and guardianship professionals. This grant has now ended, she said, but UNM has submitted a three-year proposal to CMS to expand dementia care clinics nationwide through Project ECHO. Early diagnosis is key to improving treatment and management of dementia, she said, and to prevent development of behaviors leading to emergency intervention and institutionalization. By providing community-based education and support, individuals can continue to live at home with quality care.

On questioning, committee members and Dr. Knoefel discussed the following topics:

- dementia as an "umbrella" term, with Alzheimer's under it and representing nearly one-half of the cases;
- details of the Alzheimer's Association's savvy caregiver training program, also available through the ALTSD, and efforts to expand access to it;
- issues of liability and immunity for senior centers to offer adult daycare;
- possibility of dementia outreach in rural areas through church volunteers;
- increasing focus on respite care for family caregivers; and

- an update on a request to the attorney general regarding enforcement of New Mexico's Anti-Donation Clause at a senior center planning to host Senior Olympics.

David Peters, M.D., board-certified in psychiatry, neurology and geriatric psychiatry and former director of an inpatient geriatric psychiatry unit at UNM, worked for Lovelace Health System prior to becoming a solo practitioner with Retreat Healthcare in Albuquerque. He runs a clinic and provides hospital consults four days a week, then visits assisted living facilities on the fifth day. It is important to be able to differentiate between dementias, Dr. Peters said; the goal is to alleviate symptoms and improve quality of life. Delusions and combativeness may occur when an individual does not understand the intent of the caregiver and views the caregiver's actions as an assault. Depression and anxiety go together with dementia, Dr. Peters continued, and pharmaceuticals can be effective but also can exacerbate problems. Behavioral issues that manifest between 60 and 90 years of age often are similar to individuals who have suffered traumatic brain injury. Describing issues with the lack of providers, Dr. Peters said he cannot possibly attend to all who are referred to his clinics, and while UNM has a great program, no one is taking new patients. There are not a lot of younger physicians coming into the field, he pointed out, and New Mexico's reimbursement rates are lower than in other states, which is an issue for new doctors who have a lot of school debt.

Mohamad Khafaja, M.D., assistant professor in the Department of Psychiatry and Behavioral Sciences at UNM, described differences between annoying but normal complaints of aging versus a diagnosis of dementia (see handout). Memory changes take place in the temporal lobe of the brain, he said, and with Alzheimer's, the brain actually shows extensive shrinkage. There are cognitive screenings that can help determine behavioral and psychological symptoms of dementia, he said, and sometimes infection or severe constipation can cause the appearance of stroke or dementia.

Protective factors for dementia include physical activity, ongoing intellectual stimulation, adequate omega-3 fatty acids, leisure or social activities, the use of statins and anti-hypertensives and moderate alcohol intake, among others, Dr. Khafaja said. There are several medications approved by the federal Food and Drug Administration for treatment of dementia. They are expensive and facilitate improvement in about one-half of users, but they worsen it in one-fourth of users. Dr. Khafaja suggested ways to create healthy communities for the aging population, including improving transportation options, supporting education, providing tools for health promotion and developing caregiver education regarding available resources.

On questioning, committee members discussed with Dr. Peters and Dr. Khafaja the following issues:

- the need to explore a care model for dementia and Alzheimer's that is not so costly and to develop more programs to help the elderly stay in their homes;
- the role of illegal drugs and alcohol as contributors to dementia;

- rising diabetes, obesity and hypertension rates as risk factors for younger New Mexicans;
- side effects from sleep medications that exacerbate symptoms of dementia; and
- scientific support for the power of prayer.

Long-Term Services and Supports in Indian Country

Lora Church, M.P.A., M.S., is director of the Indian Area Agency on Aging (IAAA), which was created in 1991 as a focal point for addressing issues affecting New Mexico's Native American elders (see handouts). The IAAA operates under the ALTSD; works in partnership with 19 pueblos, two Apache tribes and the Navajo Nation; manages contracts and monitors state general fund awards and programming; and provides technical assistance, advocacy and training. In fiscal year (FY) 2015, the IAAA provided programs and services to 5,650 Native American elders and adults with disabilities through 21 tribal senior centers and three tribal adult daycare centers. Home- and community-based services are offered through tribal senior centers to help elders remain in their own homes surrounded by family. To address Native American caregiver training needs, the IAAA has collaborated with the New Mexico Chapter of the Alzheimer's Association, the National Indian Council on Aging (NICOA) and the ALTSD's Office of Alzheimer's and Dementia Care to design an evidence-based curriculum. This program, the first of its kind in the United States, will be launched in FY 2016 in several New Mexico tribal communities.

Randella Bluehouse is executive director of the NICOA, a nonprofit founded in 1976 to advocate for improved comprehensive health, social services and economic well-being for American Indian and Alaska Native elders that is headquartered in Albuquerque. In the 2010 census, there were 5.2 million American Indians and Alaska Natives in 566 federally recognized tribes, Ms. Bluehouse said, 68 of which are recognized by the State of New Mexico. Between 2000 and 2010, the number of American Indian and Alaska Native elders increased by 40.5 percent, a rate 2.7 times the overall population of seniors in the United States. Health care for Native Americans is delivered through the Indian Health Service (IHS), tribally operated health facilities and urban Native American health facilities, including long-term supports and services. The ACA grants authority to the IHS and tribes to operate long-term services and supports either in facilities or in the client's home and improves the reimbursement process and resource sharing with other federal programs.

Eleanor Toya, L.M.S.W., is a medical and behavioral health social worker from the Pueblo of Jemez who has been working at the Acoma-Canoncito-Laguna IHS hospital for the past 13 years. Cultural factors often make her clients, mostly over 50 years old and many with dementia, reluctant to reveal issues they have been dealing with all of their lives. Ms. Toya utilizes teleheath psychiatry with UNM or the IHS in Gallup, and she notes that many of her clients do not want to be medicated. There is a limited number of beds available for nursing home placement. Residents often want to go to the Rainbow Nursing Center at the Pueblo of Laguna because it is Native American, she said, noting that culture and spirituality are very important. If an individual does not have Medicaid, the IHS will not pay for long-term care, so

facilities have to get these people qualified; the waiting process often discourages families. There are also problems with clients who do not have enough money to travel to Albuquerque for services.

On questioning, committee members and panel presenters discussed the following topics:

- details of a new Pueblo of Isleta facility that includes a senior center, adult daycare and assisted living;
- a list of state funds that go to tribes, including other tribal resources; and
- utilization of federal Title VI funds for tribal services.

Older Adult Health Status and Dementia

Michael Landen, M.D., M.P.H., state epidemiologist, DOH, provided a series of charts and graphs showing that nearly 30 percent of New Mexico's seniors live in households with less than $20,000 annual income (see handout) and that race and ethnicity, level of education, gender and ZIP code all are factors in the general and mental health of seniors. New Mexico seniors are less likely to be obese than their younger counterparts, but they are nearly three times more likely to have diabetes. American Indians have a significantly higher death rate over age 65 than whites, Hispanics, African Americans and Asian/Pacific Islanders. New Mexicans between the ages of 65 and 75 have higher rates of succumbing from diabetes and chronic liver disease and cirrhosis than the rest of the country. Older adult drug overdose death rates have been rising, with whites at the highest rate. The risk of older adult falls doubles every five years after age 65 and is higher among men than women; it is four times as high among seniors on high-dose opioids. With Alzheimer's and related disorders, the northeast health region has a significantly higher rate of emergency room admissions, with more females affected than males, and metro areas show higher rates of death. In conclusion, Dr. Landen found life expectancy for New Mexico older adults better than that for the United States, but racial and ethnic disparities persist. He urged that the health status of older adults in New Mexico be tracked on a regular basis.

On questioning, committee members and Dr. Landen discussed the following issues:

- licensing boards' roles in policing opioid prescribing;
- the need for clearer focus on resources that will benefit older adults;
- more details on suicides by gun and the ease of purchasing firearms; and
- the need for hospitals to provide real-time reporting to the DOH.

Support Services for Caregivers of the Elderly

Cindy Anderson, M.S.W., L.I.S.W., executive director of PeopleWorks-NM, an Albuquerque-based provider of counseling and wellness services, described her organization's dementia caregiver program (see handouts). Caregivers have increased stress and a higher rate of use of psychotropic drugs; many must juggle regular employment with caregiving tasks, Ms. Anderson noted. The program involves 12 hours of education, two hours of individualized

counseling, an Alzheimer's workbook and continued crisis management and follow-up. The nonprofit recently added a program dealing with gambling addiction.

Melyssa Agee-Mares, M.S.W., L.I.S.W., said that despite her professional training, when she began caring for her grandmother who had dementia and was bipolar, she was overwhelmed by what she did not know. Now, as director of the dementia caregiver program at PeopleWorks-NM, she is able to teach best practices and provide counseling to address the emotional aspects of care. Ms. Agee-Mares recommended that the state seek more affordable long-term care options that pair social services and mental health treatment, and she urged greater efforts to increase case management.

Adrienne R. Smith, executive director of the New Mexico Direct Caregivers Coalition, founded her nonprofit organization in 2009 to give voice to family and professional caregivers and to advocate for education, training and better wages (see handouts). Ms. Smith introduced her program assistant, Dana Howard, and explained that the coalition's interactive website includes a registry of 4,500 individuals and agencies that can connect them with free educational training and workshops and nationally recognized certification. The direct care work force is the fastest-growing sector of the New Mexico economy, Ms. Smith said, with at least 210,000 individuals statewide caring for a family member. Yet economic, educational and systemic barriers still exist, she stated, and the coalition aims to improve training, benefits, wages and professional development so that these workers may better serve the elderly and those with disabilities.

Program of All-Inclusive Care for the Elderly (PACE)

Ms. Smith-Leslie reported that there currently are 385 members in PACE, a program with a $12 million budget that is less expensive than nursing home care for qualified individuals. Care is coordinated by the PACE provider, including prescription management, she said. PACE is a holistic, all-inclusive approach to acute and long-term care, and it currently has a wait list of 65 eligible individuals.

Gina DeBlassie, chief operating officer of InnovAge Greater New Mexico PACE, said her organization operates PACE programs in three states, with one in Albuquerque serving Bernalillo, Sandoval and Valencia counties (see handouts). PACE is a fully capitated program and bills as fee-for-service, and thus has very stable rates. The average age of PACE consumers is 80, Ms. DeBlassie said, and her program has a wait list of 250 individuals. Beverly Dahan, vice president of government and legislative affairs for InnovAge Greater New Mexico PACE, noted that the PACE model saves money (costs are 28 percent less than a nursing home) and provides a personalized, more compassionate model of care. InnovAge New Mexico is looking at Santa Fe and Las Cruces for possible expansion when additional funding becomes available.

Responding to questions from committee members, Ms. DeBlassie explained that the current cap on PACE is due to the state Medicaid budget constraint of $12 million. Several members noted that the cap is artificial and it makes no sense to limit PACE; no one would lose

except the MCOs. Another member urged that the cap be removed and the program be expanded. Ms. Smith-Leslie said she would be happy to look further into this issue.

New Mexico State Plan for Family Caregivers, 2014 House Joint Memorial 4 Family Caregiver Task Force Report

Myles Copeland, secretary-designate of aging and long-term services, presented the state plan for family caregivers (see handout) and was accompanied at the table by Gene Varela, state director of AARP New Mexico. In a PowerPoint presentation (see handout), Secretary Copeland and Mr. Varela detailed the scope of family caregiving in the state: 419,000 serving as caregivers who annually provide an average of 18.4 unpaid hours of care weekly. The Family Caregiver Task Force convened in April 2014 with more than 50 participants from a broad list of stakeholders and with feedback from more than 600 New Mexicans and a survey of 1,000 registered voters (see AARP handouts). Overarching principles of the planning process were to address rural, ethnic and cultural issues, and the state's high poverty rate and to ensure that recommendations would be actionable. Five work groups (family support, training and planning, care coordination, support for caregivers and public awareness) were convened to identify caregivers' needs, current resources and the gaps between them and recommendations to address those gaps.

Seven goals of the task force were identified:

1. ensure family caregiver access to needed resources;
2. ensure caregiver access to proper training;
3. limit future caregiver burden with healthy aging initiatives and advanced financial, legal and medical planning;
4. develop community and online support and advocacy;
5. broadly increase care coordination;
6. provide more support for family caregivers who work outside the home; and
7. coordinate efforts to broaden respite care options for family caregivers.

Tools already in place to help reach these goals include lay caregiver aftercare training (House Bill (HB) 139), which was signed by the governor after the 2015 regular session, and broadened awareness of the ALTSD's Aging and Disability Resource Center (ADRC) for information and additional resources (see handouts).

On questioning, committee members, Secretary Copeland and Mr. Varela discussed the following topics:

- possible expansion of the state's family leave act;
- use of Medicare funds for additional family caregiver training;
- expansion of service hours at the ADRC; and
- status of hospitals with regard to HB 139 training requirements.

Public Comment

Doris Husted, director for public policy with the Arc of New Mexico, noted that outreach efforts should also include older adults who are caring for adult children with developmental disabilities.

Recess

The committee recessed at 4:25 p.m.

Wednesday, September 23

Introductions

Senator Ortiz y Pino reconvened the meeting at 8:39 a.m., introduced Representative Espinoza and welcomed those assembled. Explaining that today's session is a joint meeting with the Courts, Corrections and Justice Committee, he introduced its co-chairs, Representative Zachary J. Cook and Senator Richard C. Martinez. Senator Ortiz y Pino asked members of both committees and staff to introduce themselves.

Welcome

Robert G. Frank, M.D., president of UNM, welcomed both committees to the campus, citing many "returning Lobos" in the audience and describing UNM as a leader in affordability. The university has made great strides in improving third-semester retention rates, he said, and in fourth- and sixth-year graduation rates, as well. The school no longer offers remedial courses, and one-third of its New Mexico students are in the top one-third in ACT scores.

Meeting Format

Senator Ortiz y Pino then introduced Philip Crump and David Gold, facilitators of the day's joint meeting. The morning session will consist of a series of presentations, but committee members were asked to hold their questions for afternoon roundtable discussions, the facilitators said. As the meeting unfolds, members of both committees will gain a better understanding of the issues New Mexico youth are facing and how well the state's programs to address them are working.

Sarah Brown, program director of the National Conference of State Legislatures (NCSL), and Ann Teigen, NCSL, said their organization represents 7,383 legislators and has its policy office in Denver. Providing a brief history of national trends in juvenile justice state legislation (see handout), Ms. Brown said the more punitive trend of the 1980s and 1990s has given way to a current bipartisan effort to reform juvenile justice, driven largely by new neuroscience research about the developing brain in adolescence, increasing use of evidence-based practices and multiple U.S. Supreme Court rulings. She cited seven current trends:

1. comprehensive omnibus reforms in 15 states between 2013 and 2015;
2. reestablishing boundaries between adult and juvenile justice systems;
3. prevention, intervention and corrections/detention reform;

4. due process and defense reform in juvenile competency, providing adequate counsel and use of shackling and solitary confinement;
5. treatment of mental health needs of juvenile offenders;
6. addressing significant racial and ethnic disparities; and
7. confidentiality of juvenile records and expungement.

Juvenile Justice: CYFD

Monique Jacobson, secretary of children, youth and families, said that while her heart breaks over what has happened in the lives of children that end up in New Mexico's juvenile justice system, she is aware that by their actions, they have created new victims. Secretary Jacobson stated that CYFD employees are at the front line in dealing with complex situations and need to do all they can to help these youth who will return to the community. "Youth care specialist" is the new title of staff in these positions. Secretary Jacobson said more training needs to accompany changes in policy disallowing isolation and use of force. New Mexico has fewer youth in facilities now, but the level of acuity is higher. The CYFD's first rapid-hire event, scheduled for September 26, 2015, will focus on the youth corrections system.

Performance Review: Cambiar New Mexico

Kelly Klundt, senior fiscal analyst, LFC, explained that Cambiar is New Mexico's version of the Missouri model of juvenile justice reform that would be described in greater detail in the succeeding presentation. Ms. Klundt presented the LFC's 2015 performance review of the state's juvenile justice services and appropriations, with 95 percent being funded by the general fund (see handouts). The LFC staff identified performance concerns as the program continued on a downward trend, she said. Juveniles committed to a secure facility experienced increased use of force by staff and youth-on-youth violence, as well as a significant rise in the rate of transition into adult correctional facilities. Despite implementing an action plan of best practices to de-escalate incidents and avoid injuries, high turnover rates for youth care specialists may be contributing to the performance decline. The cost of secure juvenile commitment vastly exceeds other approaches to treatment, according to the report, at an annual cost of $146,000; under community corrections supervision, that annual cost is approximately $3,000.

The Missouri Model and Cambiar New Mexico

Tom Breedlove, senior consultant with the Missouri Youth Services Institute (MYSI), described the Missouri model and his period of consultation with New Mexico's juvenile justice system beginning in 2008. Developed over several decades, what has become known as the Missouri model involves a paradigm shift from correctional to rehabilitative and therapeutic treatment of youth, assisting them in making positive, lasting changes that result in dramatically better outcomes. Mr. Breedlove was invited to advise the New Mexico juvenile justice system, and upon arrival, found siloed departments with some more eager than others for change. Over several years, the MYSI worked at the state's three largest juvenile detention facilities and at Lincoln Pines near Ruidoso. With the change in administrations in 2013, the MYSI was directed by the new CYFD leadership as to what content could be presented and how training could be delivered, and the project at Lincoln Pines was abandoned. Nonetheless, the MYSI was

successful in completing the first tier of training, seeing some immediate positive results in reducing assaults on staff and youth and increased success with youth academic achievement and school behavior, Mr. Breedlove said. He remains hopeful that work left undone in New Mexico can be completed in the future.

Peter Cubra, disability rights attorney and founder of Advocacy, Inc., a nonprofit that provides representation for abused and neglected children, said he has been working with troubled youth for over 30 years and described New Mexico's juvenile justice facilities as criminal factories. Bullying, coercion and violence, or the threat of it, are how problems are handled, he said. Cambiar got a start here and then got sent back to Missouri. Mr. Cubra urged the state to find a way to carry Cambiar forward. Youth are more disturbed and have few options for high-level treatment, he said, and New Mexico should not to continue the mistreatment; it needs to rescue the ones it can.

Sequoyah Adolescent Treatment Center (SATC): The Building Bridges Model

Secretary Ward described the building bridges model of treatment now employed at SATC as family-driven, trauma-informed care for adolescents. Under this model, the facility is more open, there are no limits on family visits and residents can obtain passes for home visits. Families are included in many decisions, such as a change of medication, and are considered to be a vital part of the team approach. The building bridges model of treatment is accessible and culturally sensitive, utilizes clinically proven methods and provides for a better transition back into the community.

SATC Task Force

Senate Memorial 115 from the 2015 regular legislative session set up a task force to perform an independent evaluation of SATC and to make recommendations to the LHHS no later than November 1, 2015. Anilla Del Fabbro, M.D., division chief for child and adolescent psychiatry at UNM, reported that the task force was divided into two groups at its initial meeting in March: clinical and administrative. While much of the work has been completed by both committees, members are still working on reports that will be available shortly.

Henry Gardner, Ph.D., is a member of the task force but stated he was speaking on his own account as a long-time former administrator of SATC. Dr. Gardner said he is concerned about the task force's purported independence, as is called for in the memorial. One-half of its members are from the DOH, he said, and members have been restricted in information they have been able to obtain or have access to, and there is concern among some members about the information provided by the DOH. The building bridges model is a good one, Dr. Gardner said, but he cannot tell if it is being well-implemented. He has heard that SATC had a $474,000 surplus last year, but there has been little transparency as to the budget.

The Neuropsychology of Youth Violence

Kent A. Kiehl, Ph.D., professor of psychology, neuroscience and law at UNM, told committee members that antisocial behavior peaks during adolescence (see handout).

Developments in psychology and brain science continue to show fundamental differences between juvenile and adult brains, especially parts of the brain involved in behavior control, Dr. Kiehl said. Genetics may be involved, and the early onset of these behaviors is an indicator of persistence. Untreated, there is a much higher recidivism rate. Early intervention can result in brain changes that actually are visible on scans, he said.

Gregory Van Rybroek, Ph.D., J.D., is director of the Mendota Mental Health Institute in Madison, a psychiatric hospital operated by the Wisconsin Department of Health Services that specializes in serving patients with complex psychiatric conditions. The Mendota Juvenile Treatment Center within the institute has proven that with its program, the most violent, institutionalized juveniles can be effectively treated, even those who have psychopathic personality features. Mendota's treatment reduces recidivism, especially for felony crimes, and is cost-effective, Dr. Van Rybroek said (see handout). Treatment is a clinical-correctional hybrid in a high-security structure with low coercion; youth choose to participate, and there are natural results for not participating. By decreasing defiance among patients, conditions for real treatment are ripened, he said. Mendota provides a safe physical environment, but security does not run it. There is a data feedback system that tracks behavior twice a day; an alternative to lockup motivates patients by offering privileges and better food and living conditions. The system is transparent, fair, immediate and predictable and sets up conditions to begin traditional therapy, Dr. Van Rybroek said. There must be sufficient staff who are actively supervised using data-driven evidence. Treating the most violent youth requires tolerance of negative behaviors long enough for that treatment to take hold and help a child to save his or her own life.

Reducing the Flow of School-to-Prison Pipeline: Southwest Community School Collaborative

Representative Ruiloba, school resource officer at Atrisco Heritage Academy High School, described the formation of the Southwest Community Schools Collaborative that supports students, staff and families with resources when students are involved with violations of law or negative behaviors. Utilizing local nonprofit agencies, including Partnership for Community Action, the Albuquerque Public School District's Crossroads/Project Success Program, ENLACE, La Plazita Institute and Youth Development, Inc., students are referred to services instead of incarceration as the first response. By bringing services into the school, issues can be dealt with on campus instead of in the judicial system, Representative Ruiloba said. Since the program began in 2012, data indicate that there has been a decrease in dropout rates, school suspensions and referrals to the courts, and an increase in parental involvement and graduation rates. Campuses have become safer, Representative Ruiloba said, and student participants have experienced increased positive behaviors, fewer subsequent violations and suspensions and increased educational awareness.

Youth Empowerment and Diversion: Promising Practices

Michael Gass, Ph.D., professor in the College of Health and Human Services at the University of New Hampshire, described the field of outdoor behavioral health care (OBH) as the prescriptive use of adventure experiences by mental health professionals, often conducted in

natural settings, that engage clients on cognitive, affective and behavioral levels. Elements of OBH include extended backcountry travel and wilderness living for long enough to allow clinical assessment and establishment of treatment goals. It requires the client's active participation and responsibility in group living and therapy sessions, and it can involve individual and family therapy. Key questions arise when judging the effectiveness of an OBH program: does it work, is it safe and is it accredited and cost-effective? Dr. Gass noted that the Santa Fe Mountain Center is an effective program and is highly regarded in the field.

Daniel "Nane" Alejandrez, executive director and founder of Barrios Unidos in Santa Cruz, California, said he has spent the last 40 years addressing violence and gang culture. Eleven members of his own family went to prison and now, four generations later, there are still new incarcerations, he said. The prison system does not work, Mr. Alejandrez said, but money is still being pumped into it. The challenge is to create change in institutions. In California, the annual cost to incarcerate a youth is $260,000. That could easily buy a college education, he pointed out. The majority of those incarcerated are people of color, and the economics of barrios and ghettos have not changed. Young people must be educated to participate in the democratic process, Mr. Alejandrez said, but poverty and political change must be addressed. He urged legislators to look at what has worked in other states and countries.

Sky Gray is executive director of the Santa Fe Mountain Center, which has provided accredited, therapeutic adventures since 1979 (see handout). Using evidence-based and evidence-informed practices, the center now offers nine different programs, including Healthy Transitions, a youth (16 to 25 years) program that is funded through a federal Substance Abuse and Mental Health Services Administration grant (see handouts) and in partnership with the CYFD.

Albino Garcia, Jr., is executive director of La Plazita Institute in Albuquerque, a nonprofit offering a community alternative to youth detention that engages youth, elders and communities around the philosophy that culture heals. Operating as a certified organic farm that produces food for the Albuquerque Public School District and the Youth Detention Center, La Plazita youth can dream while they find themselves knee-deep in dirt in the South Valley, Mr. Garcia said. At La Plazita, youth are involved in positive activities in the neighborhood and put together food parcels for lower-income families. This is a nontraditional leadership institute, he said.

Youth Panel on Youth Empowerment

Rosie Garibaldi, a youth justice advocate with the New Mexico Forum for Youth in Community and a facilitator of Leaders Organizing 2 Unite & Decriminalize (LOUD), said there was a gap in the community with no young people or their families finding a place at the table. Now, as a community partner, LOUD advises and informs detention reform efforts and the juvenile justice system, conducts education and outreach and provides leadership and skill development. With investment in alternatives to incarceration, crime rates do go down, Ms. Garibaldi said. LOUD was developed in partnership with Bernalillo County's Juvenile Detention

Alternatives Initiative and the New Mexico Forum for Youth in Community. A member of LOUD who accompanied Ms. Garibaldi spoke about youth in detention who need help with an education plan that will connect them with needed resources; another member described seeing many unjust and unfair aspects of the juvenile justice system. Both speakers reminded the audience that those closest to the problem are also closest to the solution.

Afternoon Roundtable Discussions

Two separate sessions of roundtable discussions involved legislators, presenters, youth advocates and other interested members of the public discussing the following topics: youth empowerment programs, the Cambiar model and SATC. Regarding each of these topics, the following questions were posed to roundtable participants: (1) what is working about the programming?; (2) what needs to change about the programming?; and (3) is there a role for legislators in making necessary changes to that programming? For a detailed report of these discussions and conclusions, please refer to the LHHS minutes from the October 5-7 LHHS meeting in Santa Fe.

Recess

The joint session was recessed at 4:50 p.m.

Thursday, September 24

Debriefing on Wednesday's Meeting Format

Senator Ortiz y Pino reconvened the LHHS meeting at 8:35 a.m. at CHI St. Joseph's Children with an informal discussion of the previous afternoon's joint presentations and roundtable discussions. On questioning, committee members noted the following:

- roundtable discussions were too long and participants were too tired; one breakout would have been sufficient;
- SATC is not functioning as intended;
- presentations should have been slowed down and questions allowed;
- there was a lack of acceptance of responsibility by youth in attendance and too much of an attitude of "what are you going to do for me?";
- other members were very impressed with youth participation;
- a suggestion that the Atrisco program be presented to board members of the Albuquerque Public School District;
- surprise by some members that Cambiar apparently has been abandoned;
- preventative interventions and wraparound services are more effective and less costly than institutionalization;
- a suggestion that a review of information from yesterday's joint session be passed on to the secretaries of human services, health and children, youth and families; and
- state participation in the Three Branch Institute on Child Social and Emotional Well-Being (3BI), a national initiative to improve child welfare systems in which the CYFD,

the Administrative Office of the Courts, the judiciary, the HSD and the DOH had previously been involved, appears to have ceased.

Motions for Letters from the LHHS

Members approved motions that letters from the LHHS be sent to:

- the Albuquerque Public School District Board suggesting a presentation by Representative Ruiloba on the Atrisco model of juvenile diversion; and
- Secretary Jacobson regarding the CYFD's halting of participation in the 3BI and requesting that the CYFD recommence participation in the 3BI.

Welcome and Introductions

Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves. Jessica Bunker, a public advocate for CHI St. Joseph's Children, spoke from the audience to describe the nonprofit's unique home-visiting health program that is one of the largest in the nation. This initiative, made possible by a grant from the Daniels Fund, includes weekly visits to 181 families in Bernalillo, Sandoval, Valencia, Dona Ana and Luna counties.

High-Quality Early Learning in New Mexico: An Exploration of Practices That Work for Children from All Backgrounds

Hailey Heinz, M.A., a research scholar and senior analyst at the UNM Center for Education Policy and Research, described results of a statewide survey of effective early learning practices that was funded in part by a grant from the Thornburg Foundation (see handout). Ten sites were selected for the study, based on education results in third grade. Ms. Heinz presented key findings that are shared in quality early education:

- strong site-based leadership;
- stability of core teaching staff;
- programs that follow children's interests;
- rich classroom environments;
- intentional family involvement;
- dual language instruction; and
- positive social-emotional learning.

On questioning, committee members and Ms. Heinz discussed the following topics:

- indications that the state's five-star system is not always the best predictor of quality results;
- longitudinal methods being used to measure outcomes in this study;
- challenges for providers in meeting state and federal standards; and
- differences in quality measures between urban versus rural educational centers.

Agents and Brokers Discuss New Mexico's Health Insurance Market

Anne Sperling, employee benefits manager for Daniels Insurance, Inc., Sherrie K. Williams, licensed broker and owner of Williams Sales and Service, LLC, and Sherrye Butler, independent agent with Hub International Insurance Services, Inc., each have 30 years or more experience in the health insurance field. Their presentation (see handout) detailed many concerns of New Mexico's agent and broker community, numbering nearly 800. They expressed special concern with the withdrawal of BlueCross BlueShield of New Mexico (BCBSNM) from the New Mexico Health Insurance Exchange (NMHIX). BCBSNM also will no longer offer preferred provider organization (PPO) policies in the private market except for a single high-deductible ($6,000) plan. The move toward health maintenance organization (HMO) policies will limit out-of-state provider options for thousands of New Mexicans whose policies on and off the NMHIX now are being canceled, they said. In addition, enormous changes ushered in with the ACA will burden both large and small employers as they maneuver through a labyrinth of new federal regulations, tax credits and penalties. Several state programs also are of concern to the industry, including the New Mexico Medical Insurance Pool (NMMIP) that is no longer accepting new members; the Vaccine Purchasing Act, administered by the DOH, which recently produced incorrect invoices to businesses; and delays in the new Long-Term Care Partnership Program. The health insurance industry in the state is reeling, Ms. Sperling asserted, with numerous brokers retiring and many agencies being bought, sold and consolidated.

Motion for LHHS Letter to the Governor

A motion was approved for LCS staff to prepare a letter to the governor regarding multiple issues with New Mexico's health insurance market, including disappearance of PPO plans from the individual marketplace and the state's chronic shortage of health care professionals. Further, the letter will ask the governor to convene a meeting with health insurance regulators, carriers, brokers and agents, health care providers and consumers and state educational institutions to discuss these issues.

Health Insurance Market, Rate Review, Reinsurance, Risk-Adjustment; Update on the NMHIX

John Franchini, superintendent of insurance, told committee members that people need to be patient; there is no reason for hysteria about the evolving medical insurance system. PPOs have been pulled from health insurance exchanges in Texas, Illinois, New York, California, Florida, New Mexico and Washington, D.C., (see handout) and will soon be a thing of the past, but this will lead to a widening of HMO provider networks. Medical care will not be worse but it will be different, with many things better than before. In 2010 in Bernalillo County, over 50 percent of bankruptcies were caused by medical events; by 2014, that rate was just 16 percent. Medical care is not any worse than it was before, he asserted, it is just a different system of delivery. Superintendent Franchini urged all interested parties to work together to help make the system work in New Mexico, adding that it is the Office of Superintendent of Insurance's (OSI's) responsibility and authority to make certain the system is actuarially sound.

Lisa Reid, director of health and life at the OSI, provided details of the Vaccine Purchasing Act that assesses a business based on the number of children it insures in order to reimburse the state for the cost of vaccines. Ms. Reid said some miscalculations on invoices were related to self-insured plans that may have inadvertently double-reported their numbers. This is the DOH's program, she said, but the OSI oversees payments to the state. While the OSI does have the authority to impose fines for nonpayment, no one will be penalized or fined this year due to the misinformation and confusion.

Paige Duhamel, an attorney and health care policy manager at the OSI, demonstrated a new computerized provider network adequacy tool that has been mapped with a global positioning system. Two carriers, New Mexico Health Connections (NMHC) and Molina Healthcare of New Mexico, have provided their lists, and Presbyterian Healthcare Services has provided its West Texas data. This tool, updated monthly, also includes driving distances within a 60-mile radius. As the tool gets built out, the OSI eventually will require all carriers to submit their network data.

Amy Dowd, chief executive officer (CEO) of the NMHIX, provided an update on the NMHIX (see handouts). After CMS required redesign of the state's individual exchange plans, the NMHIX Board of Directors abandoned those efforts in favor of continuing to utilize the federal platform. Regulations and standards for a federal lease proposal are expected to be released this fall. Ms. Dowd described a significant increase in educational outreach efforts, with a special focus on rural areas and Hispanic and Native American consumers. There was a 63 percent increase in enrollments from the prior year, with 52,358 total plans selected. The third open enrollment begins November 1.

On questioning, committee members and Ms. Dowd discussed the following issues:

- factors increasing the cost of health care plans;
- New Mexico's role as a national model for Native American enrollment;
- assurance of local access to a state call center;
- an online course to increase certification of brokers who sell plans on the NMHIX;
- plans offered on the Small Business Health Options Program (SHOP) platform;
- importance of data collected from three years of enrollment;
- financial stability of the NMHIX; and
- potential development of a new basic health plan.

Health Insurance Market, Rate Review, Reinsurance, Risk Adjustment

Martin Hickey, M.D., is CEO of NMHC, an ACA-chartered nonprofit, consumer-operated health care plan that focuses on wellness and care coordination to lower health care costs. Dr. Hickey asserted that Americans are used to the best insurance paid for by someone else; other countries spend half of what Americans spend, yet their outcomes are better. The ACA's emphasis on risk adjustment (see handout) should be driving down health care costs, but several major New Mexico insurers have "gamed" the new system with federal risk adjustment transfers. The PPO model is not sustainable, he said, and has been subsidized by HMOs. Dr. Hickey

emphasized the importance of identifying risks and treating behavioral health and other chronic issues. Keeping people out of the hospital is where the profits are, Dr. Hickey said, touting NMHC's emergency room admission rates for 34,000 members as significantly lower than the state's rate and the national benchmark. NMHC is still in the red, Dr. Hickey said, but he predicted that in 2016 it will turn a profit that will be returned to policyholders in reduced premiums and to providers with higher reimbursements.

Brandon Fryar, vice president and chief financial officer of Presbyterian Health Plan, which has 450,000 members in New Mexico, said his nonprofit company's rate increases were moderate this year in a highly volatile market. Presbyterian is very concerned about affordability and is working cooperatively with the OSI. Mr. Fryar urged patience with the new market; it will take four or five years for ACA issues to be worked out.

Kurt Shipley, president of BCBSNM, said his company held most of the PPO individual market, and because its 51 percent rate increase request was denied, it cannot continue to offer these plans. BCBSNM is the largest health insurer in the state with over 600,000 members, and it will continue to offer HMO plans off the NMHIX that will be available to all individuals (see handout). Mr. Shipley assured committee members that his company would work with the OSI, health care providers and other stakeholders to provide support for its members during this transition.

On questioning, committee members and panel presenters discussed the following issues:

- expansion of provider coverage in Eddy, Chaves and Lea counties;
- the need for out-of-state treatment in some circumstances;
- why treatment at UNM can be more expensive than other options; and
- potential opportunities with increasing premium tax collections.

Update on the NMMIP

Representative Armstrong, who also is executive director of the NMMIP, provided a report on the pool's current membership of 3,388, down 1,500 from last year as those individuals moved on to the NMHIX. The NMMIP was created by the legislature in 1987 to provide access to health insurance for New Mexicans who were considered "uninsurable" and to stabilize the individual market (see handout). The pool is a nonprofit agency governed by a board of directors and financed by an assessment on health insurance carriers, with a per member per month cost of $3,418. Including a low-income premium program, rates are based on age and the amount of deductible that is applied. Under the ACA, there should no longer be a need for the pool, but in reality, the need remains, Representative Armstrong said. Superintendent Franchini agreed that the pool should be maintained for those with no other options. There is value in keeping high-risk individuals out to prevent disruption of the market at this time, he said. There is no sunset provision for the NMMIP, and legislative action would be needed to dissolve it. A complete examination of the pool is under way, Representative Armstrong said, and a report will be provided in November. Transition strategies for moving individuals out of the pool include

aligning coverage with ACA requirements, raising premiums and increasing education and assistance to enroll in Medicaid or NMHIX plans.

Health Coverage Affordability and Availability

Dick Mason, chair of the Health Care for All Coalition, congratulated the governor and legislators on the successful creation of the NMHIX. He also thanked former State Representative Thomas C. Taylor, who has requested a change in legislation to allow access to all plans in the state, not just those that are on the NMHIX. Enrollment in the NMHIX has been lower than expected overall, and he urged more outreach to Hispanics, additional mobile kiosks and more collaboration with state agencies. Affordability is still a major issue, with the cost of pharmaceuticals driving much of the cost. Seven states have enacted laws to cap costs, and New Mexico should join in this regulation.

Adjournment

There being no more business before the committee, the meeting was adjourned at 4:45 p.m.

Revised: October 6, 2015

TENTATIVE AGENDA
for the
FIFTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 5-7, 2015
State Capitol, Room 322
Santa Fe

Monday, October 5 — Joint Meeting with the Indian Affairs Committee (IAC)

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, Legislative Health and Human Services Committee (LHHS)
—Representative Nora Espinoza, Vice Chair, LHHS
—Senator John Pinto, Co-Chair, IAC
—Representative Sharon Clahchischilliage, Co-Chair, IAC

8:40 a.m. (1) **Tribal Employers and the Federal Large Employer Mandate**
—Rachel Sibila, Law Student; Author, "Play or Pay: Interpreting the Employer Mandate of the Patient Protection and Affordable Care Act as It Relates to Tribal Employers", *American Indian Law Review*

10:00 a.m. (2) **Health Update from the Pueblo of Santa Clara**
—J. Michael Chavarria, Governor, Pueblo of Santa Clara

11:30 a.m. (3) **Task Force Report on Breastfeeding in Indian Communities**
—Cindy Chavez, State Coordinator, New Mexico Breastfeeding Task Force (NMBTF)
—Tauz TamuPovi, Tribal Coordinator, NMBTF
—Lucinda Cowboy, Tribal Coordinator, NMBTF

12:30 p.m. **Lunch**

1:30 p.m. (4) **Diné Food Sovereignty Alliance (DFSA)**
—Gloria Ann Begay, Project Manager, DFSA
—Noreen Kelly, Volunteer, DFSA

2:30 p.m. (5) **"Junk" Food Taxation in the Navajo Nation**
—Moroni Benally, Director, Diné Policy Institute

3:30 p.m. (6) **Care Coordination at Kewa Pueblo**
—Maria Clark, Chief Executive Officer, Kewa Pueblo Health Corporation

4:30 p.m. (7) **Public Comment**

5:00 p.m. **Recess**

Tuesday, October 6

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:45 a.m. (8) **Substance Use Disorder and Overdose Update**
—Laura Tomedi, Ph.D., M.P.H., Substance Abuse Epidemiologist Section Head, Department of Health
—Harris Silver, M.D., Co-Chair, Bernalillo County Opioid Abuse Accountability Initiative
—Steve McLaughlin, M.D., Regents Professor and Chair, Department of Emergency Medicine, University of New Mexico Health Sciences Center (UNMHSC)
—Andrew Hsi, M.D., M.P.H., UNMHSC FOCUS and Milagro Programs
—Jennifer Miller, Alternative Sentencing Administrator, San Juan County

10:30 a.m. (9) **Update on Pain Management**
—Joanna Katzman, M.D., M.S.P.H., UNMHSC

11:30 a.m. (10) **Update on Substance Abuse Treatment Centers in New Mexico**
—Wayne Lindstrom, Ph.D., Director, Behavioral Health Services Division, Human Services Department

12:30 p.m. **Lunch**

1:30 p.m. (11) **Update on Bernalillo County Behavioral Health Initiatives**
—Maggie Hart Stebbins, Chair, Bernalillo County Commission
—Harris Silver, M.D., Co-Chair, Bernalillo County Opioid Abuse Accountability Initiative

2:30 p.m. (12) **Monitoring Access to Behavioral Health Services**
—Maggie McCowen, Executive Director, New Mexico Behavioral Health Providers Association (NMBHPA)
—David Ley, Ph.D., Board Member, NMBHPA

3:30 p.m. (13) **Diabetes Prevention and Treatment Update**
—Ashley Noble, J.D., Policy Associate, National Conference of State Legislatures
—Matthew Frederick Bouchonville, M.D., Medical Director, Endo ECHO; Assistant Professor, UNM School of Medicine

5:00 p.m. (14) **Public Comment**

Wednesday, October 7

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (15) **Large Employer Mandate**
—Steve Byrd, President, Employee Benefits Division, HUB International
—Gary L. Petersen, F.C.A., A.S.A., M.A.A.A., Vice President and Consulting Actuary, The Segal Company
—Lisa Carlson, Regional ERISA Counsel, Employee Benefits Practice, USI Insurance-Midwest
—Don R. Heilman, Area Senior Vice President, Senior Benefits Consultant and Team Leader, Health and Welfare Consulting, Arthur J. Gallagher & Co.

10:30 a.m. (16) **Report from the Juvenile Justice Summit**
—David Gold, Facilitator

11:00 a.m. (17) **Review of Legislation**
—Michael Hely, Staff Attorney, Legislative Council Service

11:30 a.m. (18) **Public Comment**

12:00 noon **Lunch**

1:00 p.m. (19) **Child Care Contracting Practices by the Children, Youth and Families Department**
—Reina Acosta, Member, OLÉ Working Parents Association
—Raquel Roybal, Member, OLÉ Working Parents Association
—Guillermo Gonzales, Member, Quality Early Learning Association; Owner, La Escuelita

2:30 p.m. (20) **New Mexico Human Papillomavirus Registry**
—Giovanna Rossi, President, Collective Action Strategies, LLC
—Cosette Wheeler, Ph.D., Regents Professor, Pathology and Obstetrics and Gynecology, UNM

3:30 p.m. **Adjourn**

MINUTES
of the
FIFTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 5-7, 2015
State Capitol, Room 322
Santa Fe

The fifth meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on October 5, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:45 a.m. in Room 322 of the State Capitol in Santa Fe.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair (10/5, 10/6)
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia (10/5, 10/6)
Sen. Mark Moores

Absent
Sen. Gay G. Kernan
Rep. Tim D. Lewis
Sen. Benny Shendo, Jr.

Advisory Members
Sen. Sue Wilson Beffort (10/5)
Sen. Craig W. Brandt
Sen. Jacob R. Candelaria (10/7)
Sen. Linda M. Lopez
Rep. James Roger Madalena
Sen. Cisco McSorley (10/5, 10/6)
Sen. Howie C. Morales (10/5, 10/6)
Sen. Bill B. O'Neill
Sen. Mary Kay Papen (10/6)
Sen. Nancy Rodriguez
Sen. William P. Soules
Sen. Mimi Stewart (10/5, 10/6)

Rep. Gail Chasey
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Rep. Patricio Ruiloba
Sen. Sander Rue
Rep. Don L. Tripp
Rep. Christine Trujillo

(Attendance dates are noted for members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Peter Kovnat, Staff Attorney, LCS (10/5)
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Monday, October 5

Welcome and Introductions

Senator Ortiz y Pino announced that the day's session would be a joint meeting with members of the Indian Affairs Committee (IAC). He introduced his vice chair, Representative Espinoza, and the co-chairs of the IAC, Representative Sharon Clahchischilliage and Senator John Pinto, and asked members of both committees and staff to introduce themselves.

Tribal Employers and the Federal Large Employer Mandate

Rachel Sibila, who is pursuing a law degree and a master's degree in health administration at the University of Oklahoma, described a study that she conducted during her second year of law school titled, "Play or Pay: Interpreting the Employer Mandate of the Patient Protection and Affordable Care Act as it Relates to Tribal Employers" (see handout). In that report, Ms. Sibila explored the many ambiguities among federal statute, Indian treaty rights and judicial interpretations of requirements of the federal Patient Protection and Affordable Care Act (ACA). Certain provisions of the ACA expressly exempt Native Americans, but the employer mandate to provide insurance does not carve out Native American employers, she said. There currently is a split among the federal circuit courts regarding legislative intent, Ms. Sibila said, so clarification by the U.S. Congress or the U.S. Supreme Court is going to be necessary.

On questioning, members of the committees and Ms. Sibila discussed the following issues:

- the effects of tribal coverage of insurance premiums;
- the assumption that tribes with casinos have greater resources than those without;
- Indian Health Service (IHS) concerns about which mandates apply; and
- confusion about coverage for non-Native American employees of a Native American employer.

Health Update from the Pueblo of Santa Clara

J. Michael Chavarria, governor of the Pueblo of Santa Clara, presented a comprehensive outline of accomplishments and challenges that face the Pueblo of Santa Clara, and he emphasized the need to work together with state agencies and others to craft new solutions. Governor Chavarria referred to a community health profile conducted by the pueblo in 2007, with alcohol and substance abuse identified as major issues. The need for transitional-living facilities remains a top priority for the pueblo, he said. Last year's joint application to the IHS from five northern pueblos seeking construction of a large regional health care facility did not get

funding, Governor Chavarria said, but the pueblos will continue to seek other resources to build this needed facility.

Issues with managed care organizations (MCOs) continue, Governor Chavarria said, as health risk assessments (HRAs) are not being completed for Native Americans enrolled in the state's Medicaid program, community health workers are not being included in meetings with care coordinators and quarterly reporting requirements to Native Americans are not being completed. The Pueblo of Santa Clara is also very concerned with new work requirements for the state's Supplemental Nutrition Assistance Program (SNAP), he stated. The Human Services Department (HSD) and the United States Department of Agriculture have a duty to ensure that SNAP is responsive to the needs of Native American participants (approximately 80,000 in New Mexico), and a tribal consultation is scheduled for October 16 at the Pueblo of Zuni.

Senior citizen programs, funded through state and federal agencies, are highly valued at the Pueblo of Santa Clara, Governor Chavarria said, and the pueblo's 2016 capital outlay request includes renovations, equipment and vehicle purchases. The Santa Clara Regional Adult Day Care Center (SCRADCC) program serves adults with special needs, both Native American and non-Native American, and the pueblo is seeking additional funding for staff, transportation and operation and maintenance. He objected to the state using $2 million from the Tribal Infrastructure Project Fund (TIF) to pay for non-Indian water users in the Taos water rights settlement at a time when there is great need for upgrading existing water infrastructure. He also noted that the delay in processing intergovernmental agreements (IGAs) has negatively affected many projects, and he asked that a performance period not begin until an IGA has been fully executed. State action also has been lagging with joint pueblo applications for federal funds following devastating impacts to the pueblo from the Las Conchas fire.

On questioning, members of the committees and Governor Chavarria discussed the following issues:

- effects of lost oil and gas tax revenue on tribal infrastructure and water projects;
- pros and cons of the state's use of TIF funds for the Taos water rights settlement;
- incomplete data from MCOs on Native American enrollments; and
- efforts to seek SCRADCC funding from additional sources.

Members of both committees approved motions to send a letter to the Aging and Long-Term Services Department seeking more funding for the SCRADCC and asking why the center's appropriation does not recur annually; and a letter to the HSD, copied to the Legislative Finance Committee (LFC), inquiring about the MCOs' lack of completed HRAs for Native Americans and details of how care is being coordinated for these individuals.

Task Force Report on Breastfeeding in Indian Communities

Lucinda Cowboy, tribal coordinator for the New Mexico Breastfeeding Task Force, described the health and bonding advantages of breastfeeding, including cost savings to families

of an estimated $1,500 a year. Native American mothers start out breastfeeding at a rate of 92 percent, but those numbers drop off quickly as they return to work or do not get the support that they need to continue, Ms. Cowboy said. The goal of the nonprofit task force is to provide support for new mothers through education, advocacy and partnering with community resources. Ms. Cowboy described coordinated efforts in the pueblos and the Navajo Nation, and she urged increased funding for peer counselors, better education for employers and support for expanded family leave policies. The IHS has been a leader in baby-friendly hospitals that support breastfeeding, she said.

Diné Food Sovereignty Alliance

Gloria Ann Begay, project manager of the Diné Food Sovereignty Alliance, and Noreen Kelly, a project volunteer, described the two percent tribal tax on unhealthy foods vetoed by the previous Navajo Nation president but supported by current President Russell Begay and signed into law in 2014. Ms. Begay, a retired educator who now works as an advocate, said there is a scarcity of healthy foods in stores in the Navajo Nation, as well as a lack of jobs, housing, access to services and transportation (see handout). In the Navajo culture, living well is interconnected with food and language, Ms. Kelly explained. Health disparities drove this tax initiative, and environmental issues continue to challenge, with 70 percent of Navajo farmlands currently idle due to lack of water or to contamination. Backyard gardening in residential areas is supposed to be against the law in many areas in the Navajo Nation, she said, but some individuals are gardening in residential areas, and their children now are starting to understand where food actually comes from. Traditional foods, plants and remedies are being restored. Fresh food distribution is very challenging on the huge reservation. Ms. Kelly noted that data from the recent Colorado Gold Mine spill are hard to come by, but she does not believe that there is no residual contamination.

Junk Food Taxation

Revenue from the Navajo Nation tax on certain "unhealthy foods" is being placed into a community wellness development fund, according to Moroni Benally, director of the Diné Policy Institute, with $300,000 raised after just the first quarter. Administration of the tax and retailer interpretation is a complex matter (see handout), with definitions of "healthy" food sometimes difficult to pinpoint. SNAP recipients are not subject to the tax, he noted, and they are in a group reported to have some of the worst eating habits. The tax dollars raised go to all chapters and are disbursed based on per capita population; each community is to design its own wellness project under strict legal guidelines. Reduced rates of diabetes and obesity will signal success of the effort.

Care Coordination at Kewa Pueblo

Marcia Clark, chief executive officer (CEO) of the Kewa Pueblo Health Corporation, provided her perspective on Centennial Care and its four MCOs, whose services include physical health, behavioral health and long-term care and community benefits (see handout). Ms. Clark reminded members of the committees that New Mexico's tribes had strenuously opposed the state's Medicaid waiver that included mandatory enrollment of all Native Americans into managed

care. Ultimately, the federal Centers for Medicare and Medicaid Services (CMS) agreed with the tribes, allowing enrollment to be optional, except for those needing nursing facility level of care and those who are dually eligible; individuals in these latter groups would be required to enroll in managed care. Ms. Clark detailed the MCOs' community benefit meant to help keep individuals in their homes, but she asserted that services and coordination are so lacking as to be detrimental to their care. Citing quarterly reports from all four MCOs indicating that more than one-half of Native American enrollees had not completed the HRA to determine their needed levels of care coordination, she asserted that the state's lack of concern about these figures was troubling for taxpayers as well: Native Americans in long-term care are considered high-risk, and MCOs are receiving the highest capitated rate of $3,700 a month, 2.7 times the annual income level of a single Medicaid recipient.

Ending her presentation with what she termed a positive note, Ms. Clark said that the CMS is moving in the direction of changing regulations for Native Americans, and soon New Mexico will no longer be able to argue that it is necessary to enroll Native Americans in managed care. At that time, there will be increased opportunities for facilities such as her own to address long-term care and improved care coordination for Native American members.

Recess

There being no more business before the committees, the LHHS meeting was recessed and the IAC meeting was adjourned at 3:25 p.m.

Tuesday, October 6

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:48 a.m., welcomed those assembled and asked committee members and staff to introduce themselves.

Substance Use Disorder and Overdose Update

Laura Tomedi, Ph.D., M.P.H., head of substance abuse epidemiology at the Department of Health (DOH), described New Mexico's slight improvement in its drug overdose death rate for 2013, moving from number one in the nation to number three, now behind West Virginia and Kentucky. Prescription drug overdose is epidemic in the United States, Dr. Tomedi said, with the amounts of prescription drugs prescribed and sold quadrupling between 1999 and 2013 with no change in the amount of pain reported by Americans (see handout). Presenting a series of charts and graphs showing death rates by gender, age, county and drug class, Dr. Tomedi enumerated risk factors for drug overdose, including overlapping prescriptions, combining them with other drugs and being poor and living in a rural area. Prescription monitoring programs (PMPs) in nearly all states are beginning to affect high-risk prescribing practices, but consistent use of the program in New Mexico varies by professional provider board rules. Efforts to increase and mainstream Naloxone (the antidote to opioid overdose) prescribing are under way, as is a major public education and awareness campaign. Dr. Tomedi urged increased access to treatment, including medication-assisted treatment, a strengthening of the state's PMP rules, better data

collection and enhanced surveillance. A four-year $3.54 million grant is assisting the DOH's efforts to address this public health crisis.

Harris Silver, M.D., a drug policy analyst and co-chair of the Bernalillo County Opioid Abuse Accountability Initiative, said that despite the good news reported by the DOH, there has been a 20 percent increase in overdose deaths in New Mexico, and these numbers would be much worse without the state's robust Naloxone program. Users have been moving from opioids to heroin, and some to methamphetamines, Dr. Silver asserted, with 80 percent of those on heroin reporting that they began with prescription opioids. An unintentional consequence of the ACA is that with expansion of Medicaid, individuals now can get a bottle of opioids for a $5.00 copay. New Mexico does not have a treatment system, according to Dr. Silver; people cannot get into treatment without detox, and the state is scaling treatment down rather than up. The 2013 disruption of the state's behavioral health provider system also contributed to this crisis. Everyone needs access to treatment, Dr. Silver said, noting there is a two-month wait to get into the program at Turquoise Lodge, and its treatment does not utilize medication that now has become the standard of care.

Steve McLaughlin, M.D., regents professor and chair, Department of Emergency Medicine, University of New Mexico Health Sciences Center (UNMHSC), said that emergency department physicians are on the front lines of managing this public health crisis (see handouts). Every day they see the complications of overdose, as well as the need for long-term treatment of pain. The current PMP in New Mexico is good, Dr. McLaughlin said, but it needs to be easier to access in real time for a provider who is often in the midst of a crisis, and medical records that can be shared across different health systems could more easily identify potential problems. Dr. McLaughlin described the symptoms of opioid overdose and its emergency treatment, including Naloxone, and urged its wider distribution to patients and first responders.

Andrew Hsi, M.D., M.P.H., heads up the Milagro and FOCUS programs at the UNMHSC's Center of Excellence. Along with a team of collaborators, Dr. Hsi provides comprehensive prenatal care and substance use disorder treatment, as well as follow-up services and home visits for children up to age three. The Milagro Program is statewide, Dr. Hsi said, and of the current 141 participants, 80 percent have an opioid addiction. The program helps mothers establish an emotional connection to their developing fetuses and engages them in the process of recovery. Addiction is a brain disease, Dr. Hsi emphasized, and medication-assisted treatment can help to change brains. Close monitoring also assures the likelihood of a full-term birth and allows for treatment of the newborn infant. With over 220 referrals a year, the FOCUS Program provides services and monitoring of child development for families and children identified as high-risk. Funding for these programs comes from Medicaid and the federal Family Infant Toddler Program, and Dr. Hsi urged that additional centers of excellence be established throughout the state to address the geographic challenges of this population.

Jennifer Miller, administrator of the Alternative Sentencing Division of San Juan County, described the Axis Program, a 60-day jail-based treatment program for substance-abusing

offenders who have been convicted within the county court system. Program objectives are to maintain a safe and secure environment, to provide the evidence-based services necessary for addiction recovery and to provide case-managed aftercare that supports the client's continued sobriety. The treatment strategies include individual and group therapy, life skills, substance abuse and health education and 12-step programs. Nexus is the 10-day intensive outpatient program to assist those who have completed the Axis jail-based treatment and is managed by a transitional coordinator and two peer mentors. Transition services include help with employment, housing and the resumption of family responsibilities and social activities. Presbyterian Healthcare Services follows up with each Nexus client for 16 weeks of additional intensive programming, followed by a minimum of nine months of aftercare. A total of 84 inmates can be in the Axis Program at any given time, Ms. Miller said, and detention officers are certified and cross-trained, as are case managers and clinical and administrative staff members. Funding is from the county's general fund, the Eleventh Judicial District Court and the Behavioral Health Services Division (BHSD) of the HSD.

On questioning, committee members and panel presenters discussed the following issues:

- the new president of the Board of Pharmacy's decision to restrict Naloxone prescribing;
- MCO monitoring of opioid prescriptions and possible use of "lock-ins";
- the role of marketing in the dramatic rise of opioid prescribing;
- concerns that MCOs have been directed not to pay for residential drug treatment;
- the importance of legitimate pain sufferers being able to fill needed prescriptions;
- limited resources for San Juan County to track Axis/Nexus outcomes; and
- the possibility of expanding the Milagro treatment model into southern New Mexico.

Update on Pain Management

Joanna Katzman, M.D., M.S.P.H., is director of the UNM Pain Center, the state's only interdisciplinary pain management clinic that includes the co-location of mental health and addiction services (see handout). The pain center accepts referrals, regardless of ability to pay, from primary care providers throughout the state and educates clinicians on safe opioid prescribing and screening for addiction. An interdisciplinary team provides care for more than 7,500 patients with chronic pain each year, but the wait time for an appointment is currently five to six months, Dr. Katzman said. Chronic pain affects an estimated 100 million American adults and costs up to $635 billion in medical treatment and lost productivity; pain sufferers have greater rates of depression and anxiety and are more likely to commit suicide. In July 2014, the UNM Pain Center began co-prescribing Naloxone with every prescription for chronic pain in a trial that aims to reduce opioid overdose deaths in New Mexico, which is a major public health issue. The pain center collaborates with multiple state boards and committees, as well as the DOH, the IHS and the United States Department of Veterans Affairs.

Update on Substance Abuse Treatment Centers in New Mexico

Wayne Lindstrom, Ph.D., director of the BHSD and CEO of the Interagency Behavioral Health Purchasing Collaborative, described high rates of opioid overdose and alcohol-related deaths in New Mexico (see handout). Dr. Lindstrom listed five levels of the state's "continuum of care" model and six dimensions of the American Society of Addiction Medicine assessment: (1) early intervention; (2) outpatient services; (3) intensive outpatient services; (4) partial hospitalization with low- and high-intensity residential services; (5) clinically managed residential services; and (6) medically monitored inpatient services. In New Mexico, detoxification from intoxicating substance use or dependence is a Medicaid-covered service for all MCOs, Dr. Lindstrom asserted, but the problem is that there are not enough addiction specialists. The MCOs have said they have very few denials for residential substance abuse treatment, but when there are no providers, services will not be billed to the MCOs. Dr. Lindstrom listed in a handout 10 residential detox programs in New Mexico (eight of these medical), four social detox, three acupuncture detox and seven methadone detox programs and 33 medical centers/hospitals that are able to offer detox services. He also listed 12 programs for adult inpatient residential treatment and 28 adolescent residential treatment centers, 19 intensive Medicaid-approved adult outpatient programs and 23 Medicaid-approved adolescent outpatient programs. The Board of Pharmacy's PMP is working, he said, and state initiatives have increased the distribution of Naloxone, which can reverse opioid overdose.

On questioning, committee members and Dr. Lindstrom discussed the following issues:

- the long delay in the release of CMS rules for behavioral health parity;
- the continuing lack of a work force for provider services;
- the need to further expand, not limit, Naloxone prescribing;
- the estimated cost of a new gap analysis for the BHSD that has not been updated since 2002;
- the doubling of the cost of Naloxone;
- the need to eliminate "we are a poor state" as an excuse for not providing services;
- BHSD emphasis on outpatient rather than residential treatment;
- why most hospitals will not admit patients for detox unless it is secondary to a medical condition;
- capital plans are in place for several triage centers, but operational funds and providers are lacking; and
- the whereabouts of an HSD report on amounts still being withheld from behavioral health providers accused of wrongdoing.

Public Comment

Jeff Hunt spoke of the success of a community-based treatment model, Oxford House, that is peer-run and allows an individual to live independently yet with support. Oxford House is a national nonprofit that came to New Mexico over five years ago and now has 135 beds — more than are currently in publicly funded treatment centers. Oxford House residents pay rent and contribute to the tax base, Mr. Hunt said, and he urged that the program be doubled, possibly even

tripled. He is putting together a $250,000 request to the legislature for that purpose, and he invited committee members to a public reception at Oxford House following the conclusion of today's meeting.

Update on Bernalillo County Behavioral Health Initiatives

Bernalillo County has experienced tragic events in the past couple of years that highlight the need to address behavioral health in the community and the risks and costs of failing to do so, noted Maggie Hart-Stebbins, chair of the Bernalillo County Commission. A new one-eighth percent gross receipts tax for behavioral health was placed on the ballot and passed by a vote of 69 percent; it went into effect on July 1 and is expected to raise $15 million a year. Commissioners have met with the state's congressional delegation, state agencies and legislators to convene and participate in the Task Force on Mental Health to fill the gaps in services and to connect the dots, Commissioner Hart-Stebbins said. The commission also passed a resolution to establish a work group of behavioral health providers and to collect data on what each local government organization is currently spending, and the commission hired a facilitator for the process. There is an immediate need for a crisis continuum to engage individuals before their illnesses become a crisis, she said, and to enable interaction with peers rather than law enforcement whenever possible.

Andy Vallejos, coordinator for the Task Force on Mental Health, presented a layout of vital elements in the current and future infrastructure of a care continuum (see handout). The group is still three to four years away from having a building to house a crisis triage center, Mr. Vallejos said, but currently there are medical and psychiatric triage and inpatient beds available in Albuquerque. Nonetheless, there is no cascading level of services following a crisis, and individuals are released to the street. Help with employment, housing and case management is needed for these individuals, and transportation is critical to help provide stability. Prevention efforts should be directed to the very young, Mr. Vallejos said. Commissioner Hart-Stebbins noted that a Housing First model for those with mental illness has just been established, and there have been significant gains in Medicaid enrollment for incarcerated individuals.

On questioning, committee members and panel presenters discussed the following issues:

- focus on the highest utilizers with mobile crisis units, intermediate levels of care and support systems;
- efforts to track individual outcomes;
- a potential role of UNM on the Task Force on Mental Health;
- ways to leverage Medicaid funding with city and county funding;
- the reduction in the jail population resulting from expedited case processing; and
- how case management is being billed for Medicaid reimbursement.

Monitoring Access to Behavioral Health Services

Maggie McCowen, executive director of the New Mexico Behavioral Health Providers Association (NMBHPA), described the efforts of her organization to establish a data-driven

monitoring system to measure statewide access to behavioral health services (see handout). Her association collected input through an electronic survey, by telephone and through in-person interviews of providers, MCOs, consumer advocates, legislators and staffers, university researchers and others. David Ley, Ph.D., a board member of the NMBHPA, described a long history of haphazard and siloed data collection. A full 100 percent of those who responded to the survey agreed that there was poor access (based on how long it takes to get an appointment) to behavioral health services. Dr. Ley hailed the concept of the All Payer Claims Database and said it will help assemble many existing small caches of data that have been largely unusable. Ms. McCowen described four core issues that came out of the focus groups: (1) the need for enforcement of mental health parity; (2) the need for accurate MCO data on the utilization of services; (3) more timely MCO reporting; and (4) statewide expansion of the provider work force. Data are vitally important in policy decisions, Dr. Ley noted, and are critical for legislative decision-making.

Diabetes Prevention and Treatment Update

Ashley Noble, policy associate with the National Conference of State Legislatures, provided new data showing that by 2050, nearly one-third of Americans will have diabetes (see handouts). She described risk factors associated with diabetes, including diet, age and racial disparities, and the different types of the disease. Approximately 90 percent of the 86 million Americans who currently have prediabetes do not even know they have it, Ms. Noble said. In 2012, New Mexico spent an estimated $1.53 billion on diabetes-related costs, and, because of its high percentage of older people, the state will need to continue to provide additional funding to address this growing health crisis.

Matthew Frederick Bouchonville, M.D., is medical director of Endo ECHO, a program initiated through UNM's Project Extension for Community Healthcare Outcomes (ECHO) to improve access to care for New Mexicans with diabetes. Treating diabetes in New Mexico is a challenge, Dr. Bouchonville said, with poor access to care resulting in poor outcomes (see handout). He noted that the state has the highest rates of diabetic eye complications in the country, costing more than $100 million a year. Endo ECHO, through weekly telementoring of rural primary care providers by a panel of specialists, is improving access to care for medically underserved New Mexicans. By sharing expertise through Endo ECHO, the capacity for providing care for complex diabetic patients is rapidly expanding and resulting in cost savings through reduced hospital admissions, reduced transportation needs and fewer lost days of work. By partnering with clinicians and community health workers at health centers throughout the state, Endo ECHO already has improved access to quality diabetes care in New Mexico.

Public Comment

Jim Ogle, advocate and member of the National Alliance on Mental Illness, spoke on his own behalf to describe the need for a serious conversation about gun safety. He urged legislators to invite members of the National Rifle Association into the same room with advocates for the mentally ill. He reminded members that there are about 20,000 individuals with mental illness in

the Albuquerque area and only about 1,000 are in jails. It seems that jailed and homeless individuals get all the attention from the legislature.

Recess

The meeting was recessed at 5:05 p.m.

Wednesday, October 7

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:50 a.m., welcomed those assembled and asked committee members and staff to introduce themselves.

ACA Large Employer Mandate

Steve Byrd, president, Employee Benefits Division, HUB International Insurance Services, described several key areas impacted by the ACA mandate for employers of 50 or more individuals (see handout), including the need to measure hours to identify employee status as full-time-equivalent (30 hours a week or more). Minimum essential coverage must be offered to 95 percent of employees in 2016 in order to avoid a $2,084 penalty per employee, as well as minimum value coverage (measured to equal 60 percent of a benefit plan as available on exchanges). An employee's share of the premium cannot exceed 9.5 percent of that employee's annual household income. Noting that state and local governments also are subject to the mandate, Mr. Byrd provided examples of the effects of the new regulations on several different New Mexico employers, describing difficulties in finding affordable plans and, in some cases, the need for multiple tiers. There will be a tremendous increase in the administrative requirements for any employer health plan, Mr. Byrd said, which is compounded by a flurry of changing and sometimes conflicting notifications from the Internal Revenue Service (IRS).

Gary L. Petersen, vice president and consulting actuary of Segal Consulting, detailed the ACA's excise tax on high-cost health care plans, also known as the "Cadillac tax", intended to slow the growth rate of health care costs and help finance the expansion of health coverage (see handout). Enforcement has been delayed until 2018 and will consist of a 40 percent tax on the total cost of coverage plus an employee premium share above $10,200 for an individual and $27,500 for a family. Proponents of the tax say high-end health plans paid mostly by employers with pre-tax dollars have low or no deductibles and thus little cost-sharing by employees, who remain shielded from the true costs of care. Avoidance of the Cadillac tax is already driving businesses to perform projections and across-the-board reexaminations of their health plan designs, Mr. Petersen said, although it is unknown whether the tax will survive the political winds in Washington, D.C., beyond 2020.

Lisa Carlson, regional federal Employee Retirement Income Security Act of 1974 counsel for USI Insurance Services, presented an overview of the individual and employer mandates under the ACA and provided examples of the IRS forms 1094-C and 1095-C that will be used to determine any penalties (see handout). There are three "safe harbor" determinations that may

apply. Much like 1099 forms, these forms must be delivered to the employee by February 1 of each year and to the IRS by March 31. Information for reporting may have to be gathered from multiple sources, including a payroll vendor, benefits administrator or an insurance carrier, but liability for the reporting largely remains with the employer. Ms. Carlson urged that all employers track and collect information for these forms, due in early 2016, and monitor any changes in their health plan coverage. There is a huge range of costs associated with the new mandates, she said, and it will be important to coordinate with payroll and benefit providers to see what assistance may be available for preparation of the forms.

Don R. Heilman, area senior vice president, senior benefits consultant and team leader, Arthur J. Gallagher & Co., told committee members that the marketplace will notify an employer if an employee obtains insurance coverage with subsidies during open enrollment; the employer will have 90 days to appeal a possible penalty. Some companies are opting to pay the $2,084 fine per employee because it is less costly than providing insurance. Companies currently covering retirees and those who work less than 20 hours a week now might simply send them to the exchange to buy coverage. Because self-insured plans are not subject to this fine, more employers may be driven to become self-insured. There are many factors that should be taken into consideration in designing a health care plan, Mr. Heilman said, including complex mechanisms for funding and risk management.

Juvenile Justice Summit Report; Review of Legislation and Committee Correspondence

David Gold, facilitator from the September 23 Summit on Juvenile Justice (a joint meeting of the LHHS and the Courts, Corrections and Justice Committee), provided a detailed report (see handout) of the afternoon roundtable discussions. Two dialogue sessions took place examining three topics: Sequoyah Treatment Center; the Cambiar New Mexico model of treatment; and youth diversion and empowerment. For each topic, participants discussed whether it was working; if there were concerns with current practice and what might improve it or provide an alternative; and whether there is a role for legislators.

Sequoyah: In both sessions, the majority of participants were not convinced that the Building Bridges model is working, although the lack of consistent data impedes a clear picture. Unused capacity (empty beds) was a concern, as was the fact that there is not a board-certified psychologist on staff. Lack of transparency about the program budget also was of concern. The fact that mechanical restraints and isolation are no longer permitted was viewed as a positive step. Increasing outreach about the facility and the possibility of providing space for girls were suggested, as was the possibility of extending the age of participants to 21.

Cambiar New Mexico: Participants felt there was incomplete implementation of the program model, compounded by a high rate of staff turnover, and that Cambiar had barely "scratched the surface" of the Missouri model on which it is based. A former Cambiar participant reported that over-medication was taking place and that there was an overall lack of cultural sensitivity. Staff training for Cambiar seems to have been halted, but incorporating train-the-trainer in staff programs could help preserve the state's funding investment. Legislators might

focus on consistent implementation of a program that has shown significant promise for juvenile justice in other states.

Youth Diversion and Empowerment: Participants felt that diversion programs are effective and that funds spent on them are a good investment. Former diversion participants noted that these programs are more personal in their approach and staff members seem more sincere and sympathetic. While these programs do divert youth from incarceration, they do not necessarily empower them, some participants noted, and not enough emphasis is placed on skills training, mentoring and helping young people to learn to deal with their emotions. While the number of girls being incarcerated is rising, there still are very few alternative programs for them; young people who face mental health or substance abuse issues need services, not incarceration. It was agreed that education is key and that providing mentors and role models will empower youth and help move them on positive paths. Partnerships, both public/private and with agencies, will create more community-based programs, and funding for this is critical. Legislators can help by decriminalizing some nonviolent behaviors and by providing resources for programs that work.

Following the end of the roundtable discussions, participants were asked to comment on what they learned. Many said they appreciated the high level of attendance and participation from legislators and from many young people, and they liked the format of informal and direct interaction.

Mr. Hely provided copies of four pieces of legislation for members' perusal (202198.1, 202200.1, 202199.1 and 202201.1) and queried Kelly Klundt, LFC analyst, who was in the audience, about the next LFC meeting in three weeks when the budget process begins. After concern was voiced by some members about the lack of attendees at today's session, the committee agreed to send proposed legislation to the LFC without endorsement, agreeing that the end of the interim is too late for inclusion by the LFC. Mr. Hely also provided copies of four letters drafted at the behest of committee members during the LHHS September meeting.

Public Comment

Paul Tucker, a substance abuse treatment provider with more than 500 clients and over 20 years' experience, said he is very familiar with resources around the state and maintains that there is a severe lack of detox services for Medicaid clients. Molina Healthcare is the only MCO that will pay for it as a value-added service, he said; the other three MCOs say they are not required to do this. Mental health parity is federal law, Mr. Tucker said, but it is not being enforced in New Mexico. He cannot treat for substance abuse without detox first, so Mr. Tucker said he has figured out an inexpensive way to do this and is paid by the individual receiving the service. He was critical of Turquoise Lodge, which does not track outcomes, and he praised Oxford House, a far more successful program that costs a small fraction of the DOH facility. Because it is so cheap and effective, Mr. Tucker urged the state to provide more funding for Oxford House.

Child Care Contracting Practices by the Children, Youth and Families Department (CYFD)

Reina Costa, representing People for the Kids and the OLÉ Working Parents Association, provided a perspective from her coalition of preschool owners, early educators and parents with concerns about CYFD practices that hinder the goal of increasing access to high-quality early education (see handout). Testimony from coalition members included assertions that the CYFD is including child support in calculating household income even when such support has never been received. The department is also requiring women to sue abusive fathers even when written proof of the abuse is presented, thus exposing them to further danger from their abusers. The end result is that their child care contracts get canceled, and not only are their children denied access to programs, but providers are also left stranded without payment, causing extreme difficulty in budgeting and staffing. When the CYFD requires a monthly appointment for renewal of a contract, it disrupts the parent's ability to work. Another parent who is in school and also working finds it difficult without an allowance for child care services for nights or weekends. Coalition members said they have asked the CYFD to post and provide copies of the "Parents Bill of Rights" to clients, but it has done so only sporadically. There are signs in CYFD offices that state: "You May Experience a Wait Time of Two Hours or More", one coalition member testified. That member wondered why this is the normal course of business.

In questioning panel participants, committee members noted that no one from the CYFD was in attendance at today's session, and they expressed frustration that a state agency is making things more difficult for citizens. Funding for the child care program comes from the federal government through a block grant, another member pointed out; the member asked why the department wants to make parents jump through hoops. With approval from committee members, the chair directed staff to prepare a letter to Secretary of Children, Youth and Families Monique Jacobson describing these issues and inquiring as to why monthly contracts are being offered to recipients of child care assistance when Medicaid certification is for a whole year.

New Mexico Human Papillomavirus (HPV) Registry

Cosette Wheeler, Ph.D., regents professor of pathology at UNM and director of the New Mexico HPV Pap Registry, described the small DNA viruses that co-evolved with all animals as ubiquitous. There are more than 200 different types of HPV, she said, and while most of them are harmless, some high-risk types can cause cervical and other anogenital cancers as well as oropharyngeal and oral cavity cancers (see handout). Cervical cancer is the leading cause of cancer deaths worldwide, and there are more than 4,000 deaths in the United States alone each year. Through screening, vaccination and mandated reporting, New Mexico has become a world leader in research and prevention, with broad coverage of the highly effective HPV vaccine in adolescents. Vaccination programs in New Mexico target 11- and 12-year-olds, both female and male, before they become sexually active; it is voluntary, Dr. Wheeler said, and up to age 18, the current $120 cost will be covered by the state's Vaccines for Children Program. A new study co-authored by Dr. Wheeler suggests that a single dose of the vaccine Cervarix may offer as much protection as the recommended three-dose series of Gardasil, an important finding for worldwide application, especially in poorer counties. Randomized clinical trials are under way.

Dr. Wheeler said the state registry, housed at UNM through the DOH, has been funded through a grant from the National Institutes of Health; those funds will diminish through 2017, and state funds will be needed thereafter to maintain it.

Adjournment

There being no further business before the committee, the meeting was adjourned at 3:24 p.m.

Revised: October 20, 2015

TENTATIVE AGENDA
for the
SIXTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 19-21, 2015
State Capitol, Room 322
Santa Fe

Monday, October 19

8:30 a.m. **Welcome and Introductions; Approval of Minutes**
—Senator Gerald Ortiz y Pino, Chair, Legislative Health and Human Services Committee (LHHS)
—Representative Nora Espinoza, Vice Chair, LHHS

8:45 a.m. (1) **ICD-10 Medical Codes**
—Steven Kanig, M.D.
—Jana Burdick, Vice President, Chief Service Officer, Presbyterian Health Plan
—Janice Torrez, Divisional Vice President, External Affairs, and Chief of Staff, Blue Cross Blue Shield of New Mexico
—Elaine Jacobs, Director of Finance and Analytics, Molina Healthcare
—Carla Parmoon, Director of Network Operations, United Healthcare

10:00 a.m. (2) **Medicaid Coverage for Pediatric Neuropsychological Services**
—Noah K. Kaufman, Ph.D., F.A.C.P.N., A.B.Pd.N, Diplomate American Board of Professional Neuropsychology, Diplomate American Board of Pediatric Neuropsychology

11:00 a.m. (3) **Mental Health Parity**
—Harris Silver, M.D., Co-Chair, Bernalillo County Opioid Abuse Accountability Initiative
—Reuben Sutter, M.D., Medical Director, Sage Neuroscience Center; Past President, Psychiatric Medical Association of New Mexico
—Lou Duran, Community Outreach Coordinator, Turning Point Recovery Center

12:00 noon **Lunch**

1:00 p.m. (4) **The Helping Families in Mental Health Crisis Act of 2015 (H.R. 2646)**
—Tim Murphy, United States Congressman (18th District of Pennsylvania)

3:00 p.m. (5) **Ongoing Behavioral Health Topics**
—David Ley, Ph.D., Board Member, New Mexico Behavioral Health Providers Association
—Patsy Romero, Co-Chair, Legislative Committee, National Alliance on Mental Illness
—Jeffrey Hunt, New Mexico Outreach Coordinator, Oxford House
—Jim Jackson, Executive Director, Disability Rights New Mexico

4:00 p.m. (6) **Law Enforcement Assisted Diversion (LEAD)**
—Emily Kaltenbach, New Mexico State Director, Drug Policy Alliance
—Jason Lidyard, Deputy District Attorney, First Judicial District, Santa Fe
—Bennet J. Bauer, Acting Deputy Chief Public Defender, North Central New Mexico
—Jerome Sanchez, Captain, Santa Fe Police Department
—Michael DeBernardi, Clinical Director, The Life Link

5:00 p.m. (7) **Public Comment**

5:30 p.m. **Recess**

Tuesday, October 20

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (8) **Public Health Accreditation; 2017-2019 Strategic Plan; Health System Innovation (HSI) Design; Contractor Services**
—Retta Ward, Secretary, Department of Health (DOH)
—Terry Bryant, Policy and Performance Manager, DOH
—Shannon Barnes, Accreditation Coordinator, HSI Project Director, DOH

10:15 a.m. (9) **Health Assessment Data Presentation; Public Health Surveillance Indicators Report Data; Pain Study**
—Lois M. Haggard, Ph.D., Community Health Assessment Director, DOH
—David Selvage, Infectious Disease Epidemiology Chief, DOH
—Heidi Krapfl, Chief, Environmental Health Epidemiology Bureau, DOH
—Laura Tomedi, Ph.D., Substance Abuse Epidemiologist, DOH

11:30 a.m. **Lunch**

12:30 p.m. (10) **Using Data for Achieving Better Health Care**
—Terry Reusser, Chief Information Officer, DOH
—Patricia Montoya, Director, New Mexico Coalition for Healthcare Value

1:30 p.m. (11) **Health Information Systems Act (Senate Bill 323 (2015)); Hospital Quality and Transparency Measures; Hospital Data Reporting**
—Judith Parks, Deputy Director, Division of Health Improvement, DOH
—Victoria F. Dirmyer, Ph.D., Health Systems Epidemiologist, DOH
—Nandini Pillai Kuehn, Ph.D.

3:00 p.m. (12) **New Mexico Hepatitis C Coalition Update; Universal Vaccine Program Implementation; Vaccine Purchasing Act Implementation**
—Dan Burke, Infectious Disease Bureau Chief, DOH
—Margaret Campos, Immunization Program Manager, DOH
—Andrew Gans, HIV, STD and Hepatitis Section Manager, DOH

4:30 p.m. (13) **Public Comment**

5:00 p.m. **Recess**

Wednesday, October 21

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (14) **Medical Cannabis Program Update**
—Andrea Sundberg, Program Coordinator, DOH

9:10 a.m. (15) **African American Infant Mortality Pilot Project**
—Yvette Kaufman-Bell, Director, Office on African American Affairs

10:10 a.m. (16) **Hospital Community Benefit**
—Taylor Smith, Law Student, University of New Mexico School of Law

11:00 a.m. (17) **Report of House Memorial 113 (2015) Task Force on Psychology Education**
—Marilyn Powell, Ph.D., Associate Dean, School of Psychology, Walden University
—Sam Sands, Director of Licensure and Compliance, College of Social and Behavioral Sciences, Walden University
—Thomas Sims, Ph.D., Board Member, New Mexico Psychological Association

12:00 noon **Lunch**

1:00 p.m. (18) **Health Information Exchange**
—Thomas East, Ph.D., Chief Executive Officer and Chief Information Officer, LCF Research

2:00 p.m. (19) **Services for Victims of Human Trafficking**
—Susan Loubet, Director, New Mexico Women's Agenda
—Frank Zubia, Director, Crime Victims Reparation Commission
—Sharon Pino, Esq., Office of the Attorney General

3:00 p.m. (20) **Update from Rio Arriba County Department of Health and Human Services (RACDHHS)**
—Lauren Reichelt, Director, RACDHHS
—Jon-Paul Romero, County Building Engineer, Rio Arriba County
—Lore Pease, Executive Director, El Centro Family Health

4:00 p.m. (21) **Generation Justice**
—Roberta Rael, Director, Generation Justice

4:30 p.m. (22) **Public Comment**

5:00 p.m. **Adjourn**

MINUTES
of the
SIXTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 19-21, 2015
State Capitol, Room 322
Santa Fe

The sixth meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on October 19, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:42 a.m. in Room 322 in the State Capitol in Santa Fe.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong
Rep. Miguel P. Garcia (10/19, 10/20)
Sen. Mark Moores
Sen. Benny Shendo, Jr.

Absent
Sen. Gay G. Kernan
Rep. Tim D. Lewis

Advisory Members
Sen. Craig W. Brandt
Sen. Jacob R. Candelaria
Sen. Linda M. Lopez (10/19, 10/20)
Rep. James Roger Madalena (10/19, 10/21)
Sen. Cisco McSorley (10/19, 10/20)
Sen. Howie C. Morales (10/19, 10/20)
Sen. Bill B. O'Neill (10/19, 10/20)
Sen. Mary Kay Papen (10/19, 10/20)
Sen. Nancy Rodriguez
Rep. Patricio Ruiloba (10/20)
Sen. William P. Soules
Sen. Mimi Stewart (10/19, 10/21)

Sen. Sue Wilson Beffort
Rep. Gail Chasey
Rep. Doreen Y. Gallegos
Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Sen. Sander Rue
Rep. Don L. Tripp
Rep. Christine Trujillo

(Attendance dates are noted for members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Monday, October 19

Welcome and Introductions

Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves.

International Statistical Classification of Diseases (ICD-10) Medical Codes

Steven Kanig, M.D., representing the New Mexico Medical Society, described the switch on October 1, 2015 to a new system of medical billing codes called the tenth revision of the International Statistical Classification of Diseases that contains five times as many diagnoses (70,000) as the old system (14,000). The costs to physicians of preparing for and implementing the ICD-10 have been enormous, he said, and include paying for upgraded electronic health records and new billing systems (see handout). No one really knows at this point who is going to benefit from the new system or whether it will expedite claims processing, a concern of many physicians since insurance companies can take up to 45 days to pay a claim, he said. The federal Centers for Medicare and Medicaid Services (CMS) has implemented several safeguards for physicians during the first year of transition, including authorizing advance payments if problems extend beyond the time limit for submission. In New Mexico, some private payers have agreed to similar safeguards. Dr. Kanig said he has prepared a more detailed examination of the history of the ICD-10 that he would be happy to share with committee members.

Jana Burdick, vice president and chief service officer, Presbyterian Health Plan (PHP), described PHP's team effort, utilizing outside experts, to focus on potential issues and responses to the ICD-10. The fact that the CMS implementation deadline was pushed back several times gave PHP more time to test responses, and now a standing committee reviews any denials so they can be immediately addressed. So far, the implementation has been going very well, Ms. Burdick said, with a rejection rate of just .004 percent. PHP also has a policy of helping to finance providers who are encountering problems, she stated.

Janice Torrez, divisional vice president of external affairs and chief of staff, BlueCross BlueShield of New Mexico (BCBSNM), also described a big investment in resources and training for the ICD-10. BCBSNM is offering support with a dozen dedicated provider advocates in New Mexico and a dedicated phone line for questions. A coordinated team of program experts meets daily to assist providers, Ms. Torrez said, and BCBSNM does not anticipate any problems for policyholders.

Elaine Jacobs, director of finance and analytics, Molina Healthcare (Molina), said her company's goal has been to make the ICD-10 transition as smooth as possible for providers. The more specific codes now being used in the new system have reduced the amount of time previously dedicated to "claims editing", she said, and now they just "fly" through the system; out of 25,000 new claims that have been submitted, only 92 were denied. Molina providers were eager to test the new code, and, because of their preparedness, the wave of anticipated phone calls never happened.

Carla Parmoon, director of network operations, United Healthcare, said that preparation for the ICD-10 has been a challenge, but United Healthcare has provided one-on-one training and coding practice with look-up tools and guides, as well as town hall meetings and webinars. United Healthcare also utilizes a special committee that meets daily and a call center that monitors problems with the ICD-10 and can assist providers in resubmitting a claim, she said. So far, Ms. Parmoon said, there have been very few provider issues.

OptumHealth New Mexico was invited to participate in this panel discussion and did not attend, but provided a handout describing its ICD-10 implementation efforts and reporting that there have been no provider complaints or calls (see handout).

In discussing implementation of the new code, committee members suggested that the LHHS closely follow the progress of this system over the next several years with an eye on how it improves patient care.

Medicaid Coverage for Pediatric Neuropsychological Services

Noah K. Kaufman, Ph.D., diplomate, American Board of Professional Neuropsychology, and diplomate, American Board of Pediatric Neuropsychology, stated that current state Medicaid and managed care organization (MCO) policies limit the number of reimbursable hours for a neuropsychological evaluation. Dr. Kaufman stated that this not only is unfair to the evaluator, who ends up either working pro bono or abbreviating the report, but it also is short-sighted for early identification and treatment of the troubled children being evaluated (see handout). Neuropsychology involves the clinical evaluation of problematic human behavior, and the five to seven hours (units) currently allowed for this evaluation are not nearly enough, Dr. Kaufman maintained. He is asking that this evaluation time be increased to 12 hours. Some MCOs are requiring that a practitioner who is unfamiliar with neuropsychology — a highly specialized field with few practitioners — make any determination of "medical necessity". These determining practitioners' lack of familiarity with neuropsychology leads them to deny services, according to Dr. Kaufman.

Wayne Lindstrom, Ph.D., director, Behavioral Health Services Division (BHSD) of the Human Services Department (HSD), who was in the audience, was invited by the chair to join the conversation. Dr. Lindstrom said increased hours of testing may be necessary in some cases, but it should be the exception rather than the rule. One committee member stated that this may

be a scope-of-practice issue, and another suggested it might be brought to the attention of the Medicaid Advisory Committee.

Mental Health Parity

Harris Silver, M.D., drug policy analyst and advocate and co-chair, Bernalillo County Opioid Abuse Accountability Initiative, told the LHHS that in the U.S., New Mexico ranks number one in alcohol-related deaths, number two in overdose deaths and number three in suicide deaths. The federal Mental Health Parity and Addiction Equity Act was signed into law in 2008 to correct common discriminatory health insurance practices against people with mental health and substance use disorders and to curb the ways that plans commonly limit access to care when compared to access for medical and surgical disorders (see handout). The law applies broadly to individual, small business group plans for over 50 employees, governmental and all Medicaid MCOs, children's insurance plans and alternative benefit plans. There are exceptions for some governmental programs — the Indian Health Service, Veterans Administration and Medicare Fee-for-Service or Medicare Advantage plans. In New Mexico, Dr. Silver said, almost none of the individual and family policies inside or outside the exchange offer residential treatment for behavioral health or substance use disorders. None of the Medicaid MCOs offer this except BCBSNM, which offers it as a value-added service when a physical disease is also present. Few of the large employers and almost none of the smaller employers offer this benefit, and when it is offered, it is only after the failure of outpatient treatment.

Dr. Silver described numerous problems with parity between behavioral health and physical health benefits in New Mexico, asserting that insurers are basically ignoring it and there is no enforcement of the law. He recommended that violations be reported to the superintendent of insurance and the attorney general and to the federal Department of Labor, the U.S. Department of the Treasury and the U.S. Department of Health and Human Services. He also urged legislators to convene a task force that includes representatives of the HSD, the Medicaid MCOs and providers to determine what parity should look like in New Mexico and to determine how "medical necessity" will be defined in various circumstances.

Lou Duran, community outreach coordinator, Turning Point Recovery Center, an alcohol detoxification (detox) and drug treatment program in Albuquerque, related the history of her own son who became addicted to prescription opioids and died of an overdose his sophomore year in college. New Mexico lacks resources, and patients are turned away from hospitals and sent home with medication unless they are in acute withdrawal. There are very few state-funded programs for treatment, she said, but you have to be detoxed first. Detox that is of a duration shorter than indicated for optimal outcomes contributes to relapse right after release. Ms. Duran urged legislators to make the changes necessary to save lives; addiction is a disease.

On questioning, committee members, Dr. Silver and Ms. Duran discussed the following issues:

- the need for further education of the public and providers about the law on parity;
- the possible role of crisis triage centers in providing detox;
- the use of the "medical necessity" determination as a means to deny services;
- a task force memorial for a broad study and clarification of parity issues; and
- the use of a waiver instead of a license, discouraging new companies from providing rehab services for New Mexicans.

The Helping Families in Mental Health Crisis Act of 2015 (H.R. 2646)

Pennsylvania Congressman Tim Murphy, who also is a practicing clinical psychologist and sponsor of the federal H.R. 2646, told committee members that people with serious mental illness can and do get better if they get early treatment from qualified providers. As a nation, the U.S. falls far short when it comes to treating mental illness, and more people die from complications of mental illness than from breast cancer. Congressman Murphy has been on the road in Florida, New York, Nebraska and Ohio explaining the details of H.R. 2646 and said he is happy to be in New Mexico today (see handouts). In a PowerPoint presentation, Congressman Murphy described the impetus for H.R. 2646 as the result of a systemic overview by the U.S. House Energy and Commerce Subcommittee on Oversight and Investigations of all federal programs, policies and spending on mental health. This investigation revealed numerous shortcomings, including: the warehousing of those with mental illness in detention facilities; racial disparities in treatment; provider and bed shortages throughout the nation; a lack of meaningful data collection; and uneven use of best practices, among many other findings. Of the $130 billion spent annually on mental health in the U.S., most of it goes to disability payments; very little trickles down to community services.

The intent of H.R. 2646 is to remove federal barriers to care by transferring all authority of the Substance Abuse and Mental Health Services Administration (SAMHSA) to a new assistant secretary for mental health and substance use disorders who will coordinate and report on research, treatment and services across all departments, agencies and organizations, Congressman Murphy said. It also would create a National Mental Health Policy Laboratory to establish standards for grant reform and restructuring, including: additional funding through block grants to states that have assisted outpatient treatment laws; amending both the Health Insurance Portability and Accountability Act of 1996 and the Family Educational Rights and Privacy Act of 1974 to allow some sharing of protected information with family and caregivers for individuals with serious mental illness or substance use disorders; eliminating the Medicare 190-day lifetime limit of inpatient psychiatric hospital services; increasing access to psychotropic prescriptions; and initiating other reforms, including a prohibition against lobbying by organizations that accept federal grant funding under the Protection and Advocacy for Individuals with Mental Illness Act.

Congressman Murphy said his bill is nonpartisan and currently has 142 co-sponsors, and he urged New Mexico legislators to ask their congressional delegation to support this bill.

On questioning, committee members and Congressman Murphy discussed the following issues:

- the importance of striking a balance between patient rights and family involvement;
- concerns that individuals with disabilities may no longer have access to advocacy;
- how the federal 16-bed limit and state funding of mental health treatment interact;
- anosognosia (lack of insight into one's own mental illness) is a small category with very big impact; and
- the importance of nationwide enforcement of mental health parity.

Ongoing Behavioral Health Topics

Jim Jackson, executive director, Disability Rights New Mexico (DRNM), said that Section 811 of H.R. 2646 would impose a gag order on his organization and all other protection and advocacy agencies throughout the country and would drastically limit their scope of services to persons with mental illness (see handout). The proposed legislation would restrict protection and advocacy agencies to addressing only abuse or neglect issues and would prohibit the use of federal funds for enforcing legal rights (40 percent of the DRNM caseload in 2014). Mr. Jackson reminded committee members that, serving as New Mexico's protection and advocacy agency, DRNM played a crucial role in helping to restore behavioral health services following the 2013 disruption of the system, activities that would be prohibited under H.R. 2646. DRNM has advocated crisis triage and more community services, he said, adding that he resents the implication that he and his colleagues are violating federal funding rules or are lobbying. Mr. Jackson also provided members with a copy of a letter (see handout) signed by 15 member agencies of the Consortium for Citizens with Disabilities and sent to the chair of the federal Energy and Commerce Committee, describing how H.R. 2646 would increase needless institutionalization, reduce privacy and eliminate legal advocacy for individuals with psychiatric disabilities and why a new bill is needed to replace it.

Patsy Romero, co-chair, Legislative Committee of the National Alliance on Mental Illness, shared the most current report from the CMS on the provision of behavioral health services in New Mexico between 2013 and 2014 (see handout). The reports coming from the state are lacking key information or data are not available, she noted, and the report does not provide any breakout by age or geographic location. It is inconclusive on whether there was an increase or a decrease of use of services over this period of time. Today, two years later, a lack of services continues to haunt New Mexico. Ms. Romero also noted that the HSD says it has suspended $11.5 million from providers accused of fraud but this is not the whole picture; it is withholding much more for claims that were pending. She urged committee members to continue to request data on this issue.

David Ley, Ph.D., board member, New Mexico Behavioral Health Providers Association, described a conundrum for behavioral health providers in schools. The state sent out a letter saying behavior modification services (BMS) could not be billed to Medicaid, and this has impacted services in many communities. There is also a letter from the CMS that states that schools are not liable third parties for services that kids need. Providers are caught in the middle of this, Dr. Ley said, and are requesting clarification from the LHHS. Dr. Lindstrom, who was seated in the audience, and who signed the first letter referenced, said that department review of practice patterns and claims data from some providers looked like BMS was being overprovided as a "teacher's aid" and not being delivered as described in regulation. Dr. Lindstrom said he was told by the HSD that the CMS guidance is not a mandate. Dr. Ley contends that, because of this conflict, kids are not getting services and providers are not getting paid.

Jeffrey Hunt, New Mexico outreach coordinator, Oxford House, spoke about high relapse rates (80 percent) for those with substance use disorders and how his nonprofit's supportive housing model dramatically reduces these numbers (see handouts). What happens to an individual after a 30-day treatment program is critical, and Oxford House provides a highly structured recovery network and safe living environment that has proven to be effective and inexpensive, at a fraction of the cost of relapse. Outreach staff provide 24/7 on-call services to help resolve conflicts and to coordinate outreach to associated treatment providers, drug courts, 12-step programs and the community at large. Oxford House currently has 135 beds in 18 houses in Albuquerque and Santa Fe. Mr. Hunt presented a proposal to increase its contract with the BHSD for fiscal year 2016-2017 to $253,402 (see handouts) to add two full-time male outreach workers and one female outreach worker and a minimum of 38 new recovery beds. Mr. Hunt noted that the Oxford House model is listed on the SAMHSA registry of programs that are evidence-based and that significantly improve treatment outcomes for substance abusers and those with co-occurring mental illness.

On questioning of panel presenters, committee members expressed frustration with the fact that no one representing OptumHealth appeared at today's hearing, since OptumHealth still holds millions of dollars that were withheld from behavioral health providers accused of fraud in 2013 while currently holding a contract to manage more than $9 million in general fund Medicaid spending. Members discussed possible ways to hold OptumHealth accountable and passed a motion to ask the HSD for copies of all audits and compliance reviews of OptumHealth. Another member who also serves on the Legislative Finance Committee (LFC) said he would take this issue to the LFC for review. Also, staff was directed by the chair to prepare a statement to the LFC regarding the conflicting letters of explanation about who pays for BMS in the schools.

Law Enforcement Assisted Diversion (LEAD)

Jason Lidyard, deputy district attorney, First Judicial District (Santa Fe, Los Alamos and Rio Arriba counties), has extensive knowledge of the heroin problem in this region. As a member of the LEAD Coordinating Committee, he provided an overview of the pre-booking diversion pilot project (see handout). Instead of taking low-level drug offenders to jail, those

who qualify are offered immediate linkages to treatment and social supports, including harm reduction and intensive case management. Providing clean needles and help with social services will keep people from resorting to property crime in order to get a bed and a meal, Mr. Lidyard said. The key is that sobriety is not required in order to participate in this voluntary program.

Casey Salazar, an officer with the Santa Fe Police Department, said that nearly every burglary suspect is also a heroin addict. When an individual is arrested, the police will ask if that person wants to participate in the LEAD program. An individual does not have to be arrested to participate. At present, there are 38 participants in the program.

Michael DeBernardi, M.D., clinical director, The Life Link, said care is being coordinated through his nonprofit community mental health center that has created partnerships for long-term housing and employment. Most of their clients are female and homeless, and more than 60 percent have a co-occurring mental illness. The LEAD program is focused on harm reduction, Dr. DeBernardi said, and, to date, no clients have died from an overdose.

Emily Kaltenbach, state director, Drug Policy Alliance, said that LEAD results in significantly lower recidivism and fewer arrests and incarceration, costing less to the correctional system. Santa Fe was one of the first cities to adopt this program in April 2014 after it began in Seattle in 2011, and it is now being looked at as a national model. Ms. Kaltenbach said that LEAD seeks an appropriation for direct services for this public-private partnership and a three-year evaluation plan that will examine outcomes in program implementation and impact.

On questioning, a committee member asked the panel presenters how the courts, media and the public are responding to LEAD. The media coverage has been very positive, presenters agreed, with many parents calling the police department to ask if their child can be in the program (a participant must be at least 18 years old), but the courts are not as enthusiastic, due to the fact that, when on probation and parole, an individual is required to obey the law. The President's Task Force on 21st Century Policing has endorsed this model, Ms. Kaltenbach said.

Public Comment

Jennifer Huff, who said she is from Southern California, testified on behalf of H.R. 2646. She is the mother of a severely mentally ill son who is incarcerated. She urged reform of civil commitment laws for the small group of people who are very ill like her son, who would never be able to live without supervision. The current system promotes civil rights to live in the gutter and die in the street, she asserted, but there is no right to treatment.

Disability rights groups do not represent people like her son, said Ms. Huff; they pursue cases against families who try to get their family members off the street. Congressman Murphy is a hero to families of the very mentally ill, and his bill is for people like her son, Ms. Huff stated.

Recess

The committee recessed at 5:25 p.m.

Tuesday, October 20

Welcome and Introductions

The meeting was reconvened at 8:45 a.m. by Senator Ortiz y Pino, chair, who welcomed those assembled and asked committee members and staff to introduce themselves.

Public Health Accreditation; 2017-19 Strategic Plan; Health System Innovation (HSI) Design; Contractor Services

Retta Ward, secretary, Department of Health (DOH), described her department's strategic plan for 2017-2019 (see handout), a planning process that defines roles, priorities and directions over a three- to five-year period. The strategic plan provides a guide for decision-making and priorities, and it is focused on results that are measurable. The state health assessment and state health improvement plan will be utilized to achieve the main goals: (1) healthier New Mexicans; (2) a high-performing workforce; and (3) administrative processes that support health status improvement.

Terry Bryant, policy and performance manager, DOH, described the plan in more detail and admitted that the DOH has had a high employee vacancy rate, that retention is the problem and that efforts are under way to address these issues. Shannon Barnes, accreditation coordinator, HSI director, DOH, described the multi-year accreditation process that documents DOH proficiency in 10 essential areas of public health and a commitment to ongoing quality improvement (see handout). In addition to recognition, accreditation can provide increased access to resources, help eliminate silos and drive organizational change, Ms. Barnes said. The DOH submitted its application in May 2013, received a site visit in December 2014 and is awaiting a final decision next month. Ms. Barnes also described a $2 million state innovation grant awarded to the DOH in partnership with the HSD to address a triple aim: reduced health care costs; enhanced experience of care; and improved population health. New Mexico's design for this grant will focus on three chronic and costly conditions — obesity, diabetes and tobacco use. The innovation grant is in the design stage; seven stakeholder committees have been assembled and input from tribal and county health councils is being included.

On questioning, committee members and panel presenters discussed the following issues:

- the strategic plan focus on only DOH clients may be too narrow;
- the value of tracking teen runaways for early intervention efforts;
- accreditation is not always experienced as a guarantee of quality;
- reported DOH use of temporary employees automatically replaced after six months;
- concerns about whether a 50 percent reduction in teen pregnancy is an achievable goal;

- tobacco settlement funds not being contracted to local programs; and
- the possibility of including preventing gun violence as a DOH public health priority.

Health Assessment Data Presentation; Public Health Surveillance Indicators Report Data; Pain Study

David Selvage, chief of infectious disease epidemiology, DOH, described surveillance as the ongoing and systematic collection, analysis and interpretation of data for planning, implementation and evaluation of public health practice (see handout). Such surveillance is used to track infectious diseases like food poisoning, human plague, hepatitis B and hepatitis C, whooping cough and West Nile virus. Mr. Selvage also described several surveillance programs that partner with federal agencies to track emerging infections, health-care-acquired infections and Ebola virus preparedness in New Mexico.

Heidi Krapfl, chief, Environmental Health Epidemiology Bureau, DOH, said her bureau is a one-stop source that combines environmental exposure data with health data (https://nmtracking.org), including rates of cancer, birth defects, hospitalization, particulate and ozone exposure and other notifiable conditions such as lead or mercury poisoning (see handout). Other collections include hospital and emergency department data, birth and death certificate data and disease registries. Additional surveillance systems include behavioral risk factors, pregnancy risk assessment and monitoring and the New Mexico Youth Risk and Resiliency Survey. All data are used for making evidence-based decisions, Ms. Krapfl said. Calls that come into the bureau from the public are most frequently about mold and bedbugs.

Lois M. Haggard, Ph.D., director, community health assessment, DOH, described the important role of government in the assessment of public health in both clinical and community settings. In New Mexico, public health data are easy to access online (https://ibis.health.state.nm.us) through a website that provides a county-by-county snapshot of community health status indicators and disease registries (see handout).

Laura Tomedi, Ph.D., substance abuse epidemiologist, DOH, described the efforts of her department to put together a chronic pain study, as directed by House Memorial 98 (2015 regular session), probably with in-depth interviews by mail or by phone. However, no funding was provided. Conducting such a study would involve a major investment of staff time and resources, Dr. Tomedi said, including four full-time equivalents for one year to conduct and analyze the survey and additional resources for survey dissemination. On questioning by committee members, Dr. Tomedi estimated the cost at about $300,000, an expense one member asserted is clearly justified since New Mexico has the highest rate of drug overdose in the country.

Using Data for Achieving Better Health Care

Terry Reusser, chief information officer, DOH, said the department maintains more than 200 databases and is the custodian of the largest amount of data for the state spanning the lifetime of health care of New Mexico residents (see handout). Redundant data are being

captured, and, with various sources of the same data, it becomes a challenge to determine the best source. This also is inconvenient for constituents and those who are applying for services and programs. There has been a historic lack of standards for data, and implementing new data sources for providers is not as easy for some as for others, Mr. Reusser said. The federal Patient Protection and Affordable Care Act (ACA), the CMS and the federal Department of Health and Human Services are providing incentives for data use innovation and interoperability, he said, and opportunity exists for more collaboration and links to additional data sources to gain a robust picture of the state of health of New Mexicans. The days of siloed information are gone.

Patricia Montoya, director, New Mexico Coalition for Healthcare Value, agreed with Mr. Reusser that there are many opportunities to pull down data silos. Her employer-led nonprofit coalition of businesses and local governments received a six-year grant from the Robert Wood Johnson Foundation to help it become an innovative force for increasing the value of health care in New Mexico (see handout). Ms. Montoya provided an example of promoting value-based purchasing and more transparency in Albuquerque city government: when the city negotiated a contract with PHP, it required improvement in metrics of certain high-cost diseases and it required improved outcomes. New Mexico currently is not eligible for a lot of federal funding because it does not have an all-payer claims database, Ms. Montoya noted, and some Medicare data currently being used are two to three years old. The integrity of data and knowledge and the skill sets of those who work with it matter very much.

On questioning, a committee member suggested the discontinued New Mexico Health Policy Commission be reconvened; another member said what is needed is not a data warehouse but an umbrella, and a brain, to connect the data from various sources. New Mexico needs to move out of the planning phase, a member observed; the state does not have the tools to make intelligent policy decisions, and this just keeps getting pushed down the road.

Health Information System Act (Senate Bill 323 (2015 Regular Session)); Hospital Quality and Transparency Measures; Hospital Data Reporting

Judith Parks, deputy director, Division of Health Improvement (DHI), DOH, described the survey process for New Mexico's 53 DHI-licensed hospitals (40 acute care, four psychiatric and nine critical access) for 2015 (see handout). The surveys, directed by the CMS, examine health/program and life safety code and building issues, and plans of correction are required for serious infractions. The most common areas of noncompliance are patient rights, nursing services, infection control, pharmaceutical services and quality assurance improvement, she said, and the accuracy and timeliness of some data analyzed in these audits have been an issue.

Nandini Pillai Kuehn, Ph.D., health care systems consultant and board member of New Mexico Health Connections, said that the DOH data on hospitals are a gold mine, but that more information needs to be generated with a standardized reporting system, insurance coverage gaps need to be identified and a website should be created that is user-friendly. New Mexico has 37 hospitals with $12 million in gross revenues, but she is concerned about paralysis by analysis. Not every issue has to be solved in the first year; the database can start out with some

information. Discharge diagnosis is the standard for gathering information, and focusing on discharge data will result in savings. Pregnancy and birth are one of the highest cost areas, and the information needs to include New Mexicans who go out of state for high-risk pregnancies and cesarean sections. Emergency room data also are vital, including readmissions, since many of these could be handled by primary care. It is not necessary to wait until 2018 to set up a website, Dr. Kuehn asserted, because much of this information is available right now; blanks can be left for information that is still being developed. The DOH should be asked for a progress plan to roll this out; it is the only way to document progress, she said.

New Mexico Hepatitis C Coalition Update; Universal Vaccine Program Implementation; Vaccine Purchasing Act Implementation

Andrew Gans, manager, HIV, STD and Hepatitis Section, DOH, updated committee members on expansion of the Hepatitis C Coalition to include representation from the HSD, MCOs, corrections and community health councils, in addition to the DOH and community providers (see handout). The first meeting of the task force was in May 2014 and it is now meeting monthly, with a mission of prevention, testing and treatment to reduce the number of new infections as well as to cure the infection in those currently living with hepatitis C. Education is a primary goal to reduce stigma and health disparities and increase resources. Efforts to create a comprehensive plan are under way.

Dan Burke, chief, Infectious Disease Bureau, DOH, and Margaret Campos, manager, Immunization Program, DOH, described the accomplishments and growing pains of setting up the new program. Vaccination is one metric where the state of New Mexico has been doing well compared to the rest of the country, but primary care providers were having to absorb the costs. With the new vaccine program, the DOH estimates the total cost of vaccines for the year, requires insurers to report the number of children (0-18 years old) insured and then requires them to reimburse those costs to the state. Reporting data received by the DOH in August indicated there were 54,080 children privately insured, and the first of quarterly invoices were sent out in September totaling $5,056,564. To date, $3,475,998 has been received. Some confusion ensued over who should report these data when a third-party administrator was involved, and a few self-insured plans raised preemption issues between federal and state regulation. In addition, the invoice had incorrect contact information that will be corrected in the second quarter, Ms. Campos said. The DOH is collaborating with the Office of Superintendent of Insurance to streamline the process and to work out reporting issues.

Public Comment

Ron Hale, executive director, New Mexico Alliance of Health Councils, provided committee members with a handout about the 38 councils throughout the state, including three on tribal lands, and reminded them of the important role these councils play in coordinating programs and services at the local level. New Mexico's health councils are an effective means to ensure local health assessment, planning and coordination, especially in rural areas. During the 2010 budget crisis, state funding of $2.8 million was suspended, then partly restored in 2013 and 2015. In 2016, a $700,000 increase will enable the health councils to hire a part-time

coordinator. Mr. Hale strongly urged restoration of full funding for these vital links in the state's centralized public health system.

Jessica Gelay, policy coordinator, New Mexico Drug Policy Alliance, commented on several aspects of the new DOH regulations, including the requirement of an annual audit. There are no details on what this looks like, Ms. Gelay said. Also, there is a requirement that patients allowed to grow several of their own marijuana plants must have a sign-off from their landlord if they are renters. There was not a problem before, Ms. Gelay asserted, but there is now, as she has heard many complaints, and the new regulations require disclosure of personal health information. Lastly, she said, transparency is lacking on the process used to pick new medical marijuana producers from the large group of applicants.

Larry Love has been a cannabis patient since 2009. There are many states now that have medical cannabis programs, he said, and new regulations in New Mexico should be lightened up, not made more restrictive. Giving producers a 24-hour notice of impending inspection does nothing for the patient; anything can be cleaned up in 24 hours. Ultra Health (one of the new producers chosen by the DOH) owns another grower and has lawsuits against it in Arizona.

Recess

The committee recessed at 5:05 p.m.

Wednesday, October 21

Welcome and Introductions

The meeting was reconvened at 8:50 a.m. by Senator Ortiz y Pino, chair, who welcomed those assembled and asked committee members and staff to introduce themselves.

New Mexico Medical Cannabis Program Update

Andrea Sundberg, program coordinator, Medical Cannabis Program, DOH, provided updated numbers of participants (18,343), up 6,557 over the last year, and described the new regulations that were adopted in February, including testing and labeling requirements, changes to licensing fees, provisions for approval of manufacturers, labs and couriers, and an increase in the number of plants (150 to 450) that nonprofit producers can possess. In addition, a new tracking system and database will enable the department to gather better statistics on producer inventory and sales and to track available product. The Florida vendor selected for this is BioTrack THC, also used by the states of Washington, Illinois and New York. Ms. Sundberg reported that the department recently completed a review of 86 applications for new production, and 12 of these were chosen by Secretary Ward as the most knowledgeable and able to offer a variety of products to meet enrollees needs, bringing the current total producers to 35. Awareness outreach to medical providers and to the public is ongoing, she said, and future changes will include removal of the "fail-first" requirement and confidentiality for licensed producers; at present, these names can only be released to law enforcement. Although Ms.

Sundberg did not have a program budget with her today, she said, there are plans to hire new staff for compliance and licensing.

On questioning, committee members and Ms. Sundberg discussed the following issues:

- the proper entity to conduct research on cannabis;
- problems with getting permission from landlords to allow cultivation;
- annual certification as a statutory requirement;
- testing and labeling requirements for edibles; and
- banking issues for producers.

African American Infant Mortality Pilot Project

Yvette Kaufman-Bell, director, Office on African American Affairs, reported on progress of the pilot program in Bernalillo County to address African American infant mortality and maternal health, as directed by Senate Bill 69 (2014). Ms. Kaufman-Bell said the project will need more time and more funding than the one year and $50,000 provided for the pilot (see handouts), which challenged her agency to partner with direct service providers to create a culturally competent prenatal health model for African Americans. She introduced Sunshine Lewis, pilot coordinator, and Christopher Whiteside, DOH epidemiologist, who worked on the project.

Ms. Kaufman-Bell described the choice of CenteringPregnancy (centering), a model of prenatal care that includes additional time and attention (two hours) in a group session along with each prenatal checkup (see handout). Centering teaches women to participate in their own care and has been shown to decrease pre-term birth rates by 30 percent. A contracted on-site midwife facilitates the group sessions, where participants are provided with information on a full range of options for where to give birth. The pilot project was delayed when the clinic chosen to host the pilot was moved from the University of New Mexico (UNM) campus to a North Valley community with a very low African American population. Also, the clinic director and the African American administrator left the program; no prenatal patients came with the move, and recruitment could not begin until the new clinic opened. Finding an African American provider is challenging in New Mexico, Ms. Kaufman-Bell said. There is only one African American midwife working outside of hospitals in New Mexico, and she was chosen to be a facilitator with UNM for the pilot. Eight women have signed up for the first group; the pilot is open to women of color.

Ms. Lewis showed committee members a brief video about the high rate of African American pre-term births that featured a lawyer who "did all the right things" while pregnant but still gave birth to a premature baby. Studies show the low birth weight phenomenon (three times higher for African American women) appears to be due not to race itself, but rather to chronic stress from the constant exposure to racism, Ms. Lewis said, and no level of education reduces this health disparity. Centering is being looked at as a national model to help address this issue. Centering is changing the cultural norms for patient and provider power dynamics, she said, with

the patient leading the discussion and the provider acting as facilitator. On questioning, committee members indicated their continuing support for the pilot project.

Hospital Community Benefit

Taylor Smith, a student at UNM School of Law who is working for the LCS, provided an information memorandum regarding finalized Internal Revenue Service regulations on nonprofit hospitals' charitable care mandated under the ACA (see handout). Nonprofit hospitals receive significant state and federal tax exemptions, and the increased regulation is intended to justify the value of those tax breaks. According to the new rules, nonprofit hospitals must establish written financial assistance policies, limit the amount charged for qualifying patients, make reasonable efforts to see if patients are eligible for assistance before engaging in extraordinary collection practices, conduct a community health needs assessment and adopt an implementation strategy once every three years. There are three levels of penalties for failing to comply, including the most severe penalty, loss of nonprofit status. Compliance will be mandatory as of December 29, 2015.

Report of House Memorial 113 (2015 Regular Session) Task Force on Psychology Education

Marilyn Powell, Ph.D., associate dean, School of Psychology, Walden University, presented a request for a change in state procedures to permit licensing of psychologists who receive their degrees online. Walden University, with academic offices in Minneapolis, Minnesota, is an online program that includes face-to-face components in its course work for doctorates in clinical and counseling psychology. Designed as a five-year program, Walden's offerings provide a means to address the critical shortage of psychologists in New Mexico (see handout), she said. Most Walden students are already employed, and women make up 75 percent of the student body. Currently, there are 312 New Mexico students registered in all areas of study. One of these students, Susan Kematz, described her enthusiasm for the online psychology program and said that she carries a 4.0 grade point average and is working as an intern at the Children's Treatment Center in Albuquerque. Ms. Kematz said she would like to become licensed but is prohibited by current state statute. Dr. Powell provided members with a chart that compared accreditation requirements of Walden versus three other academic programs (see handout). Many other states are more inclusive of the role of online education for psychologists, she said.

Thomas Sims, Ph.D., board member, New Mexico Psychological Association, is a member of the task force created by House Memorial 113 (2015 regular session) that has not met yet despite its December 1 deadline. The Higher Education Department has indicated that there will be a meeting in November, but a representative from Walden University was not named in the memorial as a task force member. Dr. Sims indicated his support for a proposal to change current statute to be able to license Walden graduates, and he urged inclusion of Walden on the task force. There is a problem with workforce in underserved areas, Dr. Sims said, offering an example of wanting to hire a psychologist from outside the state, but Centennial Care would not pay for reimbursement. Dr. Sims noted that state licensure laws are not always trusted by the

federal government; the U.S. Department of Veterans Affairs is the largest employer of psychologists, and it requires licensure and a degree from a nationally accredited program. Reimbursement for psychologists should be increased to help solve workforce problems, he said. Presbyterian Healthcare Services is now the backbone of behavioral health services in New Mexico, he said, and it currently has 20 openings for masters-level psychologists.

Committee members indicated that they would look forward to a progress report from the task force at the final LHHS meeting of the interim in November.

Health Information Exchange

Thomas East, Ph.D., is chief executive officer (CEO) and chief information officer of the New Mexico Health Information Collaborative (NMHIC) and the statewide Health Information Exchange (HIE) network. He described the importance of interoperability of health care information among hospitals, providers, emergency departments, diagnostic testing and others, and his collaborative's efforts to bring it together in the HIE. Since 2010, the collaborative has been contracted by the DOH to report on hospital emergency department and laboratory results, and Dr. East's presentation (see handout) listed hospitals, health systems and providers that have joined the HIE portal that went "live" in July. He also provided a sample of a complete medical-history-at-a-glance. While current fees have created a revenue stream sufficient to fund operations, the NMHIC's plans to expand statewide depend on full participation by large hospitals and health systems, regional hospitals, large provider groups and all MCOs and other commercial and governmental payers, Dr. East said. The main challenge is the cost of interfaces, but NMHIC is working with the HSD to explore using Health Information Technology Regional Extension Center funds for a 90 percent federal/10 percent state match to cover these costs. The second hurdle is getting organizations to share all elements of a common clinical data set. There is a pilot project to explore adding prescription monitoring to the HIE portal.

Services for Victims of Human Trafficking

Susan Loubet, director, New Mexico Women's Agenda, and a member of the task force on human trafficking, provided a history of legislation and memorials relating to the offense and victims' safe harbor and services (see handout). In 2015, the legislature appropriated $125,000 to the Crime Victims Reparation Commission specifically for victims of human trafficking, including emergency housing, shelter and cell phones, crisis intervention and culturally appropriate services, education, clothing and medical and prescription needs, among others. Memoranda of understanding with hotels, physicians and counselors can guarantee that services will be available even if the victim is not cooperating with law enforcement.

Frank Zubia, director, Crime Victims Reparation Commission, said trafficking victims unwilling to report to law enforcement can still access funding for primary services, but some collateral resources may be exhausted. He noted that these emergency funds for housing are not meant to be a substitute for the crime victim compensation program (see handout). Funds are administered through governmental and nonprofit agencies rather than directly to the victim and

can include help with housing, educational assistance, loss of wages, medical and dental care, child care, transportation and other related expenses.

Sharon Pino, deputy attorney general, Office of the Attorney General, described sharing a $1.5 million, three-year grant from the U.S. Department of Justice in partnership with The Life Link that seeks to enforce a three-pronged approach to the problem of human trafficking: (1) prevention; (2) prosecution; and (3) protection. No money in the grant goes to direct services, Ms. Pino said; each agency has to raise a $250,000 match that will go for services. Providing immediate services to victims is the focus, she said, adding that the New Mexico Office of the Attorney General leads the nation over the past year with a 100 percent conviction rate out of 20 cases prosecuted. Ms. Pino provided an information sheet from The Life Link detailing plans for training, community awareness and outreach and the scheduled December opening of a six-bedroom safe house for human trafficking victims, as well as copies of several other related articles (see handouts).

Asked by a committee member how many victims have been served, Ms. Loubet said that, over the past five years, 43 had been served, plus another 120 via the hotline. The $125,000 legislative appropriation just became available in July, Ms. Loubet said, and the task force will be asking for a renewal of these funds in the upcoming legislative session.

Public Comment

A member of the audience who identified himself as a minister asked members and the audience to remember victims who have been kidnapped and are being held as workers in businesses and sweatshops, noting that this is a form of slavery.

Update from Rio Arriba County Department of Health and Human Services (RACDHHS)

Lauren Reichelt, director, RACDHHS, told committee members there has been progress over the last year in Rio Arriba County, which now is seeking to expand the Rio Arriba Health Commons into a new building next door to the current location (see handout). Ms. Reichelt said that a new facility would include behavioral health and substance abuse treatment providers who would offer intense case management (Rio Arriba County has the highest heroin overdose rate per capita in the country) and a county adult daycare center and personal care services for disabled and elderly individuals, as there are very few long-term care options available. The new facility also would incorporate the HSD's Income Support Division field office for enrollment in Medicaid and other programs, assessments and services. Expansion of the health commons also will enable integration of dental care into the existing clinic.

Jon-Paul Romero, county building engineer, Rio Arriba County, presented a $6.2 million estimate of planning/zoning, design and construction costs for the proposed new building (see handout). This does not include costs for operation and maintenance. There are many potential partners for the proposed undertaking, Ms. Reichelt said, and the end result will be a much healthier community.

Generation Justice

Alden Bruce, web and video coordinator, Generation Justice, presented a 10-minute clip from the nonprofit's ongoing documentary examination of issues surrounding the behavioral health system in New Mexico. Having already produced more than 60 interviews with consumers, providers, citizens and legislators, this project provides insight into the state's fractured health care system and its human consequences. An earlier, and very successful, project of Generation Justice (heard weekly on Sunday nights on KUNM-FM) involved an examination of youth with mental health issues and is titled "When the Mask Comes Off".

Roberta Rael is director of Generation Justice, whose mission is to inspire youth to become media makers committed to social transformation. She said it is clear that the LHHS has been listening to people across New Mexico about the lack of comprehensive behavioral health services, overuse of medications, lack of providers, long waits for services and the stigma of seeking care. Generation Justice's interviews also provide some possible solutions, Ms. Rael said, and someday she hopes individuals can be interviewed about how well the system is working in New Mexico. People who have heard about the current documentary project are calling and offering to be interviewed, she said. Generation Justice would be happy to collaborate on a project with the committee.

Public Comment

Mark Johnson, CEO, Easter Seals El Mirador, said Generation Justice validated what was already known about New Mexico's behavioral health system and reinforced the fact that there is a crisis. He complimented the work of the young journalists.

Patsy Romero, chief operating officer, Easter Seals El Mirador, said there has been a statewide dismantling of comprehensive services for mental and behavioral health. Her organization lost eight clinicians, and potential new ones are fearful of relocating to New Mexico. A committee member asked Ms. Romero how much is still owed to her agency by the state for services provided before the funding freeze in 2013. It is well over $17 million, she responded, noting that her agency had to lay off 162 people and is still paying for it in unemployment benefits.

Adjournment

There being no more business before the committee, the meeting was adjourned at 4:20 p.m.

Revised: November 16, 2015

TENTATIVE AGENDA
for the
SEVENTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

November 16-18, 2015
Room 309, State Capitol
Santa Fe

Monday, November 16

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, Legislative Health and Human Services Committee (LHHS)
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (1) **Health Care Workforce Committee Report; Behavioral Health Services**
—Richard Larson, M.D., University of New Mexico (UNM)

10:00 a.m. (2) **House Memorial 129 (2015): Nonprofit Public Contracts Management**
—Susan Wilger, Southwest Center for Health Innovation; National Center for Frontier Communities

11:00 a.m. (3) **Public Comment**

11:30 a.m. **Lunch**

12:30 p.m. (4) **Juvenile Justice and Child Care Assistance; Trauma-Informed Care**
—Monique Jacobson, Secretary, Children, Youth and Families Department (CYFD)
—George Davis, M.D., Director of Psychiatry, CYFD
—Andrew Hsi, M.D., Professor, Department of Pediatrics and Department of Family and Community Medicine, UNM
—Yael Cannon, Esq., Assistant Professor, UNM School of Law

2:30 p.m. (5) **Sequoyah Adolescent Treatment Center (SATC) Task Force Report**
—Mauricio Tohen, M.D., Dr. P.H., M.B.A., Chair, Department of Psychiatry and Behavioral Sciences, UNM School of Medicine
—David Graeber, M.D., Medical Director, Inpatient Services, UNM Children's Psychiatric Center

4:30 p.m. (6) **Osteopathic Medicine Act Legislation**
—Ralph McClish, Executive Director, New Mexico Osteopathic Medical Association

5:00 p.m. **Recess**

Tuesday, November 17

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (7) **Nurse Advice New Mexico (NANM)**
—Connie Fiorenzia, Program Director, NANM
—Bob DeFelice, Member, NANM Board of Directors
—Sandy Potter, L.C.S.W., M.B.A., D.V.P., Medicaid Clinical Operations, BlueCross BlueShield of New Mexico
—Anita Leal, Chief Executive Officer, CHRISTUS Health
—Darcie Robran-Marquez, M.D., Chief Medical Officer, Molina Healthcare of New Mexico
—Dr. William Orr, Medical Director of Long Term and Complex Care, UnitedHealthcare New Mexico Community Plan
—Heather Ingram, Director, Nurse Advice Line, Presbyterian Health Plan

10:00 a.m. (8) **Medicaid Costs and Cost-Savings**
—Brent Earnest, Secretary, Human Services Department
—Brian Hoffmeister, Program Evaluator, Legislative Finance Committee (LFC)
—Maria Griego, Program Evaluator, LFC
—Sandy Potter, L.C.S.W., M.B.A., D.V.P., Medicaid Clinical Operations, BlueCross BlueShield of New Mexico
—Darcie Robran-Marquez, M.D., Chief Medical Officer, Molina Healthcare of New Mexico
—Dr. William Orr, Medical Director of Long Term and Complex Care, UnitedHealthcare New Mexico Community Plan
—Mari Spaulding-Bynon, R.N., J.D., Executive Director, Clinical and LTC Operations, Presbyterian Health Plan

11:00 a.m. (9) **Economic Aspects of Medicaid Expansion**
—Lee Reynis, Ph.D., Bureau of Business and Economic Research, UNM
—Paul Gessing, Executive Director, Rio Grande Foundation

12:00 noon **Lunch**

1:00 p.m. (10) **Medicaid Fraud**
—Patricia Tucker, Director, Medicaid Fraud and Elder Abuse Division, Office of the Attorney General (OAG)
—Juliet Keene, Deputy Director, Medicaid Fraud and Elder Abuse Division, OAG
—Sean Cunniff, Assistant Attorney General, Litigation Division, OAG; Fraud Recovery Strike Force, OAG

1:30 p.m. (11) **Coordination of Housing Services for Homeless People**
—Hank Hughes, Executive Director, New Mexico Coalition to End Homelessness
—Monica Abeita, Senior Policy and Program Advisor, New Mexico Mortgage Finance Authority

2:30 p.m. (12) **Public Comment**

3:00 p.m. (13) **Review of Legislation for the 2016 Regular Session**
—Michael Hely, Staff Attorney, Legislative Council Service (LCS)

5:00 p.m. **Recess**

Wednesday, November 18

8:30 a.m. **Welcome and Introductions**
—Senator Gerald Ortiz y Pino, Chair, LHHS
—Representative Nora Espinoza, Vice Chair, LHHS

8:40 a.m. (14) **Program Evaluation: New Mexico Health Insurance Exchange (NMHIX)**
—Michelle Aubel, Program Evaluator, LFC
—Brenda Fresquez, Program Evaluator, LFC
—Amy Dowd, Chief Executive Officer, NMHIX
—J.R. Damron, M.D., Chair, NMHIX Board of Directors

10:00 a.m. (15) **LFC Health Notes: Changes in Hospital Uncompensated Care**
—Jenny Felmley, Ph.D., Program Evaluator, LFC

11:30 a.m. (16) **Public Comment**

12:00 noon **Lunch**

1:00 p.m. (17) **Dental Therapy Task Force**
—Philip Crump, Facilitator
—David Gold, Facilitator

2:30 p.m. (18) **Health Impact Assessment of Food Taxation**
—Bill Jordan, Senior Policy Advisor, New Mexico Voices for Children (NMVC)
—Amber Wallin, Kids Count Director, NMVC

3:30 p.m. (19) **Basic Health Program; Federal Waiver for State Innovation**
—Michael Hely, Staff Attorney, LCS
—Lisa Reid, Director, Life and Health Division, Office of Superintendent of Insurance
—Nandini Pillai Kuehn, Ph.D., President, New Mexico Health Connections

4:30 p.m. **Adjourn**

MINUTES
of the
SEVENTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

November 16-18, 2015
State Capitol, Room 309
Santa Fe

The seventh meeting of the Legislative Health and Human Services Committee (LHHS) was called to order on November 16, 2015 by Senator Gerald Ortiz y Pino, chair, at 8:57 a.m. in Room 309 of the State Capitol in Santa Fe.

Present
Sen. Gerald Ortiz y Pino, Chair
Rep. Nora Espinoza, Vice Chair
Rep. Deborah A. Armstrong (11/16, 11/17)
Rep. Miguel P. Garcia
Sen. Mark Moores
Sen. Benny Shendo, Jr. (11/16, 11/17)

Absent
Sen. Gay G. Kernan
Rep. Tim D. Lewis

Advisory Members
Sen. Sue Wilson Beffort (11/16)
Sen. Craig W. Brandt (11/16, 11/17)
Sen. Jacob R. Candelaria
Rep. Gail Chasey
Rep. Doreen Y. Gallegos (11/16, 11/17)
Sen. Linda M. Lopez
Rep. James Roger Madalena
Sen. Cisco McSorley
Sen. Howie C. Morales (11/16)
Sen. Bill B. O'Neill
Sen. Nancy Rodriguez
Rep. Patricio Ruiloba
Sen. William P. Soules (11/17, 11/18)
Sen. Mimi Stewart
Rep. Christine Trujillo (11/16, 11/18)

Sen. Daniel A. Ivey-Soto
Rep. Terry H. McMillan
Sen. Mary Kay Papen
Sen. Sander Rue
Rep. Don L. Tripp

(Attendance dates are noted for members not present for the entire meeting.)

Minutes Approval

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Monday, November 16

Welcome and Introductions
Senator Ortiz y Pino welcomed those assembled and asked committee members and staff to introduce themselves. He then introduced Richard Larson, M.D., Ph.D., executive vice chancellor and vice chancellor for research at the University of New Mexico Health Sciences Center (UNMHSC).

Health Care Workforce Committee Report; Behavioral Health Services
Dr. Larson provided background on House Bill 19 (2012 regular session) that established the New Mexico health care workforce committee, directed state licensing boards to survey their practitioners and directed the UNMHSC to store and act as steward of the data collected. Dr. Larson provided members with copies of the presentation on workforce shortages and the committee's 2015 annual report (see handouts). After three years of data collection, it has become clear that many licensees do not actually practice in New Mexico, Dr. Larson said, revealing an even greater shortage than would have been anticipated without the survey. New Mexico has the highest percentage of physicians over 60 years of age, and continues to lose psychiatrists despite the state having some of the highest rates in the nation for suicide, drug overdose and alcohol-related deaths. He emphasized that because of the cycle of licensee renewals, data are incomplete and future needs may not be the same as in the present.

A subcommittee, formed to examine specific needs of the behavioral health workforce, found the state's health care system to be in crisis, Dr. Larson said, with limited resources, services that are lacking in quality and few training opportunities. Of particular concern is provider reimbursement, he noted, because of New Mexico's extremely low rates and very complex billing requirements. The subcommittee urged the Interagency Behavioral Health Purchasing Collaborative (IBHPC) to provide a strategic plan to establish a financing system that will promote sustainability and retention of providers. It also recommended additional funding to expand access to behavioral telehealth consultations and an expansion of the rural health care

practitioner tax credit program to include pharmacists, social workers and counselors. The subcommittee also urged that the IBHPC contract with a nonprofit for recruitment services.

On questioning, Dr. Larson and committee members discussed the following issues:

- shifting roles for physicians in private practice who become hospital employees;
- new opportunities to decentralize residency training into community health centers, hospitals and federally qualified health centers (FQHCs);
- the possibility of including dental hygienists in Dr. Larson's data collection; and
- changes in loan repayment programs to include additional providers and extended time for repayment.

Motions Passed

Motions were made and approved without objection to:

- send a letter to the Higher Education Department urging reinstatement in 2017 of the federal Department of Health and Human Services matching grant to support New Mexico's loan repayment program;
- request that the Legislative Finance Committee (LFC) study the effectiveness of the rural health care practitioner tax credit and whether it is serving its intended purpose; and
- request that the LFC expand the line item to the Board of Regents of UNM in the General Appropriation Act of 2016 to include an additional $300,000 to establish the Center for Workforce Analysis at the UNMHSC.

House Memorial (HM) 129 (2015 Regular Session): Nonprofit Public Contracts Management

Susan Wilger, Southwest Center for Health Innovation and the National Center for Frontier Communities, described New Mexico's nonprofit sector as a major economic force in the state and detailed economic woes of that sector as both federal and state funding levels for nonprofits have fallen significantly over the past several years. A lack of resources and capacity has forced many nonprofits to cut jobs and services, leading to long wait lists for consumers seeking access to critical programs (see handout). HM 129 asked the New Mexico Legislative Council to establish a work group of representatives from nonprofits, state agencies that contract with nonprofits and other members of the public to explore ways to streamline the contracting process and to maximize benefits to the state and nonprofit organizations (see handout). The slow pace of state contract approval and even slower pace of payment for services are huge cash-flow burdens on a struggling nonprofit, Ms. Wilger said, and delay the delivery of critical services. These issues occur statewide and are not unique to New Mexico; in fact, government/nonprofit task forces in nearly a dozen other states have tackled contracting reform and have crafted remarkably consistent solutions, according to information from the National Council of Nonprofits (see handout).

On questioning, Ms. Wilger and committee members discussed ways to move forward with the creation of a task force; all agreed that a joint memorial would be a more effective effort. One member suggested the possibility of federal grant funds to help spearhead the effort for a nonprofit summit; another thought the National Conference of State Legislatures could be a good resource. Illinois seems to have an especially good template for addressing these issues, Ms. Wilger said, and she vowed to work on putting one together for New Mexico. The committee will look further into these issues next interim.

Public Comment

Erin Marshall, representing Compassion and Choices, updated committee members on *Morris v. New Mexico*, litigation that was heard by the New Mexico Supreme Court in October. The case involving aid in dying was affirmed by a Second Judicial District Court judge, but was reversed by the New Mexico Court of Appeals. *Morris* now awaits a decision sometime this year by the New Mexico Supreme Court. Depending on the outcome of *Morris*, New Mexico may become the fifth state in the union to grant to its residents what Ms. Marshall characterized as a "fundamental liberty".

Speakers representing the OLÉ Working Parents Association spoke of issues they encountered in applying for child care assistance from the Children, Youth and Families Department (CYFD). Diana Maes noted that Secretary of Children, Youth and Families Monique Jacobson said she had not received any complaints about the administration of the child care assistance program, but there have been complaints. Chris Buckman said that the CYFD is asking women to contact their abusers in order to qualify for child care assistance. Mr. Buckman also urged that the legislature invest more dollars in CYFD child care programs. Raina Acosta said she hopes that the CYFD is ready to meet with parents and regain their trust and that the department will agree to post the Parents Bill of Rights in its offices. Gabriella Hernandez said that CYFD issues are the same in Albuquerque, Portales and Clovis; it is a statewide problem. Ellen Gore, representing Early Educators United, urged the CYFD to be more helpful to its constituents. Child care contracts that come and go are hard on the children, as well as their parents, Ms. Gore said.

Minutes Approved

Upon a motion duly made and passed, the committee approved minutes from the September 21-24 and October 5-7 meetings of the LHHS.

Juvenile Justice and Child Care Assistance: Trauma-Informed Care

Secretary Jacobson referred to her August 24, 2015 presentation to the LHHS about the culture of accountability at the CYFD. Secretary Jacobson described the mission of the department to improve the quality of life for New Mexico's children and prepare them to become contributing members of society (see handouts). Secretary Jacobson said concerns raised by members of the OLÉ Working Parents Association with the CYFD's child care assistance program, detailed in a letter to her from the LHHS, were not accurate (see handout). While it was difficult to research without specific client information, most of these cases appear to have

been resolved or the client had not met or kept requirements for the program, Secretary Jacobson said. Regarding short (less than 90 days) contracts for child care, she provided statistics showing that over 85 percent of CYFD contracts are for more than 90 days; shorter ones sometimes may be issued due to missing information or for other eligibility reasons. While the CYFD does not post the Parents Bill of Rights in its offices, it is not opposed to considering this approach, Secretary Jacobson said, noting that child care assistance applications do include a section labeled "Your Rights and Responsibilities" and all notice of action documents describe the right to a fair hearing. The claims made by OLÉ members do not appear to represent widespread systemic issues, Secretary Jacobson concluded, and she urged any parent with specific issues to contact her directly.

Details of a proposed CYFD Child Wellness Center (CWC) described by Secretary Jacobson are included in a $5 million special request as part of the department's 2016 budget (see handouts). The CWC would provide interdisciplinary trauma-informed care to child victims of abuse or neglect in home-like settings. The CWC's environment would be designed to help lessen the trauma of separation for children and increase opportunities for appropriate family interaction and reunification. The secretary also provided a list of legislative priorities for 2016 that includes stiffer criminal penalties for battery on a CYFD worker, for any abuse of a child and for sexual crimes against children. Other priorities include: provision for additional warrants for runaways from juvenile probation; name-based criminal background checks during emergency placement; and mandatory removal of a child placed in a home where an adult has refused to provide fingerprints (see handout).

Reviewing the CYFD's juvenile justice services, Secretary Jacobson said the department remains committed to the Cambiar model of rehabilitation, has initiated staffing changes and is providing conflict resolution without the use of force or isolation. New transition services help youth with successful reintegration, and policies have been revised for investigating reports of abuse and for filing grievances (see handout). Additional factors affecting New Mexico's juvenile justice system include: a high female population; a higher proportion of older juveniles; and requirements for implementation of the federal Prison Rape Elimination Act of 2003.

Dr. George Davis, director of psychiatry, CYFD, described the department's participation in an ongoing study of adverse childhood experiences, such as psychological abuse and parental addiction and incarceration. Brain imaging studies can actually visualize this trauma, Dr. Davis said, and the number of negative experiences a child has been subjected to is a predictor of future difficulties. Yael Cannon, assistant professor, University of New Mexico School of Law, thanked Secretary Jacobson for supporting this study in an effort to better understand the children in CYFD custody. Professor Cannon urged that special education programs be embraced as an opportunity to identify problems and urged a multidisciplinary, generational effort for earlier intervention that integrates legal, social work and home-based services. Dr. Andrew Hsi, professor of pediatrics and family and community medicine at the UNMHSC, described the FOCUS program that provides supports and services for families of children with, or at risk for, developmental delays. Funded through the Department of Health's (DOH's) Family, Infant,

Toddler program, FOCUS provides multidisciplinary tools for children (birth through three years) who have been exposed to prenatal drug use, mental illness or family violence to help them to overcome these adverse experiences. Unless the system can embrace these individuals, society will pay a much greater price in the future, Dr. Hsi said. FOCUS is currently working on a pilot project that will track data and report results.

Secretary Jacobson presented copies of her response to another letter from the LHHS questioning the CYFD's commitment to the agenda of the Three Branch Institute (TBI) and described what she said were significant ongoing trainings and programs inspired by the state's work with the TBI. These include a pilot program of education advocates for foster children in Lea County, complex case consultations and an e-learning curriculum on trauma-informed practice and medication use (see handout). Secretary Jacobson also described the CYFD's psychotropic medications review initiative and continuing training for clinicians to assess and address complex developmental trauma for children in foster care and in the juvenile justice system.

On questioning, committee members, Secretary Jacobson and panel presenters discussed the following issues:

- OLÉ parents' contention they have provided the CYFD with many names of complainants over several years and that more than "just a handful" of parents are involved;
- the potential for revision of the child care assistance application to accommodate parents', grandparents' and others' concerns;
- the availability of special services and training for grandparents/kinship guardians;
- the ability of juveniles to refuse psychotropic medications;
- how to address the high rate (37 percent) of juvenile walkaways;
- why the background of the newly hired director of the CYFD's Juvenile Justice Division does not include work with juveniles or experience with the Cambiar model;
- reasons for increased recividism in juvenile justice facilities;
- lack of performance measures to determine whether the juvenile justice model currently being used is working; and
- concern that the CYFD's budget and priorities are focused more on punishment and increased sentences.

Sequoyah Adolescent Treatment Center (SATC) Task Force Report

Dr. David Graeber, medical director, inpatient services, UNM Children's Psychiatric Center, and a member of the task force for Senate Memorial (SM) 115 (2015 regular session), reported on the task force's recommendations for improvements in clinical care, professional staffing, outreach and aftercare for juvenile residents of SATC (see handout). Recruitment of a board-certified child and adolescent psychiatrist for the facility was a top task force recommendation, as well as development of a clinical relationship for case consultation with the Department of Psychiatry at UNM. The group also recommended that the SATC's advisory

board be re-engaged (it has not met for the past six years) and that expanded outreach about SATC's mission and program be delivered to current and prospective stakeholders. Recommendations for aftercare urged care coordinators from managed care organizations (MCOs) to become actively involved before discharge and that client outcomes be tracked, using Building Bridges Initiative (BBI) indicators following discharge. The task force recommended maintaining the average daily census at SATC above 27 clients (current financial "break even"), with a goal of 33 to 35 clients. Reserved for future discussion are both the possibility of establishing a day treatment program and the potential creation of an SATC-type facility for female youth.

Dr. W. Henry Gardner, a former director of SATC and member of the task force, provided the committee with a minority report, objecting to the fact that nearly one-half of participating members were DOH employees and asserting that some information supplied by the DOH may not be accurate (see handout). Dr. Gardner said that data are lacking, but many adolescents are still being sent out of state instead of to SATC, which has not completed implementation of the principles of the BBI and trauma-informed care. Staff has been cut, there is high employee turnover and agency financials indicate a heavy reliance on contracted professional services. Dr. Gardner criticized a lack of transparency in SATC's finances and questioned the DOH assertion of a $470,000 budget surplus for fiscal year (FY) 2015. Committee members were provided copies of testimony from two SATC consumers who detailed similar concerns and complaints about SATC's program and its negative outcomes for their family members.

Recess

The meeting recessed at 5:12 p.m.

Tuesday, November 17

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:49 a.m., welcomed those assembled and asked committee members and staff to introduce themselves.

NurseAdvice New Mexico (NANM)

Connie Fiorenzia, program director, NANM, described the history of her nonprofit organization that became the first fully integrated health advice line in the nation in 2006. NANM is a 24/7, 365-day-a-year phone line staffed by New Mexico nurses that receives more than 120,000 calls a year and has 70 percent of the state's population in its database. NANM services help reduce the number of persons seeking admission to hospital emergency rooms; monitor for flu and other syndromes; and offer after-hours access to tele-triage for primary care providers in rural and frontier areas. After nearly 10 years, NANM is at a crossroads, Ms. Fiorenzia reported; the financial model has changed, and now, with more than 24,000 calls a year that cannot be billed, it is no longer financially sustainable. The state's four Medicaid MCOs have established their own advice lines and no longer pay into the partnership. Many other

provider groups and hospitals access NANM services but do not partner in the payment system. Despite financial challenges, the changing health care landscape is providing some potential opportunities, Ms. Fiorenzia said, citing a pilot 911 program that provides nurse tele-triage as an alternative to ambulance dispatch, and the provision of NANM-conducted health risk assessments and post-discharge follow-ups that help to reduce hospital readmissions.

Sandy Potter, director of Medicaid clinical operations for BlueCross BlueShield of New Mexico (BCBS), said access to behavioral health services is included in her company's nurse advice line, and that it is serviced by a bilingual staff of registered nurses in New Mexico, and has a volume of approximately 600 calls per month.

Anita Leal, chief executive officer of CHRISTUS Health, said her organization, which is new to the state, uses Carenet Healthcare Services in San Antonio, Texas, for its nurse advice line; fewer than 300 calls a month are received from New Mexico, Ms. Leal said.

Dr. Darcie Robran-Marquez, chief medical officer, Molina Healthcare of New Mexico (Molina), described her company's advice line and the value it brings to care coordination. Keeping this service in-house helps Molina to direct members to the right level of care, Dr. Robran-Marquez said, and is especially important in disease management. Molina receives approximately 1,200 calls per month through its advice line, occasionally spiking to 2,000 calls per month.

Dr. William Orr, medical director of long-term and complex care for UnitedHealthcare New Mexico (UnitedHealthcare) Community Plan, described the significant advantages of having an in-house call center that integrates member activity into UnitedHealthcare's own records system. While its call center operates nationwide, special diversity training has been provided for New Mexico employees, and Dr. Orr cited the added value of broad health data collection for the organization.

Mari Spaulding-Bynon, executive director of clinical and long-term care operations for Presbyterian Health Plan (Presbyterian), touted the importance of integrating advice calls into the electronic health care records of her organization. Presbyterian's advice line, operating in New Mexico for about three months, handles between 1,800 and 2,000 calls a month and provides translation services and warm transfers to behavioral health services.

David Roddy, executive director, New Mexico Primary Care Association, told committee members that NANM has been providing excellent service and is extremely important to community health centers and rural providers, especially because of its after-hours service. The biggest barrier to recruitment of physicians in frontier areas is the amount of time required for them to be "on call", Mr. Roddy said.

Committee members discussed the need for emergency funding of between $720,000 and $750,000 for NANM in FY 2016, noting that there would be huge consequences if NANM's

120,000 calls were not being answered. It was agreed that the committee would recommend a direct appropriation relative to the benefits to New Mexico residents regardless of insurance status.

Medicaid Costs and Cost Savings

Brent Earnest, secretary, Human Services Department (HSD), provided updates on the Medicaid budget, the FY 2017 Medicaid appropriation request, Centennial Care (CC), behavioral health initiatives and efforts to leverage more Medicaid funds (see handout). Total Medicaid spending is increasing, primarily due to enrollment growth. The total FY 2017 budget request of $7.163 billion represents an overall increase of 7.8 percent, with increased support from the general fund of $85.2 million, due primarily to the step-down in federal funding. Total Medicaid enrollment as of August 2015 was 822,428. The HSD is pursuing several cost-reduction and revenue-generating options. Priorities for the HSD's Medical Assistance Division include better management of MCO performance and additional cost-containment initiatives for Medicaid expenditures.

CC, now in its second year of operation, is focused on increasing coordination of services and has completed health risk assessments on 423,842 members. A previously postponed program to establish health homes for members with behavioral health needs will be launched in January 2016. Secretary Earnest touted increased rates for the state's primary care providers, slated to continue in 2016, and a 12.5 percent increase in rates for behavioral health providers. With CC, there has been increasing use of community health workers, including a partnership with UNM to expand their role, and an expansion of telehealth services. Ten payment reform projects were approved by the HSD in July, and a total of 65 percent of CC enrollees are participating in a program that rewards members for healthy behaviors. The Safety Net Care Pool (SNCP) program is showing results, with most hospitals reporting a significant reduction in uncompensated care.

Secretary Earnest reported that more individuals now are being provided with behavioral health services and more treatment is being initiated for members diagnosed with alcohol and/or drug dependence, including youth on probation. An area that still needs improvement is follow-up services for individuals after discharge from treatment. The HSD budget request for behavioral health spending is unchanged at $42.03 million, Secretary Earnest said, but savings from Medicaid expansion will be reallocated to increased sexual assault services and new programs to prevent behavioral disorders in children and for establishing a New Mexico Peer Empowerment Center. The HSD is constantly reviewing its programs and seeks to implement more efficient and effective practices whenever possible.

Brian Hoffmeister, program evaluator, LFC, provided copies of the report "Opportunities to Leverage Federal Medicaid Funds" (see handout). The LFC evaluation identified three main themes to more effectively leverage Medicaid funds:

(1) increase billings for services that are eligible but currently funded by state or local entities;

(2) expand Medicaid-eligible services for certain programs; and

(3) reallocate resources from programs with diminished roles due to the federal Patient Protection and Affordable Care Act (ACA). Savings, estimated by the LFC to be between $82 million and $103 million, could be found in DOH public health programs, offender health care in the Corrections Department (CD) and early childhood home visiting in the CYFD and through adjustments to the level of MCO support by the HSD, among others. Additionally, foregone revenue could be recouped by scaling back the New Mexico Medical Insurance Pool. The report detailed key findings that explored cutbacks in the use of general funds to support rural primary care; the potential of increased Medicaid billing for school-based health centers; potential new public health programs funded by tobacco settlement revenues; possible expansion of problem-solving court systems; elimination of the non-Medicaid administrator contract; more effective leveraging of Medicaid funds for local DWI and substance abuse treatment programs; possible reallocation to the general fund of county indigent gross receipts tax increment funds; and possible increased use of certified public expenditures for eligible Medicaid services, among others.

Copies of department responses to the LFC evaluation (see handouts) were provided to committee members. The HSD expressed concern about the short time line provided for department response and urged that the magnitude of changes proposed by the LFC requires comprehensive analysis and might result in disruption of essential health care services. The HSD objected to a reduction of the administrative and profit rate of the MCOs and noted that suggested changes to the SNCP would require an amendment to the state Medicaid plan that likely would not be approved by the Centers for Medicare and Medicaid Services (CMS). In its response to the report, the DOH cautioned against a rush into policy of LFC recommendations without sufficient vetting of impact on programs. The DOH also noted that prevention and wellness initiatives are most effective in reducing health care costs and improving outcomes, and that the LFC recommendations appear to be focused on cutting public health investments. The CYFD response noted several instances of incorrect data being used in the LFC report and described a lack of infrastructure to support the home-visiting model recommendations. The response from the Local Government Division of the Department of Finance and Administration also objected to the short time line for response to LFC suggestions for major changes in funding of local DWI programs. The CD response to LFC recommendations objected to several assumptions in the report and urged that empirical data be collected before any changes to Medicaid reimbursement are put into place.

Representatives of all four MCOs agreed that comprehensive and creative ways to leverage Medicaid reimbursement are worth examination. Dr. Robran-Marquez said that Molina is looking at care transition nurses who follow up with home visits and at value-based reimbursement with primary care practices and hospitals. Ms. Spaulding-Bynon said that

Presbyterian is addressing community partners and tribal entities in managing and maximizing internal teams to help improve health outcomes. Ms. Potter said that BCBS is focusing on reducing emergency room visits by using bridge providers to engage "superusers" who have not allowed care coordination. UnitedHealthcare is expanding peer support networks to coordinate with wellness centers, according to Dr. Orr, noting that peer support has made the greatest difference in reducing the length of hospital stays and getting the patient to providers after release.

Steven Kopelman, executive director, New Mexico Association of Counties (NMAC), provided a written response to portions of the LFC report on leveraging Medicaid funds that pertain to counties (see handout). Mr. Kopelman detailed practical and legal impediments to increased Medicaid leveraging in local DWI programs, including jail-based treatment that is not covered by Medicaid. He noted that gross receipts tax revenues are actually decreasing in some counties, and the LFC suggestion to transfer excess revenues from county indigent health care programs to the state is inequitable and would result in significant shortfalls for many counties. Collaboration with counties was urged before moving forward with legislative initiatives or program changes.

Economic Aspects of Medicaid Expansion

Dr. Lee Reynis, professor of economics, UNM Bureau of Business and Economic Research, presented an analysis of the economic and fiscal impacts of Medicaid expansion in New Mexico (see handout). This expansion has changed the landscape, Dr. Reynis said, with much higher enrollment than was anticipated dramatically reducing the percentage of uninsured adults. The expansion has significantly reduced uncompensated care, helping to make New Mexico more attractive to health care providers and creating a bright spot in an otherwise gloomy economy. Shortages in service providers have been mitigated by primary care and specialist programs, including clinics in rural areas, Project ECHO and other telemedicine programs. New Mexico is also seeing considerable expansion in health treatment facilities, ambulatory care and hospital care with federal Medicaid dollars flowing into the state. While the state will pick up an increasing portion of Medicaid costs (10 percent by 2020), Dr. Reynis said preliminary numbers show a program that is paying for itself.

Paul Gessing, president, Rio Grande Foundation, provided a cost/benefit analysis of Medicaid expansion from his independent research and educational nonprofit that is dedicated to promoting prosperity for New Mexico. Mr. Gessing cited published reports of a study of Medicaid recipients in Oregon in 2013 that concluded that Medicaid increased health care utilization but did not produce any statistically significant effects on physical health or labor market outcomes, as well as several other studies indicating an increased risk of poor outcomes for individuals on Medicaid. The financial impact of Medicaid expansion on New Mexico's economy and state budget is of even greater concern, he said, noting that by 2017, fully one-third of the state's population will be on Medicaid. It is wrong to think of federal government spending as "free money", he said, as money from Washington, DC, to New Mexico's Medicaid program must come from either taxes or borrowing. Mr. Gessing debunked the economic

"multiplier effect" of Medicaid spending, positing that the health care sector in New Mexico had been growing for years, long before the expansion. Broadening Medicaid imposes a hidden tax on people with private insurance, he said, driving up costs in a vicious cycle that increases the number of uninsured individuals. Medicaid desperately needs a sweeping overhaul, Mr. Gessing said, and New Mexico should work with other states to press the federal government for the flexibility required to fix what he described as a badly broken and irresponsibly unsustainable program.

Public Comment

A coalition of New Mexico nonprofit organizations presented a list of the benefits of Medicaid expansion in New Mexico and asked that legislators continue to support it. The group also urged caution in approaching new cost-containment measures to make certain those efforts do not impact services (see handout). Another list with five reasons why the state should fully fund Medicaid expansion was prepared by the New Mexico Center on Law and Poverty (see handout).

Ellen Pinnes spoke about Medicaid expansion as a bright spot in the New Mexico economy, and she noted that jobs are being created in all corners of the state and uncompensated care is dropping dramatically. Medicaid expansion is low-cost per person and is money well spent.

Bill Jordan, executive director of New Mexico Voices for Children (NMVC), noted that the Congressional Budget Office has estimated that the ACA will reduce the federal deficit by more than a trillion dollars in 10 years. This Medicaid expansion is a win/win for everyone, he said, noting that New Mexico already has shrunk K-12 spending by nine percent and higher education funding by 35 percent.

Dr. Lance Chilton, an Albuquerque pediatrician, spoke of the benefits of expanded Medicaid for children, many of whom had not been signed up until their parents were enrolled. Dr. Chilton described the case of a 12-year-old girl who would have died without coverage from the state's high-risk insurance pool and who is thriving today. The ultimate denial of care is no insurance, Dr. Chilton said, imploring legislators not to make any cuts in Medicaid for children.

Mr. Roddy commented on the LFC suggestions for leveraging Medicaid. Members of his organization of primary care providers, which serves one out of every six New Mexicans, are certainly into leveraging dollars. Great strides have been made by primary care providers at community health centers and FQHCs to improve quality and reduce costs, Mr. Roddy said; he provided committee members with copies of a presentation titled "Four Reasons to Continue Full Support for Primary Healthcare Clinics in New Mexico".

Mark Clay, M.D., ambulatory pediatric physician, UNM, said that he had heard a lot of statistics today. Eighty percent of his patients rely on Medicaid, and it is hard to put a price tag on a treatment that can give life back to a young person.

Medicaid Fraud

Patricia Tucker, director, Medicaid Fraud and Elder Abuse Division, Office of the Attorney General, described the history of Section 1909 of the federal Social Security Act that creates a financial incentive and establishes liability to states for false or fraudulent claims to their Medicaid programs. In New Mexico, the state keeps 25 percent, with 75 percent going to the federal government for any recovered funds (see handout). State law must mirror federal law as described in the federal False Claims Act, Ms. Tucker said, and New Mexico's Medicaid False Claims Act has not yet passed federal review. The initial draft of the Medicaid False Claims Act is undergoing revisions and should be ready for action soon, she said. On questioning, Ms. Tucker said that the state regularly recovers funds from successful prosecution of false or fraudulent claims. Asked about progress on investigations of the behavioral health providers referred by the HSD for fraud in 2013, Ms. Tucker said that an outside contractor hired to manage that process appears to be on target to meet its six-month deadline for completion.

Coordination of Housing Services for Homeless People

A comprehensive report from the SM 44 (2015 regular session) working group was provided to committee members, along with a proposal by the New Mexico Coalition to End Homelessness (NMCEH) describing a plan to expand supportive housing statewide (see handouts). Monica Abeita, senior policy and program advisor, New Mexico Mortgage Finance Authority, described the broad base of participants who worked on the SM 44 working group, which studied housing as a health intervention and examined funding streams for permanent supported housing solutions and for the social services needed to accompany them. The group recommended exploration of innovative financing models, new implementation/demonstration sites and development of a state housing leadership team. The increasing price of housing is affecting the supply of rental units, Ms. Abeita said. Flexible funding streams and payment mechanisms under Medicaid and expanded coverage for non-Medicaid supportive housing-related services should be explored, as well as more supported employment opportunities.

Hank Hughes, a member of the working group and executive director, NMCEH, proposed a $4.5 million investment in new and recurring state funding (to be combined with Medicaid and other leveraged resources) to expand supportive housing throughout the state based on the New Mexico Linkages program, Albuquerque Heading Home, Housing First and Rapid Re-Housing models by providing 280 new Linkage vouchers to house the most vulnerable homeless people. An additional 280 Rapid Re-Housing vouchers would provide six months of payments per household through the Rental Assistance program. Studies have indicated a significant decrease in cost for these housing vouchers when compared to the costs of repeat incarceration and hospitalization. Rapid Re-Housing also is more cost-effective than emergency shelters, according to several different recent studies.

On questioning, committee members and panel presenters discussed the issue of child homelessness and the possibility of investing in "tiny houses" (some are 210 square feet for $7,000) for the voucher program. The committee chair thanked the HSD for its significant

participation in the working group and its willingness to address the state's issues of homelessness.

Osteopathic Medicine Act Legislation

Ralph McClish, executive director, New Mexico Osteopathic Medical Association, presented copies of a house bill that proposes to correct antiquated language in the 1978 Osteopathic Medicine Act. This bill does not seek to expand the scope of practice, but rather would give more "teeth" to the Board of Osteopathic Medical Examiners for supervisory authority for physician assistants; would update testing qualifications; and would amend the Pharmacist Prescriptive Authority Act for osteopathic physicians who supervise pharmacy clinicians (see handout). Mr. McClish said he does not anticipate any controversy with these proposed statutory changes.

Public Comment

Tasia Young, lobbyist for the NMAC, spoke of the counties' need to reinstate a sunset on intergovernmental transfers of a one-twelfth tax increment for the SNCP that was agreed to by counties and the state for a three-year period. That time frame was stripped out of Senate Bill 268 (2014) by the governor, leaving the payments in perpetuity. The counties now are considering a lawsuit, Ms. Young said.

Minutes Approved

Upon a motion duly made and passed, the committee approved the minutes from the October 19-21 meeting of the LHHS in Santa Fe.

Review of Legislation for the 2016 Regular Session

Mr. Hely offered a compilation of bills and memorials for the 2016 regular session for the committee to review and consider for endorsement by vote (see Appendix A). The committee endorsed each item of legislation.

Recess

The committee recessed at 5:13 p.m.

<u>Wednesday, November 18</u>

Welcome and Introductions

Senator Ortiz y Pino reconvened the meeting at 8:57 a.m., welcomed those assembled and asked committee members and staff to introduce themselves. Representative Espinoza moved that a letter to the LFC regarding the efficacy of the rural health care practitioner tax credit be postponed, as committee members were informed that an analysis by the LFC has already been completed. The motion was approved without opposition and included a request that a copy of that analysis be provided to the LHHS.

Program Evaluation: New Mexico Health Insurance Exchange (NMHIX)

Michelle Aubel, program evaluator, LFC, described three themes that emerged during the LFC evaluation of the NMHIX performance and operations through two enrollment periods (see handout and full LFC report):

(1) the late start and leadership turnover impacted program implementation;

(2) there was limited return on $85 million in federal funds with below-estimate enrollment and underutilized costly small business marketplace; and

(3) uncertain risks and future costs associated with continuing use of the federal platform indicate the possible need for renewed legislative assessment.

The NMHIX has spent $77.5 million, with 61 percent going to information technology (IT) and 33 percent to marketing. With 44,307 enrollments out of an estimated pool of 133,000 uninsured, representing a 33 percent penetration, the LFC concluded that NMHIX enrollment is likely to remain low. The NMHIX spent $18 million on the SHOP small business portal that enrolled only 877 individuals (the federal General Accounting Office reported lower-than-expected numbers for SHOP enrollment nationally), and there is concern that unsuccessful IT projects may come under federal scrutiny. There is also LFC concern about future federal data sharing and management and a demonstrated need for improved IT security. Given significantly reduced role/functions for the exchange, the LFC study posed questions about the right size and structure for the NMHIX going forward, and it questioned if the NMHIX should be subject to the Audit Act.

Dr. J.R. Damron, chair, NMHIX Board of Directors, told committee members that the LFC evaluation contained extensive incorrect information and data. Dr. Damron reviewed the legislative decision to establish the exchange as a quasi-governmental entity rather than a state agency and to include insurers on the board of directors with regulation by the Office of Superintendent of Insurance (OSI). The NMHIX is a nationally recognized model that has saved the state $19 million by using the federal platform and it is financially sustainable, Dr. Damron asserted; its board of directors remains deeply committed to transparency and to delivering health literacy to New Mexicans. Amy Dowd, chief executive officer, NMHIX, provided copies of the agency's detailed response to concerns identified in the LFC study (see handout). Ms. Dowd introduced Patsy Romero, board member and treasurer, NMHIX, Teresa Gomez, board member and director of Native American outreach, NMHIX, and Dick Mason, chair of the Stakeholder Advisory Committee. The rate of uninsured in New Mexico has dropped by 4.1 percent compared nationally to a reduction of 2.8 percent, Ms. Dowd said, pointing out that the exchange has captured a majority of the target population in just the first two years of operation. The third open enrollment period began November 1, 2015 and will end January 31, 2016, and the impact of preferred provider organization plan cancellations remains to be seen, she said. Outreach efforts and person-to-person assistance are being promoted, as BeWellNM aims to capture a greater percentage of the remaining uninsured.

On questioning, committee members and panel presenters discussed the financial model of the NMHIX and Ms. Dowd's contention that CMS provides more stringent oversight, both operationally and financially, than the Audit Act could accomplish. She also noted that the current annual budget of the exchange — $11.3 million — is considerably less than the original estimate of $25 million, and none of it comes from the general fund; it is financed through an assessment on all health insurance carriers in the state. Regarding enrollment numbers, Ms. Dowd noted that New Mexico is on par with other states that have expanded Medicaid, but enrollment is more challenging because of the large number of individuals who are not eligible for the subsidies. Dr. Damron noted that for every 10 people who come to the exchange, eight are eligible for Medicaid.

Mr. Mason spoke for his advisory committee to compliment members of the NMHIX Board of Directors, who serve voluntarily. The board has listened to concerns of advocates and stakeholders, and outreach provided by the exchange has been very effective, Mr. Mason said. As much as he values the oversight provided by the LFC, Mr. Mason said he has full confidence in NMHIX data.

LFC Health Notes: Changes in Hospital Uncompensated Care

Dr. Jenny Felmley, program evaluator, LFC, provided a detailed analysis of changes in uncompensated care with passage of the ACA and expansion of Medicaid in New Mexico, as requested by HM 33 (2015 regular session). With the rate of uninsured declining in New Mexico from over 18 percent in 2013 to 13.1 percent in the second quarter of 2015, uncompensated care applications from SNCP hospitals declined by more than 30 percent between 2014 and 2015 (see handout). New Mexico hospitals in the aggregate have seen increased net income, as uncompensated care now accounts for less than seven percent of their expenses. Uncompensated care costs probably will continue to decline, Dr. Felmley said, but will not disappear altogether as some populations remain uninsurable and others who are insured struggle with out-of-pocket costs. Enhanced Medicaid rates for SNCP and UNM hospitals appear to have made a significant impact in holding down shortfalls, she said. Hospital markups for the 44 members of the New Mexico Hospital Association averaged 300 percent over cost, lower than the national average, while the 29 SNCP hospitals averaged 177 percent over cost. The New Mexico Primary Care Association also reported improved financial positions for most nonprofit FQHCs and community health centers.

Looking forward, Dr. Felmley said that reduced uncompensated care costs are not likely to result in lower insurance premiums. While these costs have gone down, there still are many moving parts to be understood in this ongoing development. The role of counties in sharing the burden of uncompensated care has changed as well, she said, and some counties are struggling with the new SNCP structure. The fact that hospital charges are not transparent or comparable blocks policymakers and consumers from gauging the true extent and consequences of uncompensated care costs; one hospital in New Mexico may charge five times more than another for a service or procedure that costs exactly the same. A 2015 amendment to the Health

Information System Act directed the DOH to develop an all-claims database website to be available to the public by January 1, 2018.

In discussing the counties' role in addressing indigent care, one committee member pointed out that the $30.5 million county indigent fund balance cited in Dr. Felmley's presentation is misleading, because most of that is already encumbered.

Public Comment

Mr. Mason, in addition to volunteer work with the NMHIX, also serves as chair of New Mexico Health Care for All, an advocacy coalition of 19 organizations, and he noted that Dr. Felmley's report clearly indicates that net income of New Mexico hospitals has increased. He wondered what has happened to this profit and whether any of it has gone to reduce costs for consumers. The lack of transparency in hospital costs really is important, Mr. Mason said, urging committee members to keep an eye on the DOH and its development of the public website. It is required to be up by 2018, Mr. Mason noted, but the DOH should implement it as soon as possible.

Dental Therapy Task Force

The LHHS chair announced that the New Mexico Dental Association (NMDA), the New Mexico Dental Hygienists' Association (NMDHA) and the Health Action New Mexico (HANM) coalition were in agreement about dental therapists in New Mexico and are ready to draft a comprehensive access to dental care bill. The agreement is the result of work by the Dental Therapy Task Force, which was established in 2015 and includes representatives of the aforementioned organizations as well as legislators from both political parties, with facilitation by Philip Crump and David Gold. After four meetings (see handouts), the task force has assembled a summary of the elements of proposed legislation (see handout). Cathy Sovereign, past president of the NMDHA, said members were able to come together with the goal of increasing access to high-quality dental care for rural, tribal and underserved urban New Mexicans. Elements of the task force's proposed legislation include the establishment of a mid-level dental therapist provider who could perform more procedures than a hygienist but less than a dentist; creation of a legislative committee to investigate and recommend action related to dental access; establishment of simplified Medicaid billing processes, dental loan forgiveness and repayment and other incentives; requirement of a dental exam prior to entering public school; and reinstatement of a state dental director who must be a licensed dental professional. The task force's summary also included specific suggestions to reform or improve Medicaid related to dental services.

Representing the NMDA, Dr. Joe Valles thanked legislators for creating this task force, and he reminded committee members that it is not possible to separate oral health from overall health. Pamela Blackwell, Esq., project director, HANM, said she was proud to support this proposal and asked for the support of the LHHS.

On questioning, committee members and panel presenters discussed the following issues:

- the possibility of including class A counties in the legislation;
- the possibility of limiting the dental therapy program to tribal communities;
- complications for school systems required to take on a new gatekeeper role;
- the collaborative effort involved in defining procedures that can be performed by a dental therapist;
- concerns about providing dental care through school-based health centers when adequate funding for these centers already is lacking; and
- a recommendation that service to rural and underserved communities be a key component of the educational program for dental therapists.

Health Impact Assessment (HIA) of Food Taxation

Mr. Jordan and Amber Wallin, director, NMVC's KIDS COUNT, presented results of an analysis of the taxation of grocery purchases and its impacts on the health of the state's children, families and communities. The HIA, conducted in 2014 and 2015, was made possible by a grant from the Health Impact Project, a collaboration of the Robert Wood Johnson Foundation and The Pew Charitable Trusts. Its purpose is to inform public opinion and government decisions on the potential health impacts of food tax policy, particularly on vulnerable groups, and to demonstrate how tax, economic and budgetary policies can impact health outcomes (see handouts). New Mexico is number one in the rate of child poverty and number two in the rate of low-income working families; 67 percent of jobs in New Mexico are low-paying and job growth is the lowest in the nation, Mr. Jordan noted. Sales tax (gross receipts tax) on food is regressive; the poor pay double the rate of total taxes than the rich. Taxing food would cost, on average, each New Mexico household around $350 per year, or $29.00 per month. For a poor family that spends 25 percent of its income on food, this could harm family economic security, impacting food security, diet and nutrition and health.

The primary policy recommendation of the HIA is that food should not be taxed due to harmful health impacts, regressivity and increased health disparities that could result. If revenue is needed, the state should consider other taxes with less harmful effects on the health of vulnerable populations. These might include repealing the capital gains deductions; increasing corporate income taxes or fees collected from large or multistate corporations; mandating combined reporting; enacting higher personal income tax rates for very high earners; or raising taxes associated with curbing unhealthy behavior. Other considerations recommended by the HIA targeting improved economic security, diet and nutrition included: an increase in current state tax credits; the possible creation of new credits for low-income families with children; maximizing federal Supplemental Nutrition Assistance program benefits; and utilization of U.S. Department of Agriculture at-risk meal program funds. Finally, the report recommended an increase in the state minimum wage and indexing it to inflation.

On questioning, one committee member asserted that Mr. Jordan's presentation was an exercise in "preaching to the choir". Another member wanted it noted in the official meeting record that not a single Republican committee member was in the room for this presentation.

The full report of the HIA is available on the nonprofit's website: www.nmvoices.org.

Public Comment

Valerie Montoya, president of academic programs, Southwest Indian Polytechnic Institute (SIPI), said the school is interested in providing a dental training program and is supportive of diversity and ties to community. Chris Harrington, a department chair at SIPI, said he also supports the bill on dental therapy.

Pam Roy, director, Farm to Table, thanked the NMVC and the many other groups that participated in the HIA and said that New Mexico may be leaving federal dollars on the table across multiple programs.

Basic Health Program (BHP); Federal Waiver

Mr. Hely described the BHP as an option created under the federal ACA to allow states to provide coverage to individuals who are not eligible for Medicaid but who also cannot afford to purchase coverage on a state health insurance marketplace. An alternative to the BHP provided under the ACA that some states are now using is the state innovation waiver option provided in Section 1332 of the ACA. Section 1332, Mr. Hely explained, allows states, starting in 2017, to take innovative steps to provide health care to state residents, including making changes to their state Medicaid or the Children's Health Insurance program; applying premium assistance or cost-sharing assistance to other coverage programs; or removing the federal individual or large employer health coverage mandates. The ACA stipulates that, while states are free to do any number of things, they must cover as many people as would have been covered under the standard ACA provisions — such as health insurance marketplaces, the coverage mandates and Medicaid expansion — and the cost must be no greater than the costs of implementing the standard ACA provisions. The application process is complex, including required public hearings and considerable analysis and documentation and legislative approval for the filing of a 10-year "blueprint" that must be approved by CMS. States can receive up to the aggregate amount of federal funds that otherwise would have gone to premium tax credits and cost-sharing reductions currently available to low-income households that purchase NMHIX coverage. Mr. Hely provided several handouts from the National Conference of State Legislatures with information and analyses of other states' uses of the waiver. States such as Minnesota and New York are exploring the option of transforming their BHPs into an ACA Section 1332 waiver-based coverage. Other states, such as Arkansas, are exploring the opportunity that an ACA Section 1332 may present to provide more market-based solutions to getting state residents covered.

The OSI created a task force to study opportunities under a Section 1332 waiver, according to Lisa Reid, director of life and health at the OSI. The pot of money available to New Mexico by implementing the Section 1332 waiver is potentially $1 million to $1.2 million, she said, and while there has not been much encouragement to pursue this, the task force continues to monitor what is happening in other states. Utilizing the federal platform for the exchange limits the state's options, Ms. Reid said, but the OSI wants to keep the LHHS updated on this issue.

Adjournment

There being no more business before the committee, the seventh and final meeting of the LHHS for the 2015 interim was adjourned at 4:25 p.m.

DISABILITIES CONCERNS SUBCOMMITTEE AGENDAS AND MINUTES

Revised: August 14, 2015

TENTATIVE AGENDA
for the
FIRST MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE

August 28, 2015
Eastern New Mexico University-Roswell, Multipurpose Room 110
Roswell

Friday, August 28

8:30 a.m. **Introductions**
—Senator Nancy Rodriguez, Chair
—Representative Tim D. Lewis, Vice Chair

8:45 a.m. (1) **Welcome**
—Dr. John Madden, President, Eastern New Mexico University (ENMU)-Roswell

9:00 a.m. (2) **ENMU-Roswell Special Services Program**
—Dr. Ken Maguire, Vice President of Academic Affairs, ENMU
—Leah Lucier, Deputy Director, Special Services Program, ENMU
—Kat Morgan, Special Services Program Student, ENMU

10:00 a.m. (3) **Intermediate Care Facilities**
—Linda Sechovec, Executive Director, New Mexico Health Care Association

11:00 a.m. (4) **Treatment and Care Venues for Persons with Disabilities Needing Residential or Extended Hospitalization**
—Mark Johnson, Chief Executive Officer (CEO), Easter Seals El Mirador
—Patsy Romero, Chief Operations Officer, Easter Seals El Mirador
—Matt Pohl, Director, Great Livin', LLC
—William (Jim) Rogers, L.C.S.W.-L.I.S.W., First Resort Interventions, LLC
—Lea Armstrong, Family Member

12:00 noon **(Lunch Provided)**

1:00 p.m. (5) **Medicaid Home- and Community-Based Services for Those with Developmental Disabilities**

—Angela Medrano, Deputy Director, Medical Assistance Division, Human Services Department
—Cathy Stevenson, Developmental Disabilities Supports Division, Department of Health
—Anna Otero Hatanaka, Association of Developmental Disabilities Community Providers
—Adrienne R. Smith, Director, New Mexico Direct Caregivers Coalition

2:30 p.m. (6) **Update on Local Services for Persons with Developmental Disabilities**

—Mark Schinnerer, CEO, CARC, Inc.
—Joe Madrid, Executive Director, Tobosa Developmental Services (TDS)
—Rosie Rubio, Assistant Director, TDS
—Debra Battista, President and CEO, Tresco, Inc.
—Peggy Denson-O'Neill, Executive Director, Zia Therapy Center, Inc.
—Damian Houfek, President and CEO, ENMRSH, Inc.

4:00 p.m. (7) **Public Comment**

5:00 p.m. **Adjourn**

MINUTES
of the
FIRST MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

August 28, 2015
Eastern New Mexico University
Multipurpose Room 110
Roswell

The first meeting of the Disabilities Concerns Subcommittee of the Legislative Health and Human Services Committee was called to order on August 28, 2015 by Senator Nancy Rodriguez, chair, at 8:35 a.m. in Multipurpose Room 110 at Eastern New Mexico University (ENMU) in Roswell.

Present
Sen. Nancy Rodriguez, Chair

Absent
Rep. Tim D. Lewis, Vice Chair
Sen. Craig W. Brandt
Rep. Miguel P. Garcia
Sen. Linda M. Lopez

Advisory Members
Rep. Deborah A. Armstrong
Sen. Ted Barela
Sen. Gerald Ortiz y Pino

Rep. Nora Espinoza

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Nancy Martinez, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

<u>Friday, August 28</u> — Multipurpose Room 110, ENMU, Roswell

Welcome and Introductions

Senator Rodriguez welcomed those assembled and asked subcommittee members and staff to introduce themselves. She then introduced Eloise Blake, president of the Community College Board of ENMU, who welcomed the group to the campus and touted the many excellent programs offered by the university.

ENMU-Roswell Special Services Program

Ken Maguire, Ph.D., vice president of academic affairs, supervises the Special Services Occupational Training Program at ENMU, which provides a variety of certificate programs for students with disabilities. It is a unique program that not only teaches students to live independently but also provides them with specific skills to maintain employment once they graduate, Dr. Maguire said. Occupational training areas include auto mechanics, food service, building maintenance, stocking and merchandising, laboratory animal caretaking, office skills, child care and veterinary assistance. Annual tuition for a three-semester program is between $17,000 and $20,000, all inclusive. Leah Lucier is deputy director of the program, which currently has an enrollment of 90 students. Dr. Maguire and Ms. Lucier were joined at the presentation table by a student, Kat Morgan, now in her third year of pursuing additional certificates, this time in office skills. Previously, Ms. Morgan earned certificates in veterinary assistance and child care. She came to ENMU shy and introverted, Ms. Lucier recalled, but soon began to excel and is now getting paid for work while continuing her education. There is a lot of support for students in the first year, when they live in dormitories on campus, Ms. Lucier said. The second year, students live in apartments and learn to develop more independence. Ms. Morgan told subcommittee members that it is "an awesome program".

Former State Senator Tim Jennings, recognized by the chair to speak from the audience, said his daughter graduated from this program 17 years ago, and he urged ENMU to increase efforts to publicize the program to New Mexicans. There were 125 students when his daughter was enrolled and, for every student served, there are 200 more out there who need this help to become all that they can be, Senator Jennings said, adding that more funding is needed for recruitment. Students can be mainstreamed into regular classes, Ms. Lucier added; four of ENMU's most recent graduates started out in this program. Adults so often underestimate what students can do, Dr. Maguire said — they can rise to unbelievable heights, and ENMU sees this on a daily basis.

On questioning, subcommittee members and presenters discussed the following issues:

- efforts to track student success after they leave the program;
- the screening process to determine if a student is appropriate for the program;
- ways to bolster the student retention rate, now at 85 percent;
- outreach efforts to increase enrollment in the program;
- job placement challenges, since most students leave the area upon graduation;
- possible additional sources of funding for outreach efforts; and
- additional funding from the Higher Education Department.

Intermediate Care Facilities

Linda Sechovec is executive director of the New Mexico Health Care Association/New Mexico Center for Assisted Living, a professional trade association for facility-based long-term care providers, including intermediate care facilities for individuals with intellectual disabilities (ICF/IID). There are five organizations serving 263 individuals in ICF/IID programs, she said: ARCA in Albuquerque, CARC, Inc., in Carlsbad, Casa Angelica in Albuquerque, Easter Seals El Mirador (ESEM) in Santa Fe and New Horizons Developmental Center in Carrizozo. These nonprofit organizations rely almost completely on Medicaid funding to provide housing and active treatment in an intense regulatory environment, Ms. Sechovec said, and over the past year, severe inadequacies in the payment system have threatened the sustainability of the three largest ICF/IID programs (see handout). Rates are calculated every three years, and the most recent (2013) calculation resulted in rate reductions for 26 of 38 programs. It has been a year of rapidly escalating costs — from higher labor rates in some locations, higher health insurance rates and other required austerity programs. While the Human Services Department (HSD) has been working with providers to adjust individual rate requests for extraordinary circumstances, several providers are operating housing at rates that are below cost.

Further exacerbating ICF/IID housing problems are serious and sustained payment delays from Qualis Health, the state's new, inadequately prepared Medicaid medical eligibility contractor, Ms. Sechovec asserted. Equally challenging is the inability of providers to receive timely Medicaid eligibility determinations from the HSD's Income Support Division (ISD); when care can run $175 to $300 per day, payment delays threaten a provider's ability to stay in business. The current situation for providers is "the perfect storm", she said, and is so serious that she is requesting that subcommittee members consider a rewrite or revision of the entire payment system.

On questioning, subcommittee members and Ms. Sechovec discussed the following issues:

- redefining what economic "catastrophe" means;
- delays in determination due to the utilization review contractor and changed requirements;
- families unable to connect with a live person when calling the ISD office;
- the need to address continuing issues with the HSD's ASPEN eligibility system and a flood of unresolved cases; and
- delayed pay and eligibility determinations that also plague nursing homes and assisted living facilities.

Treatment and Care Venues for Persons with Disabilities Needing Residential or Extended Hospitalization

Mark Johnson, chief executive officer (CEO) of ESEM, said his nonprofit organization currently has receivables of more than $800,000, and while Medicaid officials have been attentive to some issues, ESEM is still not getting paid and is struggling mightily with this problem. More than 400,000 disabled individuals are being served by community providers, Mr. Johnson said, and at least 20 percent of these individuals are also suffering from mental health

problems. There is no systemic approach to addressing the needs of this dually diagnosed population, and sometimes an individual can become dangerous to self, others and the general public. There is no access to psychiatric supports, hospitals or residential treatment, and often the only option is an encounter with law enforcement. If developmental disability (DD) is the primary diagnosis, it is nearly impossible to access behavioral health services.

Matt Pohl, executive director of Great Livin', LLC, an Albuquerque provider of structured living environments and supportive services for DD individuals, said there is a clear gap in services for persons with co-occurring mental illnesses, not just in New Mexico, but nationwide (see handout). The state has dynamic wraparound services available for people with intellectual disabilities, he said, but providers are not equipped for the higher, more dangerous levels of support needed for an individual who may exhibit explosive behaviors. Mr. Pohl described a situation at his facility that involved staff injury during attempts at de-escalation and hospital emergency room (ER) miscommunication regarding the patient's release. The current support system basically provides short-term symptom abatement, a Band-Aid rather than a real solution. Mr. Pohl suggested the following:

- specialty training and specialized residential supports and therapy services;
- an intermediate, acute residential "crisis house";
- funding for specialized family training and supports for health care professionals, including physicians and therapists;
- improvements to the state's mental health facilities, with five to 10 beds available to treat the acute needs of this population; and
- contact names and numbers of several individuals involved with these issues in New Mexico who could provide background and assistance in crafting solutions.

William (Jim) Rogers, L.C.S.W., L.I.S.W., founder of First Resort Interventions, LLC, is a social work clinical supervisor and trainer and has been a family therapist since 1983. Mr. Rogers sees a major disaster ahead with payment being five months behind for several providers of critical DD services. Taking the lowest bid does not necessarily provide the state with the services it needs. Mr. Rogers criticized mental health and hospital ER policies that are driven by insurance coverage, the depletion of providers with sufficient background and training, the denial of access to guardians and the use of the Supports Intensity Scale (SIS) evaluation to determine DD service needs, a tail-end program that has been turned into a front-end program by the state, he said.

Lea Armstrong described Robin, a 47-year-old family member with the mental capacity of a six-year-old who has co-occurring behavioral health issues. This "angel" of the family endangers her parents and herself when she is in intense peaks of anger. When taken to the hospital ER, hospital personnel either call the police or say she is fine and release her. This has been happening more often, and no one will help. Robin is part of a very small population, but she still matters, Ms. Armstrong said, and this population makes a big impact when these individuals become dangerous. Christus St. Vincent Regional Medical Center in Santa Fe and health care organizations in Las Vegas, Albuquerque and Los Lunas have all turned Robin away,

even when family members offered to pay for services. Only ESEM would help, she said, and her family is very grateful.

On questioning, Mr. Rogers told subcommittee members that behavioral health support allowed under the SIS is not the same as treatment. The real problem is that the system is not equipped to deal with the combination of DD and behavioral health issues.

Medicaid Home- and Community-Based Services for DD Individuals

Angela Medrano, deputy director of the Medical Assistance Division, HSD, told subcommittee members that the DD waiver central registry has approximately 6,000 persons on the waiting list. About 3,500 of these have been deemed eligible for the waiver (71 percent in at least one category of eligibility), and 50 percent are currently receiving community benefits through Centennial Care (CC). Long-term care is provided through CC, as are services to children through the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program under the state's Medicaid expansion plan. Approximately two percent of central registrants are Native Americans who are covered under Medicaid fee-for-service.

Cathy Stevenson, director of the Developmental Disabilities Supports Division, Department of Health (DOH), provided a snapshot of the numbers of individuals served in DD waiver programs in fiscal year 2015 (see handout), with a total of 4,631 individuals in the combined traditional waiver and Mi Via self-directed waiver programs. There were 355 new allocations to the waiver in 2015, and 6,365 individuals are on the waiting list as of July 1, 2015. Ms. Stevenson said this snapshot and chart of needs-distribution by group (A through H) will assist with budget planning, capacity building and overall program funding decisions. The DOH will fund DD waiver provider rate increases from July 1, 2014 to March 30, 2015 (approximately $2.2 million) because the federal Centers for Medicare and Medicaid Services (CMS) did not approve them during this period. The CMS will pick up the federal share from April 1, 2015 forward. Ms. Stevenson introduced her staff, including Ronald Voorhees, M.D., medical director of the division, to subcommittee members.

Anna Otero Hatanaka, executive director of the Association of Developmental Disabilities Community Providers, thanked the subcommittee for supporting the increase in rates, but said that providers still believe they are underfunded. Agencies have had a hard time recruiting and retaining employees and many salaries have been frozen. The $450,000 is well below a one-half percent increase, she noted. Rate increases in the Family Infant Toddler (FIT) program are also much appreciated, but still not up to the cost-study levels recommended. Providers are very grateful, but they need more, she said.

Adrienne R. Smith, director of the New Mexico Direct Caregivers Coalition (NMDCC), said economic, educational and systemic barriers exist for direct-care workers, who include home health aides, nursing aides, orderlies and attendants and personal care aides (see handouts). Caregivers are primarily women (89 percent), 18 percent are heads of households and they make an average of $9.51 per hour. There are at least 210,000 New Mexicans caring for a family member, Ms. Smith said, urging that the NMDCC be used as a resource. The coalition's network

includes 7,500 professional and family caregivers and provides, through state funding, grants and private donations, no-cost training, education and administration of nationally recognized credentials. Training costs for the coalition are about $100 to $120 per eight-hour course, and this year they have trained approximately 900 individuals, up from 500 last year.

On questioning by subcommittee members, Ms. Stevenson and Ms. Medrano said they have been working with Qualis Health and have resolved most payment issues, and Qualis Health is now in compliance with its contract. The change to a centralized bureau for eligibility determinations did cause some delays, Ms. Medrano said, but they are working with staff and providers to resolve these issues as well. A subcommittee member cautioned that increasing the minimum wage can have unintended consequences and that it will increase unemployment insurance costs for these organizations.

Update on Local Services for Persons with Developmental Disabilities

Mark Schinnerer is CEO of CARC, Inc., a Carlsbad agency that is a FIT provider and an ICF/IID, but that is no longer providing DD waiver services. CARC used to have a small number of DD waiver clients, but staff began to note that changes in the program were negatively impacting their clients, who began choosing to live in group homes. Labor shortage issues, growing demands and increasing bureaucracy for the DD waiver program culminated with his agency's decision to withdraw from the program last spring. The Qualis Health transition created a financial crisis at his agency, which was finally resolved, Mr. Schinnerer said, but the ISD is a mess. He currently has 38 positions open and is running huge overtime hours. The three-year rate system has become unbearable; once rates are set, he will not get any of this money back until September 2016. He has ICF/IID homes sitting empty because he has no staff. Next month, CARC will receive an award from the American Health Association for its work services program, and if he had the money, he could serve 12 more people who are on the waiting list.

Joe Madrid, executive director of Tobosa Developmental Services (Tobosa), now in its thirty-seventh year of operation in Chaves County, told subcommittee members that he will soon be retiring. Mr. Madrid has been director for 36 years, and his agency serves 72 adults, 175 children in early childhood and 50 school-age children in a day care center. With a $7 million budget, the agency provides staff benefits, which are essential for retention, but does not offer any retirement benefits. Since the recession began in 2011, Tobosa has been able to stay in business by cutting staff in middle management, but the impact of losing experienced directors and supervisors has been devastating, he said. Mr. Madrid introduced Rosy Rubio, who serves the agency as assistant director, human resources director, clinical department director and financial director. Mr. Madrid noted that he has never heard anyone speak of the need for a profit margin in a nonprofit organization, but it is essential for expansion, replacing vehicles and other equipment.

Ms. Rubio, also at Tobosa for 36 years, has been through roller-coaster rides in funding and changes in standards, she told subcommittee members. Qualis Health has been a nightmare, she said. At one point, with $455,000 in claims submitted and only $196,000 paid, she faced a payroll of $200,000. Tobosa still has six clients with budgets that have not been approved, and

these are in the most severe needs category — Category H. Unemployment rates have gone up three percent, she said, and because Tobosa is considered a large employer, the agency was required to provide health insurance under the federal Patient Protection and Affordable Care Act, but Tobosa could only afford minimum coverage. Tobosa has great employees who care about the clients and the agency.

Debra Battista, M.S.N., R.N. and president and CEO of the nonprofit Tresco, Inc., told subcommittee members that an increasing number of intellectual disability and DD individuals are living longer and experiencing aging issues similar to the general population. She provided a detailed rationale for her request of additional funding for the delivery of nursing care for supported living services (see handout). Ms. Battista is studying for her doctorate, has a husband who is an addiction specialist and a daughter who is a psychiatrist.

Damian Houfek is president and CEO of ENMRSCH, Inc., a community-based nonprofit organization headquartered in Clovis, with satellites in Santa Rosa and Tucumcari, that operates FIT, EPSDT, autism and other programs serving more than 1,000 children and 100 adults. He told subcommittee members that ENMRSCH's 300-plus employees travel more than 70,000 miles annually and that they manage their contracts so they can accommodate clients that other employers have refused. ENMRSCH also provides supported employment, including a contract at Cannon Air Force Base where adults work in food service, cleaning and warehousing. Wages are significantly higher on the base, Mr. Houfek said, but transportation costs to and from the base cannot be billed. A subcommittee member suggested that the agency check with its regional council of governments for possible additional funding for transportation.

The chair addressed Ms. Medrano about the numerous provider complaints on late payments from Qualis Health. Ms. Medrano said her division is working with its contractor, Xerox, to set up advance payments for providers to help ease these problems.

Public Comment

Mr. Pohl told subcommittee members that he has two mid-level positions at his agency that he cannot fill due to competition with wages offered by the oil and gas industry. He complimented the NMDCC training and said he would be happy to collaborate on a training for co-occurring diagnoses. One might assume that a person on the DD waiver is being taken care of, Mr. Pohl said, but since the SIS, his agency cannot meet its own needs.

Adjournment

There being no more business, the subcommittee adjourned at 3:55 p.m.

Revised: September 18, 2015

TENTATIVE AGENDA
for the
SECOND MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE

September 25, 2015
Adelante Development Center, Inc., Community Room
3900 Osuna Road NE
Albuquerque

Friday, September 25

8:30 a.m. **Introductions**
—Senator Nancy Rodriguez, Chair

8:45 a.m. **Welcome**
—Mike Kivitz, President and Chief Executive Officer, Adelante Development Center, Inc.

9:00 a.m. (1) **Litigation Update**
—Tim Gardner, Disability Rights New Mexico (DRNM)
—Jason Gordon, DRNM
—Cathy Stevenson, Developmental Disabilities Supports Division, Department of Health (DOH)
—Angela Medrano, Deputy Director, Medical Assistance Division, Human Services Department (HSD)

10:00 a.m. (2) **Update on Efforts to Abolish Marriage Penalty**
—Marilyn Martinez, Consumer and Advocate
—Nat Dean, Disability Advocate

11:00 a.m. (3) **Special Needs Planning (Special Needs Trusts, Pooled Trusts, the Federal Achieving a Better Life Experience (ABLE) Act of 2014 and the Federal Patient Protection and Affordable Care Act)**
—Nell Graham Sale, Partner, Pregenzer Baysinger Wideman & Sale, PC

12:00 noon **Lunch**

1:00 p.m. (4) **Autism Update**
—Lorri Unumb, Vice President, State Government Affairs, Autism Speaks
—Kristin Sohl, M.D., Missouri ECHO Autism Project
—Pat Osbourn, M.A., C.C.C., Division Director, Autism and Other

Developmental Disabilities Programs Division, Center for Development and Disability (CDD), University of New Mexico (UNM)
—Gay Finlayson, M.A., Education and Outreach Manager, CDD, UNM
—Cathy Stevenson, Developmental Disabilities Supports Division, DOH
—Dauna Howerton, Ph.D., Behavioral Health Services Division, HSD
—Angela Medrano, Deputy Director, Medical Assistance Division, HSD
—Katie Stone, New Mexico Autism Society, Legislative Chair

3:00 p.m. (5) **Centers for Independent Living**
—Ronald I. Garcia, Executive Director, New Vistas
—Albert Montoya, Executive Director, Ability Center for Independent Living
—Michael Murphy, Deputy Director, Independent Living Resource Center
—Audra Hudson, Executive Director, Choices for Independent Living Center
—Branda Parker, Director, San Juan Center for Independence

4:30 p.m. (6) **Public Comment**

MINUTES
of the
SECOND MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

September 25, 2015
Community Room, Adelante Development Center
3900 Osuna Road NE
Albuquerque

The second meeting of the Disabilities Concerns Subcommittee of the Legislative Health and Human Services Committee was called to order on September 25, 2015 by Senator Nancy Rodriguez, chair, at 8:55 a.m. in the Community Room at Adelante Development Center in Albuquerque.

Present
Sen. Nancy Rodriguez, Chair
Rep. Miguel P. Garcia
Sen. Linda M. Lopez

Absent
Rep. Tim D. Lewis, Vice Chair
Sen. Craig W. Brandt

Advisory Members
Rep. Deborah A. Armstrong
Sen. Gerald Ortiz y Pino
Sen. Ted Barela
Rep. Nora Espinoza

Staff
Shawn Mathis, Staff Attorney, Legislative Council Service (LCS)
Michael Hely, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Friday, September 25

Welcome and Introductions

Senator Rodriguez welcomed those in the audience and asked subcommittee members and staff to introduce themselves. She then introduced Mike Kivitz, president and chief executive officer of Adelante Development Center, Inc., who described his nonprofit as a vital community resource and the largest supportive employment agency in the state (see handouts). Adelante also conducts a number of programs that provide a "meaningful day" in the community for disabled New Mexicans and that include Desert Harvest, a rescued food pickup; the operation of the Benefits Connection Center; and a "Back In Use" program that provides free, refurbished durable medical equipment. Mr. Kivitz said Adelante has scaled back its services as a developmental disabilities (DD) waiver provider because reimbursement rates are not sustainable, with Adelante reporting program losses of $2.5 million last year. The state needs to increase provider rates, Mr. Kivitz said, because without that increase, Adelante cannot do its job.

Representative Armstrong congratulated Mr. Kivitz, noting that Adelante just received an award as Nonprofit of the Year from Albuquerque Business First.

Litigation Update

Tim Gardner, legal director, and Jason Gordon, litigation manager, both with Disability Rights New Mexico, provided an update on litigation brought against the Human Services Department (HSD) in federal court regarding resource allocation for adult DD waiver recipients as determined by the Supports Intensity Scale (SIS). The lawsuit also addressed denial of due process reported by clients who tried to appeal their allocation. The court issued a preliminary injunction and ordered the Department of Health (DOH) to restore the previous level of services to adult DD waiver recipients. After many months of negotiation, a broad settlement agreement was reached and was approved by the court (see handout). Mr. Gordon described in detail the many changes to available services for DD waiver recipients and the appeals process. The Continuum of Care Project at the University of New Mexico (UNM) School of Medicine was chosen as third-party reviewer of new DD waiver budgets.

To carry out these changes, a special appropriation from the legislature will be needed, currently estimated at about $9 million, according to Cathy Stevenson, director of the Developmental Disabilities Supports Division of the DOH. The SIS tool can still be utilized as a method of assessing client needs, she said, but not for determining what services a client will receive (see handout). The department will have more detailed financial projections soon and is scheduled to present on this before the Legislative Finance Committee next month. Angela Medrano, deputy director of the Medical Assistance Division of the HSD, said the agencies that are parties to the settlement agreement do not believe that the agreement will require an amendment to the state's Medicaid waiver, which comes up for renewal next June.

On questioning, subcommittee members and panel presenters discussed the following issues:

- a request of $9 million in additional funding to be matched by other programs, totaling approximately $24 million;
- concerns about budgeting for these restored services in the future;
- questions about the four- to six-member UNM team that will review new budgets;
- changes to notices denying or approving budgets to include justification;
- time lines to resolve disputes;
- the cost of new services that may affect efforts to reduce the DD waiver wait list; and
- difficulties within the system for dealing with DD consumers who also have behavioral health needs.

Update on Efforts to Abolish the Marriage Penalty

Marilyn Martinez, a consumer and disability advocate, was unable to attend the day's session, but Nat Dean, also a long-time advocate, described Ms. Martinez's tireless efforts to repeal the marriage penalty for persons on Supplemental Security Income (SSI), which penalizes two opposite-sex individuals who marry by 25 percent and also lowers by 25 percent the permissible asset limit (see handout). To get around this, a partner can sign a spousal refusal form refusing to pay for the other's debts, but this solution is abhorrent to many of the individuals who are affected. Ms. Dean thanked legislators for passing Senate Memorial 3 and House Memorial 15 during the last regular session urging every member of Congress, every governor and the president of the United States to repeal the marriage penalty. Because of extreme partisan gridlock, there is little hope of change in Washington, Ms. Dean said.

Special Needs Planning

Nell Graham Sale, a partner in Pregenzer Baysing Wideman & Sale, PC, in Albuquerque, is a trust lawyer who specializes in helping persons with special needs. For disabled individuals to access certain government benefits, they must impoverish themselves and remain poor in order to maintain those benefits, Ms. Sale explained, but special needs trusts can shelter additional resources for these individuals. The federal Achieving a Better Life Experience (ABLE) Act of 2014 allows eligible persons with disabilities diagnosed before age 26 to establish a tax-advantaged savings account to pay disability-related expenses while protecting eligibility for federal and other disability benefits (see handout). Deposits to an ABLE account may not exceed $14,000 per year, and documentation must accompany qualifying disability disbursements. The ABLE Act requires each state to pass enabling legislation, and 27 states already have done so; in New Mexico last year, two such bills died during the regular session. Ms. Sale also described several types of special needs trusts: self-settled (sheltered from being counted as a resource); payback (upon death of the disabled individual, the state has the right to recover any of its costs); and third-party settled trusts (see handout). Ms. Sale also explained how reforms of the federal Patient Protection and Affordable Care Act (PPACA) affect medical coverage for persons with disabilities and described other federal legislation that protects survivor benefits for disabled children of military veterans.

On questioning, subcommittee members and Ms. Sale discussed the role of the state's Medicaid recovery program with regard to special needs trusts, as well as current plans to move forward with ABLE legislation in the state's next legislative session. Ms. Sale emphasized that trusts should be considered an essential building block in providing care for persons with disabilities.

Motion for Recommendation to Full Committee

The subcommittee unanimously approved a motion to recommend to the full Legislative Health and Human Services Committee the endorsement of enabling ABLE legislation.

Autism Update

Lori Unumb is an attorney from South Carolina who, with her attorney husband, started a scientific nonprofit research center, the Autism Academy of South Carolina, after her son was diagnosed with autism before his second birthday (see handout). Today, Ms. Unumb is vice president of state government affairs for Autism Speaks, teaches autism law at George Washington University and with her husband has co-authored a textbook on autism. Following her son's diagnosis of autism before age two, intense applied behavior analysis (ABA) therapy was recommended for him for approximately 40 hours per week. Autism is not curable, but it is treatable, Ms. Unumb emphasized. She showed a short video of a child receiving ABA therapy. This intense one-on-one therapy can change the trajectory of a child's life, she said, and it requires special education and training; the treatment modality can cost more than $70,000 per year. Currently in New Mexico, there are only 32 board-certified behavior analysts, she said, leaving the state with inadequate resources for this highly effective therapy. Twenty-four states have created licenses for ABA behavioral analysts, and UNM has one program with a course sequence that leads to this certification.

In South Carolina, Ms. Unumb was the impetus behind the 2008 passage of South Carolina's Ryan's Law, named after her son, which mandates the inclusion in insurance of ABA therapy and other autism treatments prescribed by a treating physician up to a $50,000 annual cap. Autism Speaks, headquartered in New York, advocates for nationwide reform in insurance coverage for autism, which is now in effect in more than 25 states. Coverage of ABA therapy has been mandated in 42 states, with New Mexico being one of the first. Ms. Unumb detailed the effects of the PPACA's mandated treatment of autism and compliance with mental health parity laws.

Kristin Sohl, M.D., associate professor of child health, University of Missouri Thompson Center for Autism, described a Missouri initiative utilizing the Project ECHO model to transform primary care for children with autism (see handout). Autism is on the rise, she said, with one in 68 children now being diagnosed with autism spectrum disorder. Early intervention reduces the long-term costs and improves outcomes. In Missouri, a state that did not expand Medicaid with the PPACA, there are 500 children on a waiting list for assessment, and it can take up to nine months to get an appointment. Dr. Sohl's program, funded by grants from Autism Speaks and the Autism Treatment Network, aims to train primary care providers (PCPs) to

recognize the disorder earlier, become more comfortable treating the medical conditions of children with autism, share best practices and help access services for children while they are waiting for assessment/treatment. ECHO Autism provides biweekly, two-hour clinics that connect experts to PCPs and has increased knowledge across multiple domains in a very rural state. The program also has been joined by sites in Minnesota, northern Arizona and southern Utah, and it recently received a federal grant from the U.S. Department of Health and Human Services' Health Resources and Services Administration for replication in hospitals throughout the country.

Pat Osbourn, M.A., director of the Autism and Other Developmental Disabilities Programs Division, Center for Development and Disability (CDD), UNM, described multiple programs of the division that provide direct services, technical assistance and capacity building (see handouts), as well as comprehensive evaluations, parent home-training and written materials and resources for families dealing with autism. She also provided a copy of the division's autism programs training calendar through June 2016. Ms. Osbourn said information is provided in English and Spanish, with funding for community-based programs coming from the DOH and the Public Education Department (PED). A new children's psychiatric hospital is being planned at UNM, and there will be a section specifically for children with autism, Ms. Osbourn said. New Mexico is getting better at recognizing autism, but improvement is still needed in screening.

Gay Finlayson, M.A., education and outreach manager for the CDD, provided a summary of autism initiatives in the New Mexico Legislature, beginning in 2007 and including details of an upcoming 2017 budget request for $150,000 to the DOH to assist behavioral health providers and their adult autism clients who do not meet DD waiver criteria to access services through Medicaid (see handout). There are few services available for adults with autism, she said, and while these individuals are entitled to behavioral health services through Medicaid, the managed care organizations (MCOs) claim they are not required to provide them through comprehensive community support services.

Dauna Howerton, Ph.D., Behavioral Health Services Division, HSD, is in charge of contract management for the MCOs and is state lead on ABA services. The rule regarding ABA services within Medicaid is now five pages long, she said, and it details who can provide the services, their required professional qualifications and how improvement will be measured. Meetings are being held weekly; providers are being trained and asked to collaborate. Nothing is happening in isolation, Dr. Howerton said; the goal is for all MCOs to do the same thing.

Katie Stone, legislative chair of the New Mexico Autism Society, urged legislators to closely examine the PED's budget for special education spending and the state's maintenance of effort (MOE) requirements. The U.S. Department of Education recently won a lawsuit against the PED for past failures to meet this threshold, and the department's 2016 budget once again underfunds the MOE requirement (see handout), Ms. Stone asserted. Every disabled child is entitled to special education services, and New Mexico's efforts to underfund these services is shortsighted, as every dollar invested today is a savings for tomorrow when these children have

grown into adulthood. Legislators must dig deeper into the underfunding of special education in New Mexico, advised Ms. Stone.

On questioning, subcommittee members and panel presenters discussed the following issues:

- the availability of a statewide registry of children and adults with autism;
- making certain that state autism laws do not discriminate by age;
- a lawmaker's observation that carrying a bill for autism services is an opportunity to educate fellow legislators;
- the possibility that federal match funds for special education could be used to address adult autism issues;
- utilization of child-only policies on the insurance exchange to obtain coverage for needed autism services;
- the possibility of expansion of ABA training to additional New Mexico universities;
- seeking solutions "outside the box" to raise revenue for autism services; and
- finding innovative methods to help build the autism provider network.

Former State Representative Liz Thomson, a previous chair of the subcommittee, was recognized from the audience. Ms. Thomson is a physical therapist and also the mother of an adult son with autism. She addressed the estimate of $10 million, suggested in earlier discussions, to be the amount currently needed for autism services in the state. It is not enough, she said; other states are so far ahead of New Mexico, and there is no real plan to address autism. She suggested that an autism task force be reimplemented. The children being neglected now will be around for a long time, she said; it is pay now or pay later.

Motion for Legislation

The subcommittee approved a motion that LCS staff draft legislation for subsidizing ABA training and education in order to expand its availability in New Mexico.

Presentation Postponed

Staff announced that the final presentation of the day, Centers for Independent Living, was being postponed until the next meeting in Santa Fe on October 22.

Public Comment

Anna Otero Hatanaka, executive director of the Association of Developmental Disabilities Community Providers, noted that her grandchild gets excellent special education services from Albuquerque Public Schools. Speaking on behalf of her organization's members, she urged that one reimbursement rate be utilized for all service systems instead of multiple different rates. All rates should be at the higher level that has been approved for members of the *Jackson* lawsuit class.

Star Ford, mother of a neuro-divergent child, said that many autistic individuals do not want to be "normalized". Society should not be talking about how much autistic individuals cost, she said, but should be focusing on what they can contribute and what can be done to make jobs accessible rather than what can be done to make them "fit in". Autistic individuals need independent representation in matters that relate to them, and it is the state's job to listen.

Zoe Migel, a social worker who specializes in helping families with autism, introduced a client who has a two-year-old autistic son and cannot get him into ABA services. Her son is still young and needs these services now, but she has been getting the runaround from providers and has been unable to secure any services. Ms. Migel urged that the state develop a program that would bring in providers from other communities to support and bolster the behavioral health network. She sought, and was granted, permission from the chair to read from a stack of letters provided by her clients, including ones from:

- a mother whose son was diagnosed with autism in 2014, does not talk and needs ABA but who has been on a wait list for six months;
- a parent with an autistic child from the Pueblo of Santo Domingo who cannot find an ABA provider in the region;
- a parent who could not find ABA services in Santa Fe and whose treatment is being denied because there are no providers;
- a mother from Pojoaque who was referred by her MCO to two different companies for ABA, neither of which provide those services; and
- a state employee whose child was on a wait list for diagnosis but was able to receive services through the Family Infant Toddler program. Today, he is in a charter school and has been mainstreamed in second grade. It is nearly impossible to find ABA services outside of Albuquerque, the state employee said, and many families do not have the support system or resources to persevere.

Minutes Approved

Minutes from the August 28 meeting of the subcommittee were approved.

Adjournment

There being no more business before the subcommittee, the meeting was adjourned at 4:05 p.m.

Revised: October 21, 2015

TENTATIVE AGENDA
for the
THIRD MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE

October 22, 2015
State Capitol, Room 322
Santa Fe

Thursday, October 22

8:30 a.m. **Introductions and Approval of Minutes**
—Senator Nancy Rodriguez, Chair

8:45 a.m. (1) **Centers for Independent Living**
—Ronald I. Garcia, Executive Director, New Vistas
—Albert Montoya, Executive Director, Ability Center for Independent Living
—Michael Murphy, Deputy Director, Independent Living Resource Center
—Audra Hudson, Executive Director, Choices for Independent Living Center
—Branda Parker, Director, San Juan Center for Independence

10:15 a.m. (2) **House Memorial 9 (2015) Task Force Report**
—Dr. Anthony Cahill, Director, Disability and Health Policy Division, Center for Development and Disability, University of New Mexico (UNM) School of Medicine
—Dr. Janis Gonzales, Bureau Chief and Medical Director, Family Health Bureau, Department of Health

11:15 a.m. (3) **Project ECHO**
—Sanjeev Arora, M.D., F.A.C.P., F.A.C.G., Director, Project ECHO; Professor of Medicine, Department of Internal Medicine, UNM School of Medicine

12:15 p.m. **Lunch**

1:15 p.m. (4) **Update on Self-Directed Waiver**
—Cathy Stevenson, Director, Developmental Disabilities Supports Division, Department of Health
—Angela Medrano, Deputy Director, Medical Assistance Division, Human Services Department
—Tim Gardner, Legal Director, Disability Rights New Mexico
—Sandy Skaar, Director/Owner, Self-Directed Choices
—Cindy Padilla, Support Broker, Self-Directed Choices
—Dave Murley, Chief Executive Officer/President, AAA Participant Direction

2:30 p.m. (5) **New Mexico Developmental Disabilities Waiver Program Comparative Cost Analysis**
—Robert Kegel, Robert Kegel & Associates

3:30 p.m. (6) **Recognition of Anna Otero Hatanaka**

4:00 p.m. (7) **Public Comment**

4:30 p.m. **Adjourn**

MINUTES
of the
THIRD MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 22, 2015
State Capitol, Room 322
Santa Fe

The third meeting of the Disabilities Concerns Subcommittee of the Legislative Health and Human Services Committee was called to order on October 22, 2015 by Senator Nancy Rodriguez, chair, at 8:59 a.m. in Room 322 of the State Capitol in Santa Fe.

Present
Sen. Nancy Rodriguez, Chair
Sen. Craig W. Brandt
Rep. Miguel P. Garcia
Sen. Linda M. Lopez

Absent
Rep. Tim D. Lewis, Vice Chair

Advisory Members
Rep. Deborah A. Armstrong
Sen. Gerald Ortiz y Pino
Sen. Ted Barela
Rep. Nora Espinoza

Guest Legislator
Sen. William P. Soules

Staff
Shawn Mathis, Staff Attorney, Legislative Council Service (LCS)
Michael Hely, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Thursday, October 22

Welcome and Introductions

Senator Rodriguez welcomed those assembled and asked legislators and staff to introduce themselves.

Centers for Independent Living

Ronald I. Garcia is executive director of New Vistas, a nonprofit center for independent living that supports a nine-county service area in northern New Mexico and provides advocacy, independent living skills training, peer support and information and referral for disabled individuals. The new federal Administration for Community Living has added three additional core responsibilities: assistance with youth transition; assistance to individuals wishing to remain in the community instead of moving to a nursing home; and assistance to disabled individuals residing in a nursing home who wish to return to the community. Mr. Garcia noted that there is no additional funding allocated to develop and implement these new services. Currently, New Vistas centers offer early childhood intervention programs, benefits advocacy and consumer/family and one-on-one assistance to approximately 550 children and families and 200 individuals with disabilities and also offers another 2,000 individuals information and referrals. Declining rural populations mean declining services, Mr. Garcia said, and lack of choices in housing, transportation, education and health care are major issues for people living in rural and frontier areas. He urged legislators to consider investing more to provide better community-based support for New Mexicans with disabilities.

Albert Montoya, executive director of the Ability Center for Independent Living based in Las Cruces, told subcommittee members that his organization serves a six-county area of southwestern New Mexico. Mr. Montoya said that, for many persons with disabilities, community barriers can severely limit choices of where to live, work and travel and how to spend leisure time. A center for independent living (CIL) is a nonprofit, consumer-controlled, community-based organization that provides an array of independent living services (see handout), and Mr. Montoya provided a series of case histories that highlighted these offerings. Independent living is considerably less costly than nursing home care, he said, and peer support and numerous social events make a CIL feel more like home.

Sue Hagler described programs of the Independent Living Resource Center in Albuquerque, which include the provision of information and advocacy for housing, benefits, transportation, education and employment for individuals with disabilities. Ms. Hagler, who is disabled, said that the Independent Living Resource Center is part of a movement for change in communities so that people with disabilities can live and work in a barrier-free society. The center, with two locations in Albuquerque and other locations in Socorro and Alamogordo, collaborates with providers to secure home modifications and to obtain housing by providing financial aid for first and last month's rent, deposit and household items. A center co-worker, Kate Unna, who also is disabled, described her efforts to encourage other disabled individuals to find meaningful employment, especially individuals in their twenties and thirties like herself.

She educates disabled individuals about the process of getting off Social Security benefits and getting back to work. Ms. Unna is not a case manager, but said she ends up doing a lot of work that could be considered case management.

Branda Parker is director of the San Juan Center for Independence (SJCI), which is based in Farmington with satellite offices in Gallup and Albuquerque. Ms. Parker said that her nonprofit organization serves the northern pueblos and offers a consumer-directed program of local, state and national advocacy for systems, as well as individual self-advocacy; personal care services and nursing home transition; and youth transition services. A procurement program assists consumers in obtaining assistive devices for more independent lifestyles, and an alternative loan program provides loans through a bank partnership that offers lower interest rates. There are many classes and activities at the SJCI, including art, cooking, autism support, cat therapy, a consumer garden, peer mentoring, a summer youth program and recreational activities such as camping, fishing, rafting and skiing. An accessible sensory playground and Harmony Park provide entertainment and music therapy for consumers, Ms. Parker said. Utilizing an extensive network of collaborators, the SJCI is able to fill gaps where no services are available.

On questioning, subcommittee members and panel presenters discussed what legislators might be able to do to help independent living centers. Invest in children instead of prisons, one center director suggested, adding that it always comes down to money. Another presenter reminded subcommittee members that her center on the Navajo Nation is very rural, and there are no providers and no services available. Independent living centers are funded through a patchwork of federal, state and local grants and programs, the presenters said, and, because of sequestration, federal funding has been reduced to less than it was in 1983. Several presenters described ongoing problems with Centennial Care (CC) and managed care organization (MCO) computer systems that have created huge eligibility issues. The chair thanked presenters and offered help with needed legislation.

Project ECHO (Extension for Community Health Outcomes)

Sanjeev Arora, M.D., F.A.C.P., F.A.C.G., director of Project ECHO and professor of medicine at the University of New Mexico Health Sciences Center (UNMHSC), described extraordinary growth for Project ECHO in meeting its mission to democratize medical knowledge and get best-practice care to underserved people — Project ECHO now is being utilized for 46 disease areas at 63 major universities throughout the world (see handout). The original project began with hepatitis C, and with a desire to help rural primary care physicians in New Mexico become as good as an interdisciplinary team in treating hepatitis C, for which, in rural areas, there had been little access to care.

Dr. Arora described an ongoing University of Wyoming project that tackles problems with assistive technology (tablets and apps) for developmentally disabled (DD) students in rural areas. Utilizing the Project ECHO model, a team of specialists is joined in a weekly video conference with school teachers, students and even family members to improve teaching methods

and enable students to learn in their home communities. Project ECHO provides a tremendous opportunity to democratize the knowledge and best practices of the "super-specialists", he said.

Erika Harding, M.D., director of replication initiatives, Project ECHO, described the use of Project ECHO in early diagnosis and treatment of autism, which has the potential to save billions of dollars in long-term care costs. With primary care providers (PCPs) on the front lines of recognizing and initiating services, a pioneering Project ECHO program at the University of Missouri provides extensive multidisciplinary training for PCPs, connecting them with a team of experts for case-based learning. Dr. Harding said that this model is being replicated for autism care across the country and now includes locations in California, Arizona, Texas, Tennessee, Ohio and Pennsylvania. A pilot study utilizing Project ECHO will be launched in New Mexico in January 2016 to help address the extreme statewide shortage of providers of applied behavioral analysis, which is a highly effective method of treatment for children with autism (see handout). This model works even in India, where it now is being utilized, Dr. Harding said; there is no other way to bring specialists all at once to rural areas.

Martin G. Kistin, M.D., a clinical gastroenterologist and professor of medicine at UNMHSC, said that Project ECHO is the greatest advance in health care that has happened in his lifetime. In his many years of clinical practice, he was a specialist with a long waiting list and many patients who came from great distances. Some of them did not even have running water in their homes, and the time and the expense of transportation prohibited much treatment. When PCPs feel isolated, Dr. Kistin said, they do not remain in the community. If they feel supported and valued, this dynamic changes dramatically.

Each month, 80 people come to New Mexico from all over the world to train in the Project ECHO model, Dr. Arora said, and Project ECHO is an opportunity to transform care in rural areas at a low cost. Dr. Arora strongly urged legislators to increase funding to Project ECHO, noting that there is huge potential for the model to lead in the treatment of disabilities. Dr. Arora said he was scheduled to meet tomorrow in Washington, D.C., with members of the Obama administration, and later with representatives of the federal Health Resources and Services Administration and the Substance Abuse and Mental Health Services Administration, to discuss potential new roles for the Project ECHO model. MD Anderson Cancer Center at the University of Texas currently has seven Project ECHO projects in Uruguay and Zambia, and Harvard University and the University of Rochester are using Project ECHO for elderly individuals who are being treated at home. In asking for an increase in state funding for Project ECHO (to a total of $5.1 million), Dr. Arora noted that the State of Missouri is providing several million dollars annually for just one Project ECHO program. Times are hard in New Mexico with the downturn in oil and gas revenue, but the cost savings to the state are enormous — estimated to be $47 million in 2013 alone, Dr. Arora said.

Update on Self-Directed Waiver

Cathy Stevenson, director of the Developmental Disabilities Supports Division (DDSD), Department of Health (DOH), and Angela Medrano, deputy director of the Medical Assistance

Division, Human Services Department (HSD), described the medically fragile waiver (MFW) that provides home- and community-based services to DD individuals who are medically fragile and have a developmental disability or are developmentally delayed, or at risk for becoming developmentally delayed, and meet a certain level of need criteria (see handout). These services currently are delivered either through the traditional DD waiver (136 recipients) or through the Mi Via self-directed waiver (77 recipients). Ms. Stevenson and Ms. Medrano also provided handouts of historic information about the agency-based community benefits and self-directed community benefits. The MFW program expired on June 30, 2015, was to transition to CC on July 1, 2015 and is currently operating on an extension from the federal Centers for Medicare and Medicaid Services (CMS). The transition to CC was postponed, Ms. Stevenson and Ms. Medrano said, to allow more feedback from meetings with families and with the advisory board before proceeding with the complex transition.

Tim Gardner, legal director of Disability Rights New Mexico, described his agency's concerns with the fact that individuals who qualify for nursing home level of care are not given a comprehensive assessment but, rather, are assessed only on the 10 activities of daily living (see handouts). The problem is that individuals have to trade homemaker services for another category, such as physical therapy or cognitive rehabilitation therapy. Most people are not willing to trade out personal care services and, thus, forgo other needed services.

Cindy Padilla, a private support broker for Self-Directed Choices, LLC, said behavioral health services are available, but the assessment for this is not as robust as it should be, and individuals still would be required to trade out personal care hours to receive services (see handout). Budgets have been grandfathered into CC, Ms. Padilla said, but if there is any change to the budget, the grandfathered elements are no longer valid. The wages paid to providers in the budgets are different for each MCO, and as a consumer's health declines and more services are often needed, that, along with increased payroll taxes that come out of that budget, results in an even greater reduction in services. It is difficult to find part-time caregivers, she said, and there are issues with the mileage allowance for transportation, as well. Ms. Padilla said she participates in monthly meetings with the MCOs, which has been very helpful in resolving specific issues, but the overall program needs more work, she said.

Dave Murley, president and chief executive officer of AAA Participant Direction, pointed out discrepancies among the CC self-directed community benefit budget policy, the New Mexico Administrative Code, the Managed Care Regulations and the CMS Special Terms and Conditions. The state wanted to fix what it perceived as excessive budgets under the Mi Via self-directed waiver program, Mr. Murley contended, and the state created restrictions in its policy manual requiring consumers to reallocate personal care hours in order to receive other services (see handout). The actual cost of agency-based services is not available, he said, and because allotments are based on rates that "low-ball" the actual cost of agency-based services, budget amounts are insufficient for individuals to access services. Mr. Murley also criticized the lack of access to due process for appealing budgets, and he urged training in self-directed philosophy for

MCOs and agency personnel, as well as evaluation of the efficacy of different long-term care models.

On questioning, subcommittee members conveyed their concern about limiting categories of care, noting that these individuals appear to be short-changed on the assessment, leaving these individuals with no ability for self-direction. The subcommittee chair asked that all of the MCOs be invited to the next meeting to explain to members how budgets are created and to explain the process for appeal. Ms. Stevenson reiterated that the rollout of proposed changes for Mi Via self-directed waiver participants has been delayed until the 2018 Medicaid waiver negotiations.

New Mexico Developmental Disabilities Waiver Program Comparative Cost Analysis

Robert Kegel, advocate and principal of Robert Kegel & Associates, said that the recent settlement of the *Waldrop* lawsuit against the DOH substantiates his long-standing complaint that the state's use of the Supports Intensity Scale to determine the level of service needs for DD waiver recipients was actually intended as a way to cut services. Mr. Kegel also has long disputed the DDSD's contention that DD waiver costs in New Mexico are among the highest in the nation, and he presented a detailed and lengthy analysis of rates for comparison disputing this (see handout). New Mexico's DD waiver is actually among the cheapest in the country when all factors are taken into account, he asserted. The DDSD contractor's analysis concluding that New Mexico's rate was among the highest utilized a study that blended support waivers with comprehensive waivers that were never intended to be used for such a comparison. The CMS recently commissioned a report by Truven Health Analytics (see handout) that provided data in a more useful form so that a true comparison could be performed, Mr. Kegel said. He urged legislators to, in the future, carefully consider the source of any statistical data supplied by either the DOH or the HSD, or their contractors, regarding comparable waiver costs, as well as any potential conflict of interest that may exist. His report is not intended to be a conclusive study, but only a beginning, Mr. Kegel said. The DDSD needs to identify other comparable states, practices and methods of service before recommending any changes in New Mexico.

Subcommittee members urged Mr. Kegel to provide all of his data and observations to the Legislative Finance Committee.

Recognition of Anna Otero Hatanaka

Senator Rodriguez read from a Senate Certificate of Recognition for Anna Otero Hatanaka dated October 16, 2015, honoring the long-time social justice advocate upon her retirement as executive director of the Association of Developmental Disabilities Community Providers. Over a span of 35 years, Ms. Hatanaka's efforts have led to increased state funding for home visitation, low-income child care, community corrections programs, developmental disabilities consumer programs, the Family Infant Toddler program and for aid to families with dependent children. The senate certificate, which will be duplicated in the house, further states that she played a major role in the passage of the State Use Act, which supports employment of those with developmental disabilities and has served as a valuable resource to legislators on helping find ways to support these individuals, their families and communities and those who serve them. Subcommittee

members each spoke to Ms. Hatanaka, saying she will be sorely missed and lamenting the loss of institutional knowledge with her retirement.

Many members of the audience, including Mark Johnson, Ms. Stevenson, Ms. Medrano, Mr. Garcia and Nat Dean, among others, also spoke in honor of Ms. Hatanaka and her lifetime of advocacy.

Minutes Approved

The minutes of the September 25, 2015 subcommittee meeting in Albuquerque were approved.

Adjournment

The meeting was adjourned at 4:48 p.m.

TENTATIVE AGENDA
for the
FOURTH MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE

November 24, 2015
State Capitol, Room 322
Santa Fe

Tuesday, November 24

8:30 a.m. **Introductions and Approval of Minutes**
—Senator Nancy Rodriguez, Chair

8:45 a.m. (1) **House Memorial 9 (2015) Task Force Report**
—Dr. Anthony Cahill, Director, Disability and Health Policy Division, Center for Development and Disability, University of New Mexico School of Medicine
—Dr. Janis Gonzalez, Bureau Chief and Medical Director, Family Health Bureau, Department of Health

9:45 a.m. (2) **Medicaid Managed Care Assessments for Community-Based Services**
—Sharon Huerta, L.I.S.W., Vice President, Medicaid Operations, and Chief Executive Officer, Centennial Care, BlueCross BlueShield of New Mexico (BCBSNM)
—Mackejo Heard, L.M.S.W., M.B.A., Senior Manager, Self Directed Care Lead, BCBSNM
—Ann Strenger, Director of Clinical Programs, UnitedHealthcare New Mexico Community Plan
—Cathy Geary, M.B.A., B.S.N., R.N., Director of Healthcare Services, Molina Healthcare
—Mari Spaulding-Bynon, R.N., M.D., Clinical and Long-Term Care Operations, Presbyterian Health Plan

11:30 a.m. (3) **Public Comment**

12:30 p.m. **Lunch**

1:30 p.m. (4) **Report on Federal Legislation for Potential PACE Pilot for Persons with Disabilities**
—Beverly Dahan, Vice President of Government and Legislative Affairs, InnovAge

2:30 p.m. (5) **End of Interim Report from Legislative Staff**

3:30 p.m. **Adjourn**

MINUTES
of the
FOURTH MEETING
of the
DISABILITIES CONCERNS SUBCOMMITTEE
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

November 24, 2015
State Capitol, Room 322
Santa Fe

The fourth meeting of the Disabilities Concerns Subcommittee of the Legislative Health and Human Services Committee was called to order on November 24, 2015 by Senator Nancy Rodriguez, chair, at 9:09 a.m. in Room 322 of the State Capitol in Santa Fe.

Present
Sen. Nancy Rodriguez, Chair
Rep. Miguel P. Garcia
Sen. Linda M. Lopez

Absent
Rep. Tim D. Lewis, Vice Chair
Sen. Craig W. Brandt

Advisory Members
Rep. Deborah A. Armstrong
Sen. Ted Barela
Sen. Gerald Ortiz y Pino

Rep. Nora Espinoza

Guest Legislators
Rep. James Roger Madalena
Rep. Howie C. Morales

Staff
Shawn Mathis, Staff Attorney, Legislative Council Service (LCS)
Michael Hely, Staff Attorney, LCS
Nancy Ellis, LCS
Diego Jimenez, LCS
Erin Bond, LCS

Minutes Approval

Because the committee will not meet again this year, the minutes for this meeting have not been officially approved by the committee.

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file.

Tuesday, November 24

Welcome and Introductions

Senator Rodriguez welcomed those assembled and asked legislators and staff to introduce themselves. As this was the last meeting of the 2015 interim, Senator Rodriguez expressed appreciation to fellow legislators who served on the subcommittee and those who attended as guests.

House Memorial 9 (2015) Task Force Report

Anthony Cahill, M.D., director of the Disability and Health Policy Division, Center for Development and Disability, University of New Mexico (UNM) School of Medicine, described difficulties for children between the ages of 14 and 21 with chronic, long-term and serious health conditions as they transition from pediatric providers into the adult health care system. Dr. Cahill said the task force, led by his UNM center and assisted by a federal grant from the Health Resources and Services Administration (HRSA), met five times between January and August to discuss possible solutions to the complex problems facing nearly 70,000 New Mexicans. The prime criterion for the group's recommendations was feasibility. The task force included broad representation from state agencies, UNM Hospital and UNM School of Medicine, health and community professionals, managed care organizations (MCOs), stakeholders and self-advocates and it produced a comprehensive report of findings and recommendations (see handout), including the following recommendations:

- development of online training for health care providers with continuing education credits, including specific competencies for transitioning youth with special needs;
- provision of funding to the Administrative Office of the Courts to perform a gap analysis on resources and support services for families seeking guardianship and other legal approaches;
- support with per diem and travel expenses for family members of youth with special health care needs who serve on state committees;
- development of a health literacy program reflecting cultural and linguistic needs;
- development of policies to improve access to health care for immigrants;
- directing MCOs to reimburse providers for care coordination in transferring youth with special needs into the adult system;
- development of a formal plan by the Children's Cabinet for collaboration among service agencies and to map systems and services available for this population from each state agency;
- provision of a gap analysis to document the potential need for a complex care clinic at UNM;
- provision of plans to increase access to oral health care for special needs youth in transition; and

- a request to the Office of Superintendent of Insurance to require MCOs and private health plans to publish and distribute changes in their provider networks and a request to provider licensing entities to track provider continuity with place of service and the health plan.

In a discussion following the presentation, it was noted that several task force recommendations urged specific funding to various agencies (see handout), and a member suggested that some recommendations may need to be broken down into separate bills. The low rate of provider reimbursement for special-needs youth transition is a major barrier to service, and the 30-minute limitation on dental service for patients on Medicaid is detrimental to coordinated care and could be viewed as discriminatory. The need for expanded access to dental services and oral health care for this special population was discussed at length. The chair urged legislators to think creatively on how best to move forward with these recommendations.

Medicaid Managed Care Assessments for Community-Based Services

Cathy Geary, M.B.A., B.S.N., R.N., director, Healthcare Services, Molina Healthcare, described the home and community benefit (CB) package that all Centennial Care (CC) recipients who qualify are entitled to, in addition to their physical and behavioral health benefits. The CB is intended to provide an alternative to institutional care and is meant to supplement natural supports (family, friends, community churches and clubs), she said. New Mexico residents who are Medicaid-eligible and who are assessed as needing nursing facility level of care (NFLOC) can choose between agency-directed or self-directed CBs. If the individual selects the agency CB, a care plan is developed for needed services. With the self-directed CBs, a support broker provides education and helps with budget development for that member.

Mari Spaulding-Bynon, R.N., M.D., director of clinical and long-term care operations for Presbyterian Health Plan, said a health risk assessment is done for all members, but an in-home comprehensive needs assessment must be conducted in order for a member to be eligible for the CB. A functional assessment of NFLOC is followed by assessment for physical, behavioral, psychosocial, environmental and safety needs. These assessments are done in collaboration with the member and a provider (medical, support broker or other caregiver) and are followed by development of a care plan, along with goals and interventions. Any inpatient or outpatient circumstance can trigger another assessment and update of the care plan, which cannot exceed the annual average cost of nursing home care in New Mexico ($58,584), adjusted by the state annually.

Kellie Hammett, UnitedHealthcare, said that after a comprehensive needs assessment has been conducted and a care plan developed, the MCO will look first at what resources are available. If a service requested by the member is denied, it can be appealed to the MCO, she said. If the MCO denies it again, the member can request a fair hearing. Notices are sent to the member with the determination and include information regarding the appeals process. Customized community supports are available only through the self-directed CB.

On questioning, panel presenters and subcommittee members discussed differences in the CB between urban and rural areas. Services are available in urban communities, but in rural areas, when a member's needs have been clearly identified, the services are often unavailable. Family members in rural areas represent a much higher percentage of caregivers. The cost of personal caregivers is between $11.00 to $14.60 per hour, the MCOs reported. Very few new MCO members come close to the annual cap on community benefit services. Molina reported that of 4,300 members receiving the CB, only 33 are at 80 percent or more of the cap. If the need can be documented and assessed, the member can go above the cap. A subcommittee member said that on numerous occasions, she has been told that recipients of the CB have to reduce personal care hours in order to obtain other needed services. Another subcommittee member felt that there may be training issues with the individuals doing the assessments and urged MCOs to focus on additional training for them.

Public Comment

Lindsay Sloan, disability advocate, along with advocate Daniel Eppman, provided subcommittee members with a history and awareness fact sheet. Ms. Sloan reviewed federal legislation affecting the rights of disabled individuals and provided copies of New Mexico's Senate Memorial 48 (2015), which encourages educators to support the goals of disability history and awareness instruction.

Rebecca Sherman, a support broker for individuals on self-directed CBs, expressed shock upon hearing that a member can request an additional budget, after many years of being told that the cap can never be exceeded and is not appealable. Ms. Sherman said she has it in writing from the MCOs that members must "reallocate" their budgets in order to get additional services. She cautioned that, during an assessment, MCO members are not always able to communicate that they have other needs.

Jim Jackson, executive director of Disability Rights New Mexico (DRNM), said it is the experience of his organization that the CB planning and budgeting process does not work as represented by the panelists. He finds it hard to believe that only 275 individuals out of 22,000 would need assisted living if they were being properly assessed, and only 34 of these would need day services. The statistics provided defy understanding if there has been a true assessment of persons needing NFLOC.

Tim Gardner, DRNM legal affairs director, contends that the $58,584 cap set by the Human Services Department is not legal, but his organization has not litigated the issue because it never applies: some individuals got grandfathered in, and the new system does not cap anyone because expenditures never reach the cap. The assessment does not provide an array of services; it is a number of hours for one service (personal care or homemaker services), he asserted. Individuals can only appeal the one number, not denial of other services; if an individual does not get a denial, that individual has no basis for appeal.

Ollie Liddell is a traumatic brain injury survivor and has organizational and focus difficulties. He is currently on a self-directed CB but has more complaints with the federal system, which has left him thousands of dollars in debt and in an unhappy position of dependence.

Sandy Skaar, M.S.W., support broker and owner of Self-Directed Choices, LLC, provided a handout describing issues with inadequate CB budgets, especially with hours based on a personal care assessment that does not address behavioral and community needs. She also asserted that MCOs are not responsive to changes in health conditions and are not moving members to self-direction, and that their biased appeal process requires members to appeal their own assessments. Ms. Skaar also expressed alarm that key CC staff have departed and their positions are still vacant. She provided a letter from a client complaining about being denied mileage reimbursement when the nearest grocery store is 120 miles away round-trip.

Patricia Mabry, who lives in Moriarty, spoke about her family's experience with Huntington's disease, which has claimed her father and brother and will take her son's life before he makes it onto the list for the developmental disability waiver. There are more than 6,000 New Mexicans affected by Huntington's disease, a genetic neurodegenerative disease, and Ms. Mabry urged legislators to support benefits and services for affected individuals through the federal Huntington's Disease Parity Act of 2015.

Jennifer Roth, a support broker/consultant with Self-Directed Choices, LLC, described difficulties for clients whose budgets were cut for no apparent reason, caregivers whose checks will be late again because Xerox did not mark their forms for payment and a lack of visits by care coordinators in rural areas. She asked that legislators intervene to mandate a fair hearing process, establish a trigger for independent assessments outside the MCOs and mandate that the third-party processor (currently Xerox) be held accountable to standard operating procedures in a meaningful way. She asked, "Do we have a community benefit to save the state dollars or to help its citizens?".

Cindy Padilla spoke of environmental modifications, how the budget of $5,000 is not enough to complete most projects and how the consumer cannot afford to pay the difference. Many needs, including psychosocial and transportation, are not being addressed. Utilization managers at the MCOs are the deniers, Ms. Padilla said, especially of any activity that could be considered fun. Community access was promised and then taken away.

Ed Keller, who has traumatic brain injury, said some things are not even a possibility. In the past he had someone to help him organize and do paperwork. Homemakers cannot do paperwork, but now he has a care coordinator and a budget broker who have helped him.

Barbara Allen is caregiver for her 92-year-old father and has a brain injury herself. She came to speak up for those who work so hard as caregivers for disabled people. Ms. Allen, too, has experienced difficulty with payment from Xerox. She does not have access to a computer to

prepare time sheets for her father's other caregivers, and Xerox does not inform her if her time sheets are not accepted. Xerox needs to pay caregivers, she said.

Ken Collins is a program manager at San Juan Center for Independent Living in Gallup and also has a brain injury. Mr. Collins spoke of the need for training of MCO assessors and coordinators, who seem to choose a medical model over a social model, and of a need for more awareness of the independent living movement. More coordination and collaboration with MCOs are needed to improve member services.

Jill Kennon was formerly on Mi Via and assumed there would be a smooth transition to CC, but it took a year and a half. She is in total agreement with Mr. Jackson and Mr. Gardner from DRNM about inadequate assessments and MCO insistence on "home care". Ms. Kennon said she needs more direct support and that she does not want to be trapped in her home. The CB program was not meant to replicate a nursing home, she said. Assessments are not capturing all the needs; they are focused only on home care.

Report on Federal Legislation for Potential PACE Pilot for Persons with Disabilities

Beverly Dahan is vice president of government and legislative affairs for InnovAge, a nonprofit organization based in Denver that operates Program of All-Inclusive Care for the Elderly (PACE) programs in Colorado, New Mexico and California that serve over 24,000 frail elders. With this model, an interdisciplinary team provides all care at a PACE center for participants who have complex chronic conditions, helping them to maintain independence in their homes for as long as possible. The capitated rate paid to PACE providers has been shown to save up to 65 percent for Medicare in the last six months of an individual's life. On November 4, 2015, President Barack Obama signed U.S. Senate Bill 1362, allowing pilot programs of PACE for younger disabled adults (ages 18 through 54). The Centers for Medicare and Medicaid Services (CMS) will issue a request for proposals (RFP) to states for pilot programs, although the time line and parameters for this are still unknown. In March, the National PACE Association held a meeting to explore development of a care model that would adapt PACE to the needs of individuals with disabilities; details are included in a summary of those discussions (see handout).

PACE for a developmentally disabled population would look very different from the current model, Ms. Dahan said, adding that the size and makeup of the disabled population to be served is not yet known. A subcommittee member noted that it was a demonstration project that started PACE in New Mexico. Questioned about a time line for a possible pilot, Ms. Dahan has no idea how long it will take for the CMS to issue an RFP. It took about 26 years to establish PACE originally, she said, so lightning speed would be sometime next year.

End of Interim Report from Legislative Staff

Ms. Mathis provided a summary of the activities and topics addressed by the subcommittee during the 2015 interim (see handout) in four days of meetings with 40 presenters/panelists covering 16 topics. The handout also included copies of eight pieces of legislation that have been recommended by the subcommittee to the Legislative Health and

Human Services Committee for the 2016 legislative session. Senator Rodriguez thanked Ms. Mathis and other staff members of the LCS for their assistance.

Adjournment

There being no more business before the subcommittee, the meeting was adjourned at 2:40 p.m.

ENDORSED LEGISLATION

SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO PUBLIC ASSISTANCE; REQUIRING THE DEPARTMENT OF HEALTH TO PROVIDE AN ANNUAL REPORT ON THE DEVELOPMENTAL DISABILITIES MEDICAID HOME- AND COMMUNITY-BASED WAIVER PROGRAM; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] DEVELOPMENTAL DISABILITIES--MEDICAID HOME- AND COMMUNITY-BASED SUPPORTS AND SERVICES--ANNUAL REPORT WITH FIVE-YEAR COST PROJECTIONS.--

A. By October 1, 2016 and by October 1 of each year thereafter, the department of health shall provide a report to the legislative finance committee and the legislative health and human services committee on the supports and services provided pursuant to the developmental disabilities medicaid home- and community-based waiver program. The report shall

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include:

(1) for each of the five most recent state fiscal years, the number of individuals who:

(a) were served in the developmental disabilities medicaid home- and community-based waiver program;

(b) received developmental disabilities medicaid home- and community-based waiver services for the first time that year based on an approved initial service plan, including information on the average length of time that individuals for whom services were newly approved during the fiscal year had awaited allocation on the developmental disabilities medicaid home- and community-based waiver waiting list before plan approval;

(c) were awaiting allocation at the end of the fiscal year;

(d) were added to the waiting list, sorted by status category; and

(e) were removed from the waiting list due to reasons other than allocation to the developmental disabilities medicaid home- and community-based waiver program services;

(2) for each of the five most recent state fiscal years, the amount of state funds, if any, that the legislature has appropriated that:

(a) exceeds the previous state fiscal

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year's allocation of state funds for the purpose of increasing the number of individuals served in the developmental disabilities medicaid home- and community-based waiver program for each state fiscal year; and

(b) has reverted at the end of the state fiscal year;

(3) for each of the five most recent state fiscal years, the amount of state and federal funds expended for developmental disabilities medicaid home- and community-based waiver program services;

(4) a projection of the number of registrants who will be in awaiting allocation status at the end of each of the upcoming five state fiscal years, based on:

(a) historical data on the annual average number of registrations for the developmental disabilities waiver that were confirmed to meet the eligibility definition through match determination and moved to awaiting allocation status; and

(b) other relevant program data; and

(5) a projection of the amount of additional state funding required so that by the end of the upcoming five-year period, individuals on the waiting list awaiting allocation have a registration date not more than three years earlier than the date of the end of that five-year period.

B. As used in this section:

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(1) "awaiting allocation" means that an individual on the waiting list for the developmental disabilities medicaid home- and community-based waiver program has been determined by the department of health through match determination to meet the eligibility definition for the program;

(2) "match determination" means the process to verify that an individual has a condition that meets the developmental disabilities medicaid home- and community-based waiver eligibility definition; and

(3) "registration" means the submission of a registration form to apply for the developmental disabilities medicaid home- and community-based waiver program.

SECTION 2. APPROPRIATION.--Twenty-five million dollars ($25,000,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to fund supports and services for individuals enrolled in a developmental disability medicaid home- and community-based waiver program and to allow enrollment of eligible individuals listed on the department of health's central registry who are currently awaiting allocation of supports and services through the developmental disability medicaid waiver program. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE DEPARTMENT OF HEALTH TO PARTIALLY RESTORE RATE CUTS TO DEVELOPMENTAL DISABILITY MEDICAID WAIVER DIRECT CARE PROVIDERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Five million dollars ($5,000,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to partially restore developmental disability medicaid waiver direct care provider rate cuts. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE DEPARTMENT OF HEALTH TO FUND A COST-OF-LIVING REIMBURSEMENT INCREASE FOR DIRECT CARE SERVICE PROVIDERS FOR THE DEVELOPMENTAL DISABILITY GENERAL FUND PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Five million dollars ($5,000,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to fund cost-of-living increases in reimbursements for department of health developmental disability general fund program direct care service providers. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE DEPARTMENT OF HEALTH FOR RATE INCREASES TO FAMILY, INFANT, TODDLER PROGRAM PROVIDERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Five million dollars ($5,000,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to fund rate increases for family, infant, toddler program providers. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO CHILDREN; DIRECTING THE CHILDREN, YOUTH AND FAMILIES DEPARTMENT TO ESTABLISH AND ADMINISTER A YEAR-LONG DEMONSTRATION PROJECT TO PROVIDE SERVICES TO CHILDREN AND YOUTH WITH DISABILITIES AIMED AT IMPROVING EDUCATIONAL OUTCOMES AND AVOIDING INVOLVEMENT IN THE JUVENILE JUSTICE SYSTEM; PROVIDING FOR REPORTING; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. TEMPORARY PROVISION--IMPROVING EDUCATIONAL OUTCOMES--AVOIDING JUVENILE JUSTICE SYSTEM INVOLVEMENT--CHILDREN AND YOUTH WITH DISABILITIES--DEMONSTRATION PROJECT.--

A. By January 1, 2017, the secretary of children, youth and families shall implement in at least two counties a research and demonstration project aimed at:

(1) improving access to appropriate special

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education and related services for youth;

(2) increasing school-based supports for children and youth with disabilities so that they are not unnecessarily pushed into the juvenile justice system;

(3) collaborating with schools to increase the use of evidence-based disciplinary practices, including positive behavior supports;

(4) creating a culture shift in the education and juvenile justice systems to bridge gaps so that juvenile justice is better able to partner with schools in providing services to youth; and

(5) helping the entire court system appropriately respond to students with disabilities.

B. The demonstration project shall identify and offer services to students under twenty-two years of age, while prioritizing for allocation of services those children under fourteen years of age, who:

(1) are living with a disability;

(2) are eligible for or enrolled in special education services pursuant to the federal Individuals with Disabilities Education Act; and

(3) have had at least one incident resulting in involvement in the juvenile justice system.

C. The children, youth and families department shall contract with a nonprofit legal services provider that

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demonstrates to the department that it has:

(1) the capacity to address individual and systemic barriers to education;

(2) the requisite expertise to advocate successfully for meeting the educational needs of students with disabilities, suspected disabilities or enhanced needs;

(3) the capacity to work in rural areas of the state and meet the needs of diverse rural students and families; and

(4) demonstrated experience in working with the children, youth and families department, the administrative office of the courts and the public defender department.

D. The children, youth and families department shall establish services pursuant to the demonstration project in two counties that the department has identified as having a high degree of need for the demonstration project's services. One site of the demonstration project shall take place in a class A county with at least six hundred thousand inhabitants. One site of the demonstration project shall take place in a county with fewer than one hundred thousand inhabitants.

E. By September 1, 2018, the children, youth and families department shall report its findings and recommendations pursuant to the demonstration project to the legislative health and human services committee and the legislative finance committee.

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SECTION 2. APPROPRIATION.--One hundred fifty thousand dollars ($150,000) is appropriated from the general fund to the children, youth and families department for expenditure in fiscal years 2017 and 2018 for the establishment and administration of a demonstration project in accordance with the provisions of Section 1 of this act and to report the results of the first year's results and recommendations from the demonstration project to the fifty-third legislature. Any unexpended or unencumbered balance remaining at the end of fiscal year 2018 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE CRIME VICTIMS REPARATION COMMISSION TO FUND SERVICES FOR VICTIMS OF HUMAN TRAFFICKING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--One hundred twenty-five thousand dollars ($125,000) is appropriated from the general fund to the crime victims reparation commission for expenditure in fiscal year 2017 to fund services for victims of human trafficking. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE HUMAN SERVICES DEPARTMENT TO FUND THE STATE'S SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Four hundred thousand dollars ($400,000) is appropriated from the general fund to the human services department for expenditure in fiscal year 2017 to provide for state food stamp supplement benefits through the supplemental nutrition assistance program for individuals who are elderly or who are living with disabilities. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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HOUSE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE DEPARTMENT OF HEALTH TO CONDUCT A CHRONIC PAIN STUDY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Three hundred thousand dollars ($300,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to conduct a study on the prevalence, causes, sites and treatment of chronic pain among patients in the state. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION FOR LAW-ENFORCEMENT-ASSISTED DIVERSION IN SANTA FE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Three hundred thousand dollars ($300,000) is appropriated from the general fund to the local government division of the department of finance and administration for expenditure in fiscal year 2017 for general support for law-enforcement-assisted diversion in the city of Santa Fe. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE JOINT MEMORIAL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

A JOINT MEMORIAL

REQUESTING THE UNIVERSITY OF NEW MEXICO HEALTH SCIENCES CENTER TO RECONVENE THE J. PAUL TAYLOR EARLY CHILDHOOD TASK FORCE TO CONTINUE THE TASK FORCE'S WORK IN IMPROVING COLLABORATION AMONG STAKEHOLDERS AND DEVELOPING FURTHER EARLY CHILDHOOD BEHAVIORAL HEALTH AND CHILD ABUSE PREVENTION PLANS.

WHEREAS, in the 2013 first session of the fifty-first legislature, and in the 2014 second session of the fifty-first legislature, House Memorial 75 and Senate Memorial 5 were passed respectively, requesting the university of New Mexico health sciences center to convene the J. Paul Taylor early childhood task force in honor of former legislator and tireless children's advocate J. Paul Taylor; and

WHEREAS, during 2014 and 2015, the J. Paul Taylor early childhood task force has built solidly on its first year by

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expanding participation to include the human services department, the four medicaid managed-care organizations, the legislative finance committee and others, including some not usually a part of New Mexico early childhood efforts; and

WHEREAS, the J. Paul Taylor early childhood task force continues to work collaboratively with a broad-based coalition of state, managed-care, medical, community and legislative stakeholders to identify funding opportunities and gaps and to develop a system to recognize and respond to risk factors in young children and their families; and

WHEREAS, the J. Paul Taylor early childhood task force has worked to develop a system to identify unserved and underserved at-risk children and families, including research on evidence-based models from within and outside of New Mexico; and

WHEREAS, the J. Paul Taylor early childhood task force has worked to identify how current service delivery systems could be used for the prevention of child abuse and neglect; and

WHEREAS, for three years, the J. Paul Taylor early childhood task force has developed public health-driven recommendations to strengthen the state's early childhood behavioral health services system to respond to risk factors in infants, children and families, including recommendations to modify medicaid funding and billing and develop needed linkages among primary and behavioral health and community systems; and

WHEREAS, the J. Paul Taylor early childhood task force has

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promoted evidence-based local community behavioral health programs in New Mexico; and

WHEREAS, the work of the J. Paul Taylor early childhood task force has built upon New Mexico's existing structures by creating linkages among health, behavioral health and community systems to establish coherent, efficient and accessible infrastructure to recognize and respond to risk factors in families that place infants and young children at risk for their healthy development and safety; and

WHEREAS, the J. Paul Taylor early childhood task force has reviewed existing state and national data systems that could be used to collect critical data to support rigorous evaluation of programs and the promotion of evidence-based programming; and

WHEREAS, the J. Paul Taylor early childhood task force has recommended best practices for trauma-informed community services and a state delivery system, including recommendations for a critical work force development training plan; and

WHEREAS, the J. Paul Taylor early childhood task force has presented its recommendations to interim legislative committees and to the legislature; and

WHEREAS, among the recommendations of the 2015 J. Paul Taylor early childhood task force was that the task force's work be continued for another year to allow it to work collaboratively for the successful implementation of the infant and early childhood behavioral health action plan and the child

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abuse prevention plan;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that the members of the 2015 J. Paul Taylor early childhood task force be requested in 2016 to continue improving collaboration among stakeholders to support the implementation and sustainability of the task force's recommended early childhood behavioral health action plan and child abuse prevention plan; and

BE IT FURTHER RESOLVED that by December 1, 2016, the 2016 J. Paul Taylor early childhood task force report its latest recommendations to the legislative health and human services committee and the legislative finance committee; and

BE IT FURTHER RESOLVED that the university of New Mexico health sciences center be requested to convene the J. Paul Taylor task force for 2016 and assist the task force as necessary to enable the task force to meet at least quarterly and to develop a legislative report; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the governor, the chair of the legislative health and human services committee, the chair of the legislative finance committee, the secretary of children, youth and families, the secretary of health, the secretary of human services and the chancellor for health sciences of the university of New Mexico.

HOUSE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION FOR A COMMUNITY REENTRY PROGRAM FOR PERSONS WHO ARE COMPLETING OR HAVE COMPLETED PROBATION OR PAROLE SENTENCES AND WHO RESIDE IN CERTAIN NEIGHBORHOODS IN ALBUQUERQUE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Two hundred fifty thousand dollars ($250,000) is appropriated from the general fund to the local government division of the department of finance and administration for expenditure in fiscal year 2017 to allow the city of Albuquerque to contract with a community organization for a community reentry program that will provide job skills training and job placement services to persons who are completing or have completed probation or parole sentences and who reside in the neighborhoods of John Marshall, south

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Broadway, east San Jose and Kirtland addition in Albuquerque. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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HOUSE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO LOW-INCOME HOME ENERGY ASSISTANCE; PROVIDING FOR DISTRIBUTIONS FROM THE EXTRACTION TAXES SUSPENSE FUND FOR LOW-INCOME HOME ENERGY ASSISTANCE AND WEATHERIZATION IF NET RECEIPTS FROM THE OIL AND GAS EMERGENCY SCHOOL TAX EXCEED CERTAIN AMOUNTS; CREATING A FUND; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-1-6.20 NMSA 1978 (being Laws 1985, Chapter 65, Section 6, as amended) is amended to read:

"7-1-6.20. IDENTIFICATION OF MONEY IN EXTRACTION TAXES SUSPENSE FUND--DISTRIBUTION.--

A. Except as provided in Subsection B of this section, after the necessary disbursements have been made from the extraction taxes suspense fund, the money remaining in the suspense fund as of the last day of the month shall be

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identified by tax source and distributed or transferred in accordance with the provisions of Sections 7-1-6.21 through 7-1-6.23 and 7-1-6.61 NMSA 1978. After the necessary distributions and transfers, any balance, except for remittances unidentified as to source or disposition, shall be transferred to the general fund.

B. Payments on assessments issued by the department pursuant to the Oil and Gas Conservation Tax Act, the Oil and Gas Emergency School Tax Act, the Oil and Gas Ad Valorem Production Tax Act and the Oil and Gas Severance Tax Act shall be held in the extraction taxes suspense fund until the secretary determines that there is no substantial risk of protest or other litigation, whereupon after the necessary disbursements have been made from the extraction taxes suspense fund, the money remaining in the suspense fund as of the last day of the month attributed to these payments shall be identified by tax source and distributed or transferred in accordance with the provisions of Sections 7-1-6.21 through 7-1-6.23 and 7-1-6.61 NMSA 1978. After the necessary distributions and transfers, any balance, except for remittance unidentified as to source or disposition, shall be transferred to the general fund."

SECTION 2. A new section of the Tax Administration Act, Section 7-1-6.61 NMSA 1978, is enacted to read:

"7-1-6.61. [NEW MATERIAL] DISTRIBUTION TO LOW-INCOME HOME

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ENERGY ASSISTANCE FUND.--

A. A distribution pursuant to Section 7-1-6.20 NMSA 1978 shall be made to the low-income home energy assistance fund in an amount equal to twenty percent of the monthly calculation amount.

B. For the purposes of this section:

(1) "base amount for the current month" means the net receipts attributable to the taxes paid pursuant to the Oil and Gas Emergency School Tax Act for the month in fiscal year 2013 corresponding to the current month multiplied by a fraction, the denominator of which is the consumer price index for the corresponding month in fiscal year 2013 for the United States for all urban consumers, energy item, as published by the United States department of labor, and the numerator of which is the same index for the current month;

(2) "current month" means the month of the sales of products subject to the Oil and Gas Emergency School Tax Act, not the month in which the report required by Section 7-31-10 NMSA 1978 is required;

(3) "monthly calculation amount" means an amount equal to the net receipts of the current month attributable to the tax imposed pursuant to the Oil and Gas Emergency School Tax Act less the base amount for the current month; provided that, if the calculation results in a negative number, the monthly calculation amount for that month shall be

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zero; and

(4) "net receipts attributable to the taxes paid pursuant to the Oil and Gas Emergency School Tax Act" excludes any amounts paid pursuant to the provisions of Section 7-31-26 NMSA 1978."

SECTION 3. [NEW MATERIAL] LOW-INCOME HOME ENERGY ASSISTANCE FUND CREATED--APPROPRIATION.--

A. The "low-income home energy assistance fund" is created in the state treasury. The fund consists of money appropriated and transferred to the fund and tax revenues distributed to the fund by law. Earnings of the fund shall be credited to the fund. Balances in the fund shall not revert at the end of a fiscal year.

B. Eighty percent of the money in the low-income home energy assistance fund is appropriated to the human services department for expenditure for the low-income home energy assistance program. Money in the fund shall be disbursed by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of human services or the secretary's designee.

C. Twenty percent of the money in the low-income home energy assistance fund is appropriated to the department of finance and administration for the New Mexico mortgage finance authority to provide for weatherization of homes eligible for low-income home energy assistance programs. No

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more than five percent of this appropriation shall be used by the New Mexico mortgage finance authority for administrative expenses.

SECTION 4. APPLICABILITY.--The provisions of this act apply to current months beginning July 1, 2016.

SECTION 5. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2016.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO EXPAND ACCESS TO BEHAVIORAL HEALTH, PRIMARY CARE AND REPRODUCTIVE HEALTH SERVICES THROUGH SCHOOL-BASED HEALTH CENTERS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Five hundred fifty thousand dollars ($550,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 for its office of school and adolescent health to expand access to behavioral health, primary care and reproductive health services through twenty-six school-based health centers during the 2016-2017 school year. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF REGENTS OF THE UNIVERSITY OF NEW MEXICO TO FUND THE OPERATION OF THE STATEWIDE HUMAN PAPILLOMAVIRUS REGISTRY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--One million three hundred fifty-three thousand three hundred fifty-two dollars ($1,353,352) is appropriated from the general fund to the board of regents of the university of New Mexico for expenditure in fiscal years 2017 and 2018 to fund the operation of the statewide human papillomavirus registry. Any unexpended or unencumbered balance remaining at the end of fiscal year 2018 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO AUTISM SPECTRUM DISORDER; ENSURING THAT EVERY CHILD DIAGNOSED WITH AUTISM SPECTRUM DISORDER HAS ACCESS TO MEDICAID EARLY PERIODIC SCREENING, DIAGNOSIS AND TREATMENT SERVICES; MAKING APPROPRIATIONS TO INCREASE CAPACITY AND EXPERTISE IN THE DIAGNOSIS AND TREATMENT OF AUTISM SPECTRUM DISORDER AND TO INCREASE ACCESS TO SERVICES FOR PERSONS WITH AUTISM SPECTRUM DISORDER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 28-16A-13 NMSA 1978 (being Laws 1993, Chapter 50, Section 13) is amended to read:

"28-16A-13. AUTHORIZATION FOR PROVIDING [~~COMMUNITY-BASED~~] SUPPORT AND SERVICES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES.--

A. Subject to the availability of appropriations

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provided expressly for this purpose, the department may:

(1) acquire, provide or coordinate support and services for persons with developmental disabilities;

(2) enter into contracts and provider agreements with agencies and individuals capable of providing support and services to persons with developmental disabilities that promote the objectives of the department's state plan, prepared pursuant to Section [~~5 of the Developmental Disabilities Act~~] 28-16A-5 NMSA 1978; and

(3) establish advisory councils and task forces as necessary to guide the development and review of support and services to persons with developmental disabilities.

B. Support and services shall be provided based on individual support and service plans developed by an interdisciplinary team. The team is responsible for collectively evaluating the child's or adult's needs and developing an individual support and service plan to meet the needs.

C. The department shall:

(1) solicit the involvement of consumers, providers, parents, professional organizations and other governmental organizations prior to the adoption or revision of any policies or regulations concerning the provision of support, services, standards or funding systems. Participants

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shall be selected in a manner that reflects geographical, cultural, organizational and professional representation across the state;

(2) develop policies, procedures, rules and regulations that, to the extent possible, will promote uniformity in reimbursement and quality assurance systems regardless of the source of funding; [~~and~~]

(3) convene and maintain a family infant toddler inter-agency coordinating council and a statewide adult support and services task force that shall, at a minimum, address quality assurance; and

(4) ensure that every child with a diagnosis of autism spectrum disorder has access to medicaid early periodic screening, diagnosis and treatment services."

SECTION 2. APPROPRIATION.--

A. The following amounts are appropriated from the general fund to the following agencies for expenditure in fiscal year 2017 as follows:

(1) to the department of health:

(a) one million dollars ($1,000,000) to build agency expertise in autism spectrum disorders, to develop a state autism spectrum disorder registry and to engage community stakeholders in planning future autism spectrum disorder initiatives;

(b) one million dollars ($1,000,000) to

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develop and implement community access programs for adults with autism spectrum disorder who are not receiving services pursuant to the developmental disabilities waiver;

(c) one million dollars ($1,000,000) to develop and implement model residential support services for adults with autism spectrum disorder and challenging behaviors who are enrolled in the developmental disabilities waiver program;

(d) one million dollars ($1,000,000) to contract with the university of New Mexico health sciences center's department of psychiatry to develop and implement residential treatment for children with autism spectrum disorder and challenging behaviors who meet criteria for high levels of care;

(e) one million dollars ($1,000,000) to contract with the university of New Mexico's center for development and disability to develop and implement a satellite diagnostic clinic that offers multidisciplinary evaluations and utilizes the project ECHO model for technical support and supervision;

(f) one million dollars ($1,000,000) to contract with the university of New Mexico's center for development and disability to expand the parent home training program to include older children receiving a new diagnosis of autism spectrum disorder;

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(g) one million dollars ($1,000,000) to contract with the university of New Mexico health sciences center to develop and implement adult diagnostic evaluations for autism spectrum disorder; and

(h) five hundred thousand dollars ($500,000) to contract with the university of New Mexico health sciences center to develop behavioral health models, including comprehensive community support services, and psychosocial rehabilitation programs specific to adults with autism spectrum disorder and to provide training, technical assistance and mentoring to local community providers statewide;

(2) to the public education department:

(a) two million dollars ($2,000,000) to contract with autism programs at New Mexico post-secondary educational institutions to assist school districts in the development and implementation of evidence-based practices in classrooms for students with autism spectrum disorder and to build in-state autism spectrum disorder expertise and capacity; and

(b) one million dollars ($1,000,000) to its vocational rehabilitation division to develop and implement employment programs specific to the needs of persons with autism spectrum disorder; and

(3) one million dollars ($1,000,000) to the higher education department to develop and implement evidence-

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based peer mentoring programs for students with autism spectrum disorder who are enrolled in post-secondary educational institutions.

B. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO CHILDREN; ENACTING A NEW SECTION OF THE PUBLIC ASSISTANCE ACT TO DIRECT THE HUMAN SERVICES DEPARTMENT TO ENSURE THAT CERTAIN BEHAVIORAL HEALTH AND DEVELOPMENTAL SCREENINGS AND SERVICES ARE PROVIDED TO RECIPIENT CHILDREN; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Public Assistance Act is enacted to read:

"[NEW MATERIAL] EARLY AND PERIODIC SCREENING, DIAGNOSTIC AND TREATMENT PROGRAM SCREENING PROCEDURES.--

A. By December 31, 2016, the secretary shall adopt and promulgate rules to ensure that providers include a comprehensive health, mental health and developmental history, including an assessment of behavioral health and social-

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emotional development and an assessment for substance use disorder as part of every eligible recipient's screening under the early and periodic screening, diagnostic and treatment program screening procedures. Department rules shall require that a provider:

(1) undertake the evaluation pursuant to this subsection in accordance with an evidence-based, validated behavioral health and developmental screening tool or tools; and

(2) use age-appropriate questions for each child and the child's caregiver when using the validated behavioral health and developmental screening tool or tools pursuant to Paragraph (1) of this subsection.

B. Department rules shall require a provider that serves a recipient under the early and periodic screening, diagnostic and treatment program screening procedure to create a medical schedule for each recipient that records each service provided to the recipient pursuant to Subsection A of this section. The department shall not reimburse a provider for early and periodic screening, diagnostic and treatment program screening procedures rendered to a recipient unless that recipient's medical schedule indicates that the recipient has received all of the early and periodic screening, diagnostic and treatment program screening procedures that are indicated for the recipient's age.

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C. By December 31, 2016, the secretary shall ensure that eligible recipients under five years of age are provided with any and all behavioral health services that are medically necessary. The secretary shall adopt and promulgate rules that direct providers to maximize the use of relationship axis disorder coding and diagnostic impressions of serious imminent risk to support a finding of medical necessity for the provision of behavioral health services to eligible recipients under five years of age.

D. By December 31, 2016, the secretary shall establish a program to train providers of primary care or behavioral health services to recipients who are under five years of age that includes training on:

(1) comprehensive screening;

(2) access to medically necessary mental health services; and

(3) documenting the need for services based on relationship axis disorder codes and diagnostic impressions of serious imminent risk.

E. By December 31, 2016, the secretary shall convene an advisory group that includes representatives from the department of health, medicaid managed care organizations and the children, youth and families department to assist the human services department to:

(1) develop rules governing comprehensive

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screening pursuant to this section;

(2) identify mechanisms to improve access to medically necessary prevention and early intervention services; and

(3) contribute to the content of training offered pursuant to Subsection D of this section.

F. As used in this section:

(1) "behavioral health services" means services to promote emotional health or to prevent, treat or support recovery from mental illness, substance use disorder, chemical dependence or gambling addiction;

(2) "early and periodic screening, diagnostic and treatment program screening procedures" means the medicaid program established under federal law to serve recipients under twenty-one years of age;

(3) "primary care" means the first level of basic physical or behavioral health care for an individual's health needs, including diagnostic and treatment services; and

(4) "provider" means a provider of early and periodic screening, diagnostic and treatment program screening procedures to eligible recipients."

SECTION 2. APPROPRIATION.--Seventy-five thousand dollars ($75,000) is appropriated from the general fund to the human services department for expenditure in fiscal years 2017 and 2018 to obtain the requisite professional expertise and

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implement the provisions of Section 1 of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2018 shall revert to the general fund.

HOUSE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF REGENTS OF THE UNIVERSITY OF NEW MEXICO FOR THE HEALTH SCIENCES CENTER TO PROVIDE EDUCATIONAL MATERIALS, INCLUDING SHAKEN BABY SIMULATION DOLLS, TO EVERY HOSPITAL AND BIRTHING CENTER IN THE STATE TO EDUCATE PARENTS OF NEWBORNS TO PREVENT SHAKEN BABY SYNDROME.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--One hundred thousand dollars ($100,000) is appropriated from the general fund to the board of regents of the university of New Mexico for expenditure in fiscal year 2017 for the health sciences center to provide educational materials, including shaken baby simulation dolls, to every hospital and birthing center in the state to educate parents of every newborn to prevent shaken baby syndrome before a newborn is discharged from the hospital or birthing center.

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Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE UNIVERSITY OF NEW MEXICO SCHOOL OF MEDICINE TO MAINTAIN AND EXPAND THE PROJECT ECHO PROGRAM TO IMPROVE HEALTH OUTCOMES FOR RURAL AND UNDERSERVED NEW MEXICANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Three million dollars ($3,000,000) is appropriated from the general fund to the board of regents of the university of New Mexico for expenditure in fiscal year 2017 for the school of medicine to maintain and expand the project ECHO program to improve health outcomes for rural and underserved New Mexicans. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

MAKING AN APPROPRIATION TO THE BOARD OF REGENTS OF THE UNIVERSITY OF NEW MEXICO FOR THE HEALTH SCIENCES CENTER TO FUND THE PREPARATION OF AN ANNUAL REPORT BY THE NEW MEXICO HEALTH CARE WORKFORCE COMMITTEE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. APPROPRIATION.--Three hundred thousand dollars ($300,000) is appropriated from the general fund to the board of regents of the university of New Mexico for expenditure in fiscal year 2017 for the health sciences center to fund the New Mexico health care workforce committee's preparation of its 2016 annual report. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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HOUSE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO TAXATION; AMENDING THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT TO ALLOW THE SAME AMOUNT OF CREDIT FOR ALL PRACTITIONERS; MAKING LICENSED COUNSELORS, PHARMACISTS AND SOCIAL WORKERS ELIGIBLE FOR THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-2-18.22 NMSA 1978 (being Laws 2007, Chapter 361, Section 2) is amended to read:

"7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER TAX CREDIT.--

A. A taxpayer who files an individual New Mexico tax return, who is not a dependent of another individual, who is an eligible health care practitioner and who has provided health care services in New Mexico in a rural health care

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underserved area in a taxable year may claim a credit against the tax liability imposed by the Income Tax Act. The credit provided in this section may be referred to as the "rural health care practitioner tax credit".

B. The rural health care practitioner tax credit may be claimed and allowed in an amount that shall not exceed five thousand dollars ($5,000) for all eligible [~~physicians, osteopathic physicians, dentists, clinical psychologists, podiatrists and optometrists who qualify pursuant to the provisions of this section, except the credit shall not exceed three thousand dollars ($3,000) for all eligible dental hygienists, physician assistants, certified nurse-midwives, certified registered nurse anesthetists, certified nurse practitioners and clinical nurse specialists~~] health care practitioners.

C. To qualify for the rural health care practitioner tax credit, an eligible health care practitioner shall have provided health care during a taxable year for at least two thousand eighty hours at a practice site located in an approved, rural health care underserved area. An eligible rural health care practitioner who provided health care services for at least one thousand forty hours but less than two thousand eighty hours at a practice site located in an approved rural health care underserved area during a taxable year is eligible for one-half of the credit amount.

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D. Before an eligible health care practitioner may claim the rural health care practitioner tax credit, the practitioner shall submit an application to the department of health that describes the practitioner's clinical practice and contains additional information that the department of health may require. The department of health shall determine whether an eligible health care practitioner qualifies for the rural health care practitioner tax credit and shall issue a certificate to each qualifying eligible health care practitioner. The department of health shall provide the taxation and revenue department appropriate information for all eligible health care practitioners to whom certificates are issued.

E. A taxpayer claiming the credit provided by this section shall submit a copy of the certificate issued by the department of health with the taxpayer's New Mexico income tax return for the taxable year. If the amount of the credit claimed exceeds a taxpayer's tax liability for the taxable year in which the credit is being claimed, the excess may be carried forward for three consecutive taxable years.

F. As used in this section:

(1) "eligible health care practitioner" means:

(a) a certified nurse-midwife licensed by the board of nursing as a registered nurse and licensed by the public health division of the department of health to

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practice nurse-midwifery as a certified nurse-midwife;

(b) a dentist or dental hygienist licensed pursuant to the Dental Health Care Act;

(c) an optometrist licensed pursuant to the provisions of the Optometry Act;

(d) an osteopathic physician licensed pursuant to the provisions of Chapter 61, Article 10 NMSA 1978 or an osteopathic physician assistant licensed pursuant to the provisions of the Osteopathic Physicians' Assistants Act;

(e) a physician or physician assistant licensed pursuant to the provisions of Chapter 61, Article 6 NMSA 1978;

(f) a podiatrist licensed pursuant to the provisions of the Podiatry Act;

(g) a clinical psychologist licensed pursuant to the provisions of the Professional Psychologist Act; [~~and~~]

(h) a registered nurse in advanced practice who has been prepared through additional formal education as provided in Sections 61-3-23.2 through 61-3-23.4 NMSA 1978 to function beyond the scope of practice of professional registered nursing, including certified nurse practitioners, certified registered nurse anesthetists and clinical nurse specialists;

(i) a person licensed pursuant to the

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Counseling and Therapy Practice Act;

(j) a pharmacist licensed pursuant to the Pharmacy Act; and

(k) a social worker licensed pursuant to the Social Work Practice Act;

(2) "health care underserved area" means a geographic area or practice location in which it has been determined by the department of health, through the use of indices and other standards set by the department of health, that sufficient health care services are not being provided;

(3) "practice site" means a private practice, public health clinic, hospital, public or private nonprofit primary care clinic or other health care service location in a health care underserved area; and

(4) "rural" means an area or location identified by the department of health as falling outside of an urban area."

SECTION 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2016.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO ENDANGERED PERSONS; CREATING A BRITTANY ALERT PROCEDURE FOR THE DEPARTMENT OF PUBLIC SAFETY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 29-15-2 NMSA 1978 (being Laws 1995, Chapter 146, Section 2, as amended) is amended to read:

"29-15-2. DEFINITIONS.--As used in the Missing Persons Information and Reporting Act:

A. "Brittany alert" means a notification relating to an endangered person:

(1) who is a missing person; and

(2) about whom there is a clear indication that the person has a developmental disability as defined in Subsection A of Section 28-16A-6 NMSA 1978 and that the person's health or safety is at risk;

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[~~A.~~] B. "child" means [~~an individual~~] a person under the age of eighteen years who is not emancipated;

[~~B.~~] C. "clearinghouse" means the missing persons information clearinghouse;

[~~C.~~] D. "custodian" means a parent, guardian or other person who exercises legal physical control, care or custody of a child or of an adult with a developmental disability; or a person who performs one or more activities of daily living for an adult;

[~~D.~~] E. "endangered person" means a missing person who:

(1) is in imminent danger of causing harm to the person's self;

(2) is in imminent danger of causing harm to another;

(3) is in imminent danger of being harmed by another or who has been harmed by another;

(4) has been a victim of a crime as provided in the Crimes Against Household Members Act or in Section 30-3A-3 or 30-3A-3.1 NMSA 1978, or their equivalents in any other jurisdiction;

(5) is or was protected by an order of protection pursuant to the Family Violence Protection Act; [~~or~~]

(6) has Alzheimer's disease, dementia or another degenerative brain disorder or a brain injury; or

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(7) has a developmental disability as defined in Subsection A of Section 28-16A-6 NMSA 1978 and that person's health or safety is at risk;

[~~E.~~] F. "immediate family member" means the spouse, nearest relative or close friend of a person;

[~~F.~~] G. "law enforcement agency" means a law enforcement agency of the state, a state agency or a political subdivision of the state;

[~~G.~~] H. "lead station" means an AM radio station that has been designated as the "state primary station" by the federal communications commission for the emergency alert system;

[~~H.~~] I. "missing person" means a person whose whereabouts are unknown to the person's custodian or immediate family member and the circumstances of whose absence indicate that:

(1) the person did not leave the care and control of the custodian or immediate family member voluntarily and the taking of the person was not authorized by law; or

(2) the person voluntarily left the care and control of the custodian without the custodian's consent and without intent to return;

[~~I.~~] J. "missing person report" means information that is:

(1) given to a law enforcement agency on a

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form used for sending information to the national crime information center; and

(2) about a person whose whereabouts are unknown to the reporter and who is alleged in the form submitted by the reporter to be missing;

[~~J.~~] K. "person" means an individual, regardless of age;

[~~K.~~] L. "possible match" means the similarities between unidentified human remains and a missing person that would lead one to believe they are the same person;

[~~L.~~] M. "reporter" means the person who reports a missing person;

[~~M.~~] N. "silver alert" means a notification relating to an endangered person:

(1) who is a missing person;

(2) who is fifty years or older; and

(3) about whom there is a clear indication that the individual has an irreversible deterioration of intellectual faculties;

[~~N.~~] O. "state agency" means an agency of the state, a political subdivision of the state or a public post-secondary educational institution; and

[~~O.~~] P. "state registrar" means the employee so designated by the public health division of the department of health pursuant to the Vital Statistics Act."

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SECTION 2. A new section of the Missing Persons Information and Reporting Act is enacted to read:

"[NEW MATERIAL] BRITTANY ALERT ADVISORY.--

A. The department of public safety shall issue a Brittany alert if, after review and investigation of a missing person report of a person subject to the alert, the department makes an independent determination that the missing person is a person subject to the alert.

B. The department shall develop and implement Brittany alert procedures for the purpose of disseminating, as rapidly as possible, information about a person subject to the alert. The procedures shall include:

(1) notification to the lead station of the Brittany alert;

(2) notification to other public and private media sources and members of the public as necessary; and

(3) the provision of information about the subject of the Brittany alert, including all identifying information, to the lead station and other media sources."

SECTION 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2016.

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SENATE BILL

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO PUBLIC HEALTH; REQUIRING THE DEPARTMENT OF HEALTH TO CONVENE A TASK FORCE TO MAKE FINDINGS AND RECOMMENDATIONS REGARDING NURSE ADVICE LINE SERVICES; MAKING AN APPROPRIATION FOR NEW MEXICO-BASED NURSE ADVICE LINE SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. TEMPORARY PROVISION.--The department of health shall convene a task force to make findings and recommendations for achieving greater efficiencies in nurse advice line services, eliminating silos and integrating nurse advice lines with public and private health systems throughout the state. The task force shall consist of representatives from the department of health, the medical assistance division of the human services department, the New Mexico primary care association, the New Mexico nurses association, the New Mexico

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hospital association and nurse advice New Mexico. The task force shall report its findings and recommendations to the legislative health and human services committee on or before October 1, 2016.

SECTION 2. APPROPRIATION.--Seven hundred fifty thousand dollars ($750,000) is appropriated from the general fund to the department of health for expenditure in fiscal year 2017 to contract for New Mexico-based nurse advice line services twenty-four hours a day to reduce emergency room and hospital costs for New Mexicans. Any unexpended or unencumbered balance remaining at the end of fiscal year 2017 shall revert to the general fund.

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