

# New Mexico Department of Health



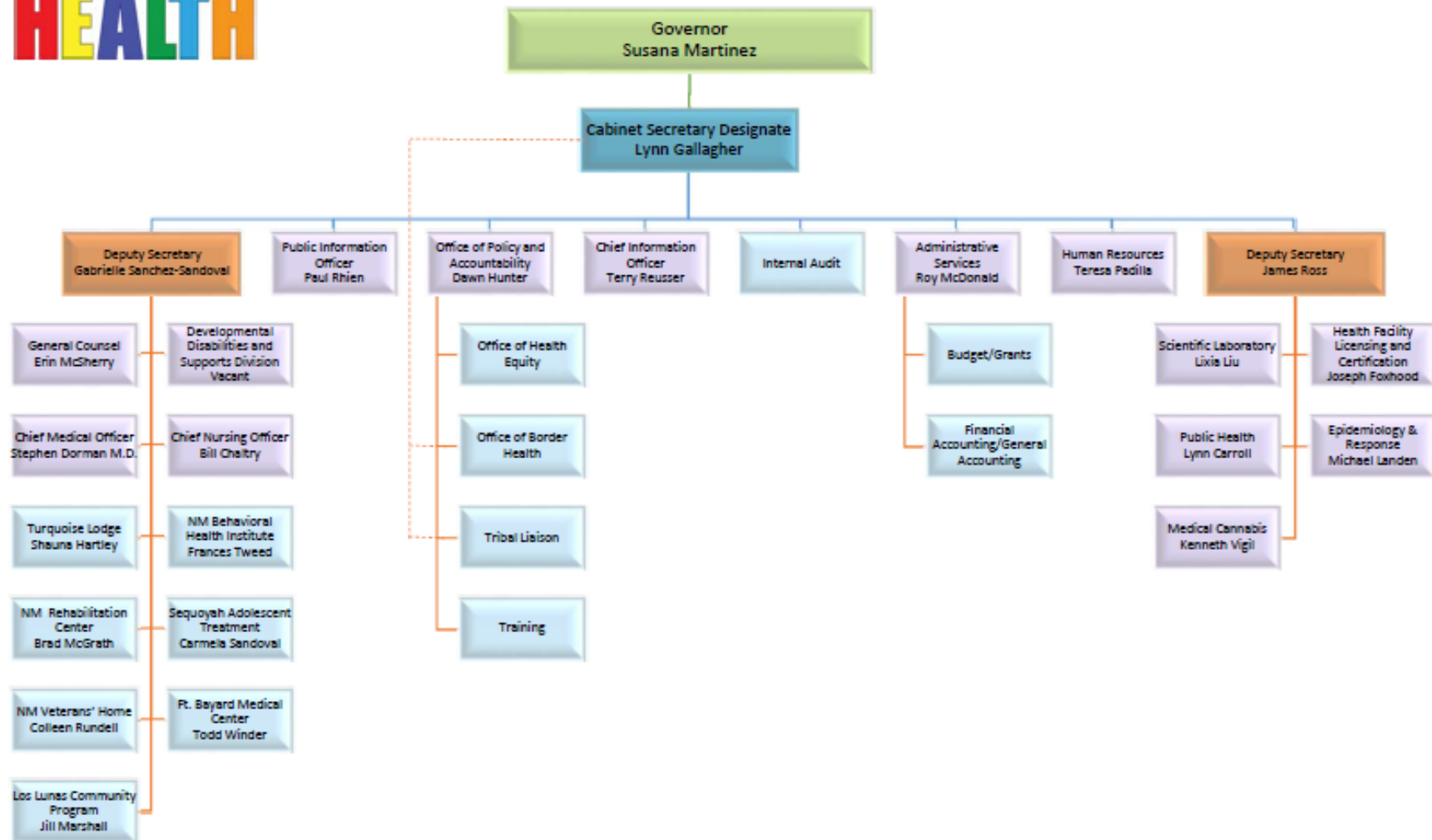
LEGISLATIVE FINANCE COMMITTEE HEARING

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DECEMBER 7, 2016

LYNN GALLAGHER, CABINET SECRETARY DESIGNATE





*Lynn Gallagher*  
 Lynn Gallagher, Cabinet Secretary Designate  
 December 2016

# FY18 Appropriation Request

Department of Health Roll-Up (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	304,392.3	287,558.8	285,281.4
Other Transfers	30,263.3	32,931.7	32,269.3
Federal Funds	83,882.9	110,435.9	110,149.2
Other State Funds	123,208.8	112,897.5	122,835.3
Fund Balance	2,826.7	2,952.0	0
Total	544,574.0	546,775.9	550,535.2

# Supplemental/Special Appropriation Request

**DEPARTMENT OF HEALTH**

**FY17 SUPPLEMENTAL, FY17/FY18 SPECIAL APPROPRIATION, FY18 BASE INCREASE OR FY18 EXPANSION REQUESTS**

P-Code	Program Area	Purpose	FY17 Supplemental (SU)		FY17-FY18 Special (SP)	
			GF	Other	GF	Other
P001	Administration	To cover IT positions. Funding was moved to ASD from other Division in the FY17 request and removed during 2016 session	1,500.0			
P003	Epidemiology & Response	Trauma System Fund Authority Funding			1,500.0	
P003	Epidemiology & Response	Vital Records PS&EB	500.0			
P004	Laboratory Services (SLD)	Lab Testing Supplies related to OMI			450.0	
P006	Facilities Management		1,000.0			
P007	Developmental Disabilities Support	Waldrop/Jackson Disengagement Attorney & Expert Fees, CMA Training Programs, 2 Project ECHO hubs			7,349.3	1,712.3
P007	Developmental Disabilities Support	To Support Mi Via Self Directed Waiver			62.1	62.1
P007	Developmental Disabilities Support	To Manage DDSD Client Data Management System			41.4	41.4
P007	Developmental Disabilities Support	For Rate Study to assure U.S. Federal CMS compliance			75.0	75.0
P007	Developmental Disabilities Support	To support DD Dental Clinic increased patient volume			310.0	
P007	Developmental Disabilities Support	To comply with CMS federal home and community based (HCBS) settings rules			1,000.0	1,000.0
P008	Health Certification, Licensing & Oversight (DHI)	To reduce Jackson contract cost related to New Internal Quality Review Unit			604.6	
P008	Health Certification, Licensing & Oversight (DHI)	FELIX System Replacement			250.0	
P008	Health Certification, Licensing & Oversight (DHI)	Contract with Consultant to Review the Quality Surveyors Toolkit			50.0	50.0
Total			3,000.0	0.0	11,692.4	2,940.8

17,633.2

# FY18 Appropriation Request

## Administrative Services Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	5,551.0	5,221.1	5,238.1
Other Transfers	796.2	412.9	757.5
Federal Funds	7,952.9	7,841.8	7,635.3
Other State Funds	54.0	0.0	0.0
Fund Balance	0.0	0.0	0.0
Total	14,354.1	13,475.8	13,630.9

# FY18 Appropriation Request

Public Health Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	62,584.1	51,446.7	51,341.0
Other Transfers	15,458.3	16,590.3	16,897.5
Federal Funds	56,838.5	72,586.9	72,078.1
Other State Funds	38,309.9	34,079.2	42,617.0
Fund Balance	0.0	2,952.0	
<b>Total</b>	<b>173,190.8</b>	<b>177,655.1</b>	<b>182,933.6</b>

A word cloud visualization of terms related to public health. The words are arranged in a circular pattern, with 'Public Health' being the largest and most central. Other prominent words include 'Environmental', 'Big Data', 'Prevention', 'Leadership', 'Vaccines', 'Drinking Water', 'Hazards', 'Food Safety', 'Emergency', 'Preparedness', 'Non-communicable disease', 'Mental Health', 'Violence', 'Management', 'Use', 'Meaningful', 'Bioterrorism', 'Restaurants', 'Demography', 'Epidemiology', 'Air', 'Obesity', 'Hippa', 'Toxins', 'Infectious Disease', 'Sanitation', 'Ageing', 'Addiction', 'Influenza', 'Vital Statistics', 'Reproduction', 'Smoking', 'Illnesses', 'Disease', 'Chronic', 'Pathogens', 'GIS', 'Behavior', 'Irrigation', 'Family', 'Alcohol', 'Statistics', 'Occupational Health and Safety', 'Healthcare', 'Birth Defects', 'Indicators', 'Training', 'Lead', 'Breast and Cervical Cancer', 'Policy', 'Risk', 'Society', 'Economics', 'Policy', 'Air', 'Protections', 'Vaccines', 'Drinking Water', 'Restaurants', 'Demography', 'Meaningful', 'Bioterrorism', 'Use', 'Mental Health', 'Violence', 'Management', 'Use', 'Meaningful', 'Bioterrorism', 'Restaurants', 'Demography'.

# FY18 Appropriation Request

## Epidemiology and Response Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	13,601.0	11,679.0	12,360.2
Other Transfers	947.8	612.3	766.2
Federal Funds	11,162.3	14,515.5	15,012.1
Other State Funds	1,198.0	841.5	407.7
Fund Balance	326.7	0.0	0.0
<b>Total</b>	<b>27,235.8</b>	<b>27,648.3</b>	<b>28,546.2</b>



# Epidemiology and Response



- **Key Accomplishments**

- Stroke Centers
- Environmental Health

- **Major Initiatives**

- Drug Overdose Death Prevention
- Improve antimicrobial stewardship
- Implement near real time tracking of overdose and suicide attempts through emergency department syndromic surveillance

# FY18 Appropriation Request

## Scientific Laboratory Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	8,393.4	7,575.0	7,599.6
Other Transfers	236.8	1,168.4	1,251.1
Federal Funds	2,327.5	2,368.0	2,646.0
Other State Funds	2,023.2	1,368.2	1,407.5
Fund Balance	0.0	0.0	0.0
<b>Total</b>	<b>12,980.9</b>	<b>12,479.6</b>	<b>12,904.2</b>

# Scientific Laboratory

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- **Key Accomplishments**

- DWI Testing and Expert Witness
- OMI toxicology
- Gold King Mine Spill Follow up Testing
- Zika, Dengue, and Chikungunya

- **Major Initiatives**

- DWI and drug testing
- Air, water, and other environmental chemical testing
- Human, animal, food, and other biological testing
- Bio/Chemical-terrorism preparedness

# FY18 Appropriation Request

Developmental Disabilities Supports Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	149,203.6	147,407.7	147,407.7
Other Transfers	8,642.4	8,845.0	8,130.4
Federal Funds	2,608.6	2,819.2	2,819.2
Other State Funds	1,042.0	1,600.0	1,600.0
Fund Balance	2,500.0	0.0	0.0
Total	163,996.6	160,671.9	159,957.3

# Developmental Disabilities Supports

## Major Initiatives

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- **Community Based Services:** Provides services to approximately 20,000 children and to adults with developmental delay, individuals with Intellectual/Developmental Disabilities (I/DD), and their families.
- **Services Provided:**
  - ✓ Three (3) Medicaid Waivers: DD Waiver, Medically Fragile Waiver and MiVia (self-directed) Waiver
  - ✓ The Family Infant Toddler (FIT) Program – Federal entitlement program
  - ✓ Five (5) specialized State General Fund programs, including Flexible Supports Pilot and support for Autism programs at the UNM Center for Development and Disability
- **Statewide Access:** DDSD operates seven regional offices statewide and delivers direct services in every county through more than 300 provider agreements and contracts.
- **Preparation for Federal Rule Change:** The federal Centers for Medicaid and Medicare Services (CMS) has adopted a Settings Rule that raises standards for community integration and person-centered planning.

# Developmental Disabilities Supports

## Major Initiatives

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DDSD assists Persons with I/DD and children with Special Needs to:

- **Control their lives** – The *Mi Via Self Directed Waiver* meets people's needs: "I like the fact that they let me live my life. No [Mi Via] plan is alike, they are all customized to meet individualized needs." – Mi Via Participant
- **Connect with their communities** – The "*Know Your Rights Campaign*" launches a collaborative effort to increase person-centered planning, reduce time in congregate/segregated service settings and increase inclusion and engagement in typical community life.
- **Find meaningful work** – Through *Partners in Employment* DDSD, UNM and the Division of Vocational Rehabilitation jointly support a resource and training center for people with I/DD, providers and employers.
- **Jump-start healthy development** – The *FIT Program* is using resources from the final year of the Race To the Top federal grant to promote quality, including a Family Service Plan Quality review tool and expansion of a statewide video technology project.

# Developmental Disabilities Supports

## Litigation Update

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- **Jackson:**

- Three Evaluative Components in the area of Incident Management have been disengaged.
- DDSD and DHI staff are actively working to conduct additional assessments and to make substantive improvements that will also disengage other Evaluative components in the areas of Health, Safety and Supported Employment.

- **Foley:**

- This case is now completely settled; services are ongoing to provide assistance.

- **Waldrop**

- DDSD has discontinued the routine use of the SIS assessment.
- The Outside Review, conducted by UNM Continuum of Care, now provides an individualized clinical review process to approve service budgets.
- While there have been "growing pains," as of October 2016, 91% of budgets are being approved within the prescribed time frames.

# FY18 Appropriation Request

## Division of Health Improvement (Dollars in Thousands)

(Health Certification, Licensing & Oversight )

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	4,469.0	4,178.6	4,192.6
Other Transfers	3,303.3	4,188.8	3,348.4
Federal Funds	2,993.1	2,517.0	2,613.0
Other State Funds	1,879.0	1,911.8	1,893.5
Fund Balance	0.0	0.0	0.0
Total	12,644.4	12,796.2	12,047.5



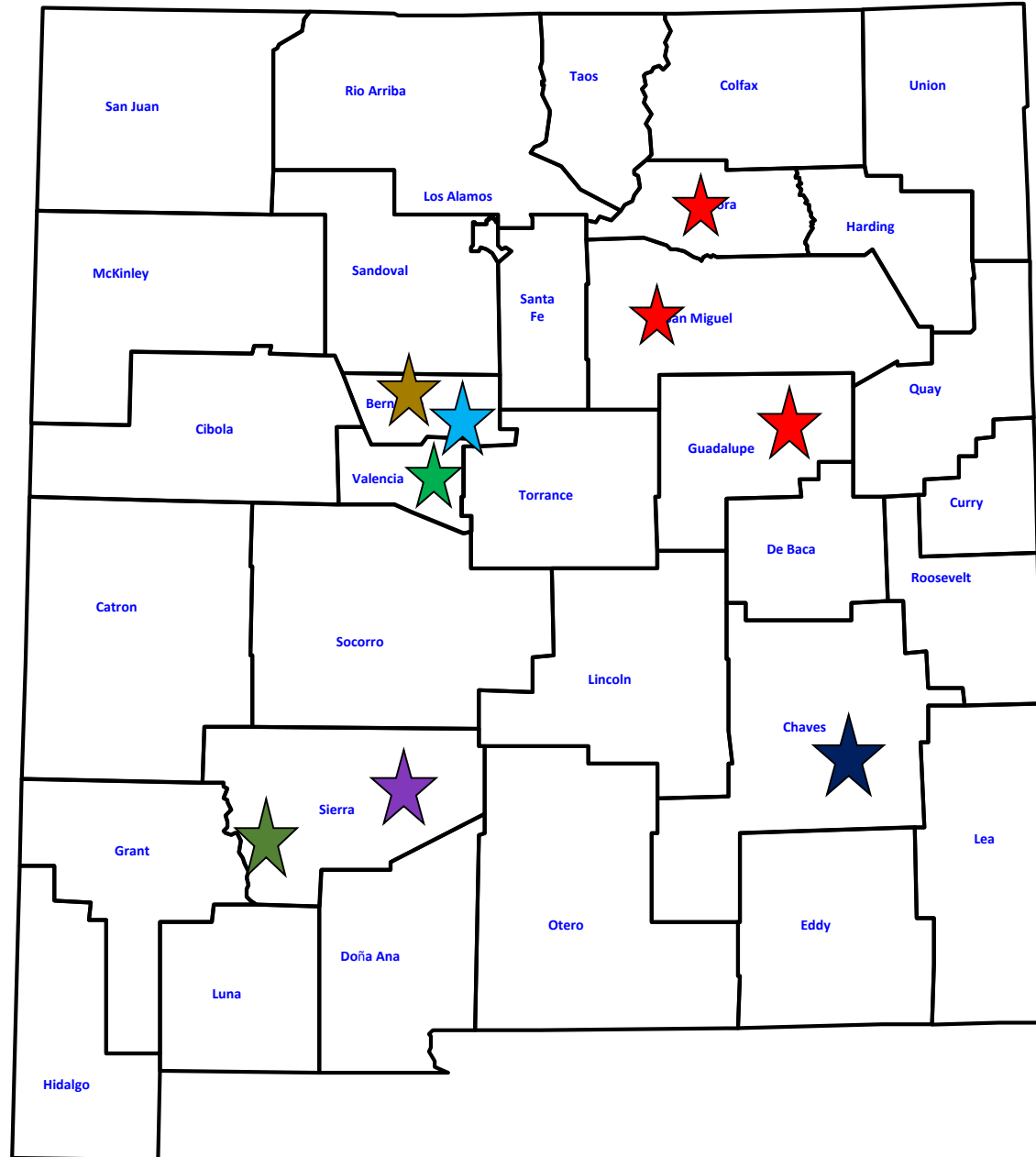
# Division of Health Improvement

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- **Birthing Centers and Crisis Triage Centers:** The first birthing center license application has been received. DHI is working closely with BHSD to finalize the CTC rules.
- **Jackson Disengagement:** An internal 'Individual Quality Review' system is being implemented.
- **Assisted Living Facilities:** Rules are being revised for clarification and guidance.
- **No Wrong Door:** Improved complaint referral processes for complaints not within DHI's jurisdiction.
- **Strategic Planning:** A program for cross-training and skill building to maximize the ability for DHI to fulfill its mission, efficiently serve our customers and most effectively utilize staff will be launched in January, 2017.

# New Mexico Health Facilities



**Turquoise Lodge Hospital**

**NM Behavioral Health  
Institute**

**NM Rehabilitation Center**

**Sequoyah Adolescent  
Treatment Center**

**NM State Veterans' Home**

**Fort Bayard Medical Center**

**Los Lunas Community  
Program**

# FY18 Appropriation Request

Facilities Management Division (Dollars in Thousands)

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	FY16 Actuals	FY17 Operating Budget	FY18 Appropriation Request
<u>Revenue</u>			
General Fund	60,590.2	60,050.7	57,142.2
Other Transfers	878.5	1,114.0	1,118.2
Federal Funds	0.0	7,787.5	7,345.5
Other State Funds	76,722.7	71,583.6	72,159.6
Fund Balance	0.0	0.0	0.0
Total	138,191.4	140,535.8	137,765.5

# Facilities Management Division

## Major Initiatives

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- **Pharmacy RFP**

There will be up front costs for implementing a new system, however a single comprehensive system would be able to offer features such as electronic pre-authorization of formulary, reconciliation and inventory processes to all facilities. These features can assist in reducing revenue loss caused by their lack in current application systems, and increase patient safety through the reliability an electronic system provides. Reduction of contract pharmacy staff by the ability to share pharmacists across the facilities and a reduction in manual processes currently required.

- **SSI Billing RFP**

Lack of contract is preventing New Mexico facilities from negotiating a better deal on processing claims. Current billing clearing house does not have the ability to provide real time Revenue Cycle Management or Productivity Analytics. We are unable to detect lost claims, blocked cash-flow or unattended claims resulted in delays or loss of payments. This can impact the recovery of funds for claims in our facilities.

- **Payroll Based Journal (PBJ)**

A CMS requirement to log hours of staff providing direct care to patients is currently a manual, time consuming process for the three long term care facilities. Implementing new codes and check in/out using the time clocks will allow for the report to be generated automatically for CMS. This will meet CMS requirements and eliminate current manual process.

- **Focused Nursing Recruitment**

Nursing shortages are a challenge in facilities so DOH's Chief Nursing Officer is working to increase recruitment efforts and to identify targeted nursing recruitment initiatives.

# Medical Cannabis Program

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- There are about 33,000 active patients enrolled in the program.
- There are 35 Licensed Non-profit Producers.
- There are 48 dispensaries.
- Current average processing time for applications is 24 days.
  - On average, 2,800 applications are received per month.
  - The program has been able to hire 3 new employees in patient services in October and November 2016.

# Thank you!

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