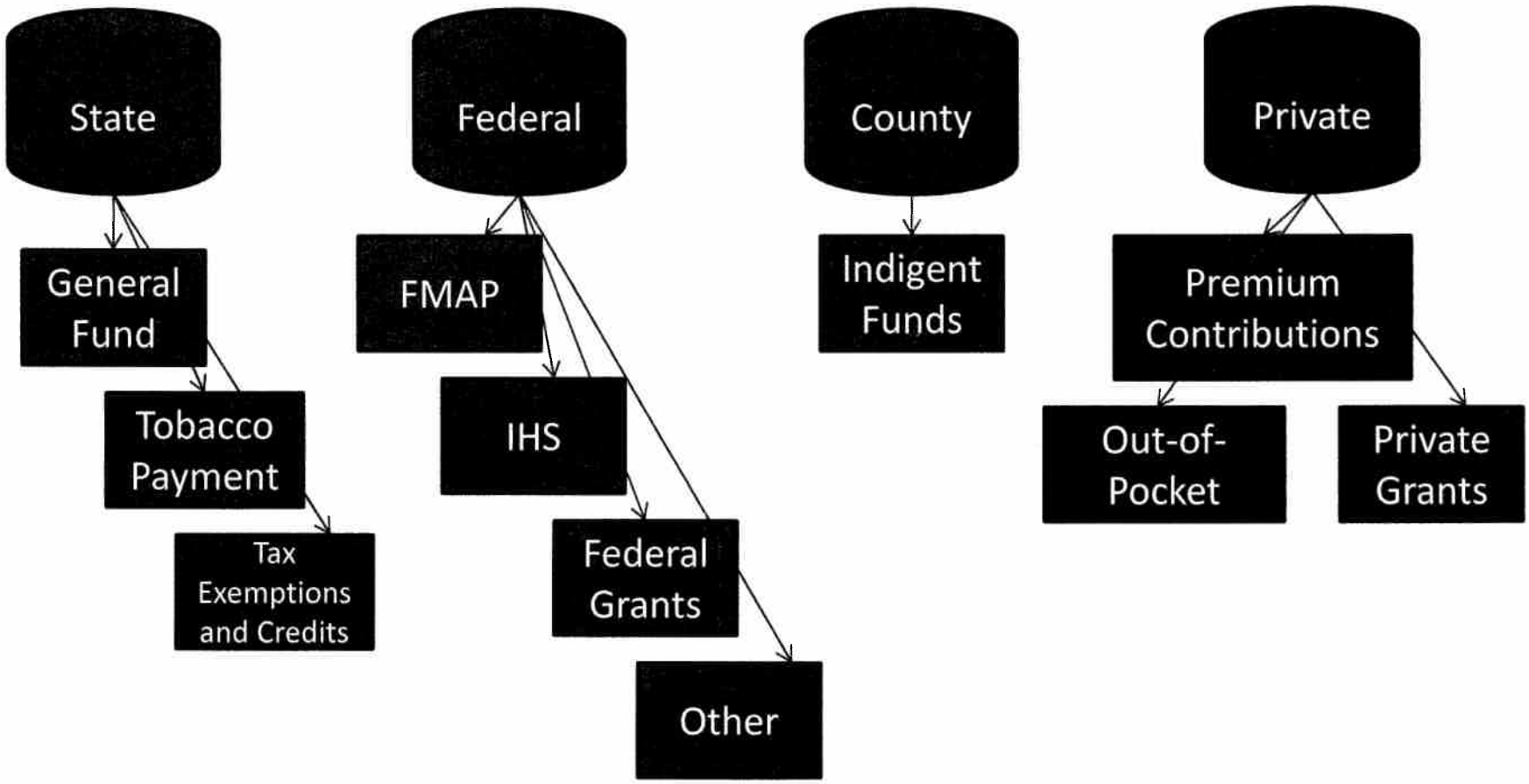
Government Restructuring:
Health Care Financing, Administration, Policy and Function

Karen Wells, Legislative Council Service
Brent Earnest, Legislative Finance Committee
September 16, 2010

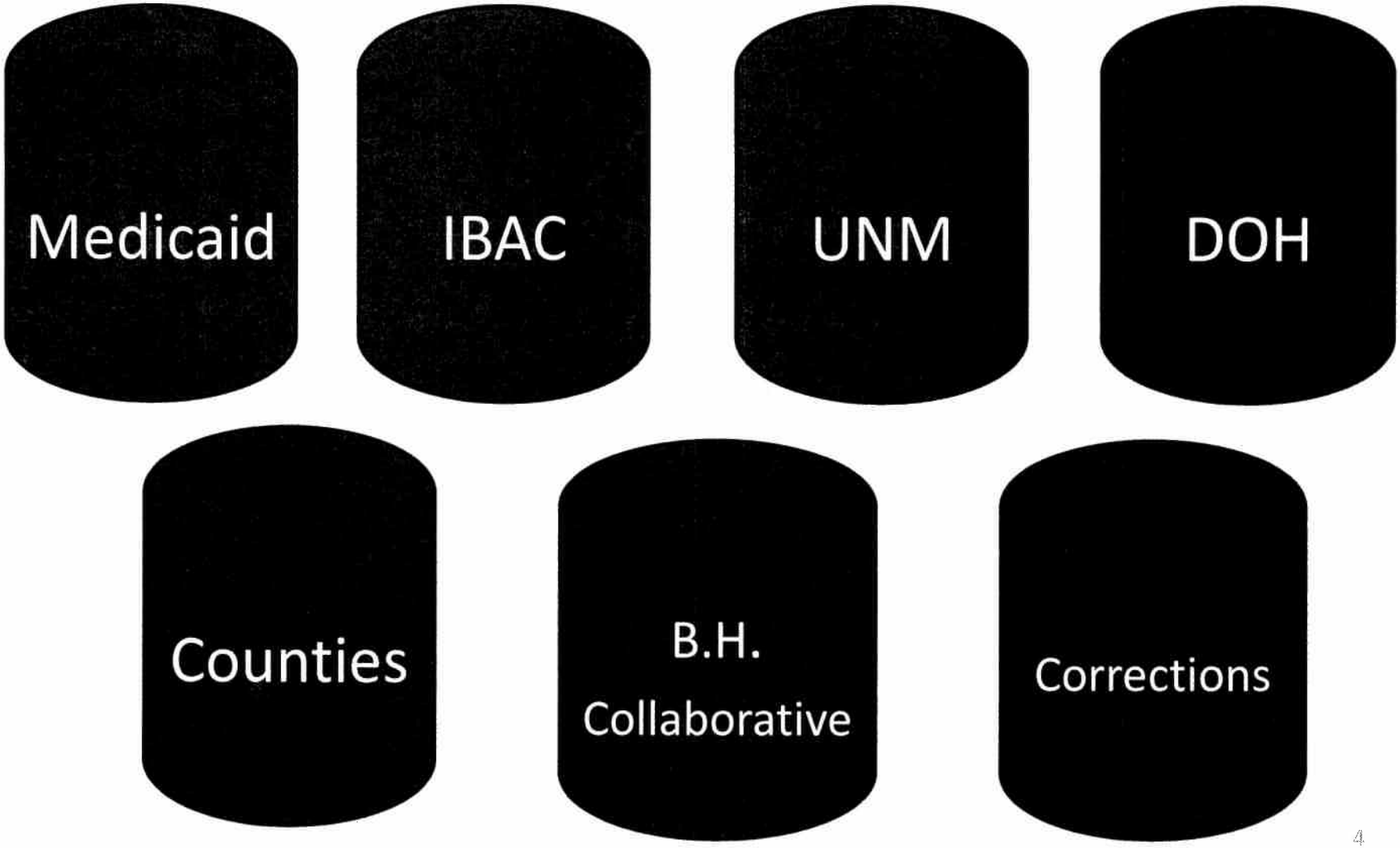
Purpose of This Presentation:

- To provide a visual image of the breadth and scope of health care financing and administration in New Mexico
- Adapted from presentation to LHHS by Karen Wells of Legislative Council Service
- Material presented is not all-inclusive

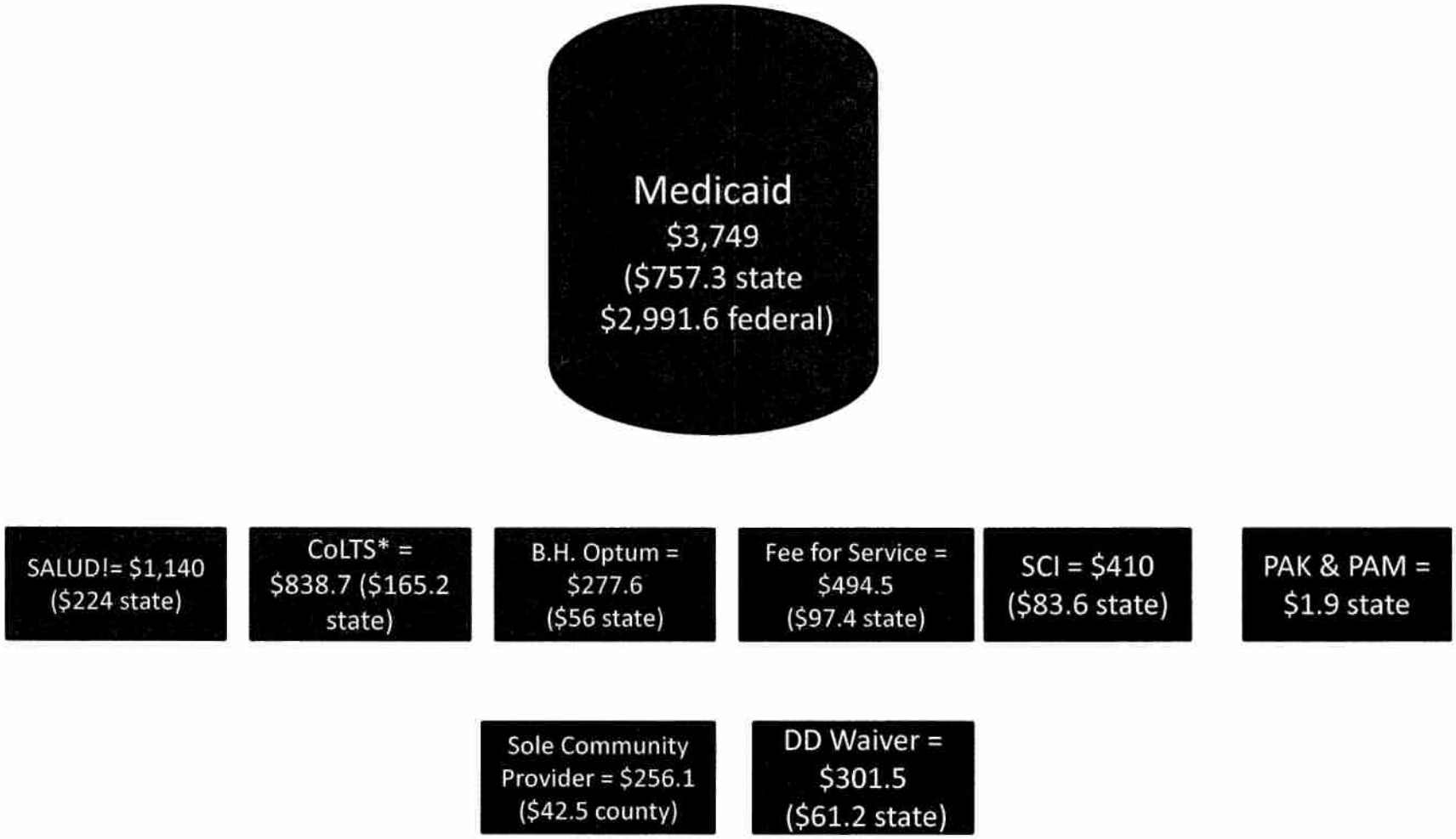
Multiple Sources Fund Health Care in New Mexico



Multiple Entities Are Involved in Financing Health Care in New Mexico

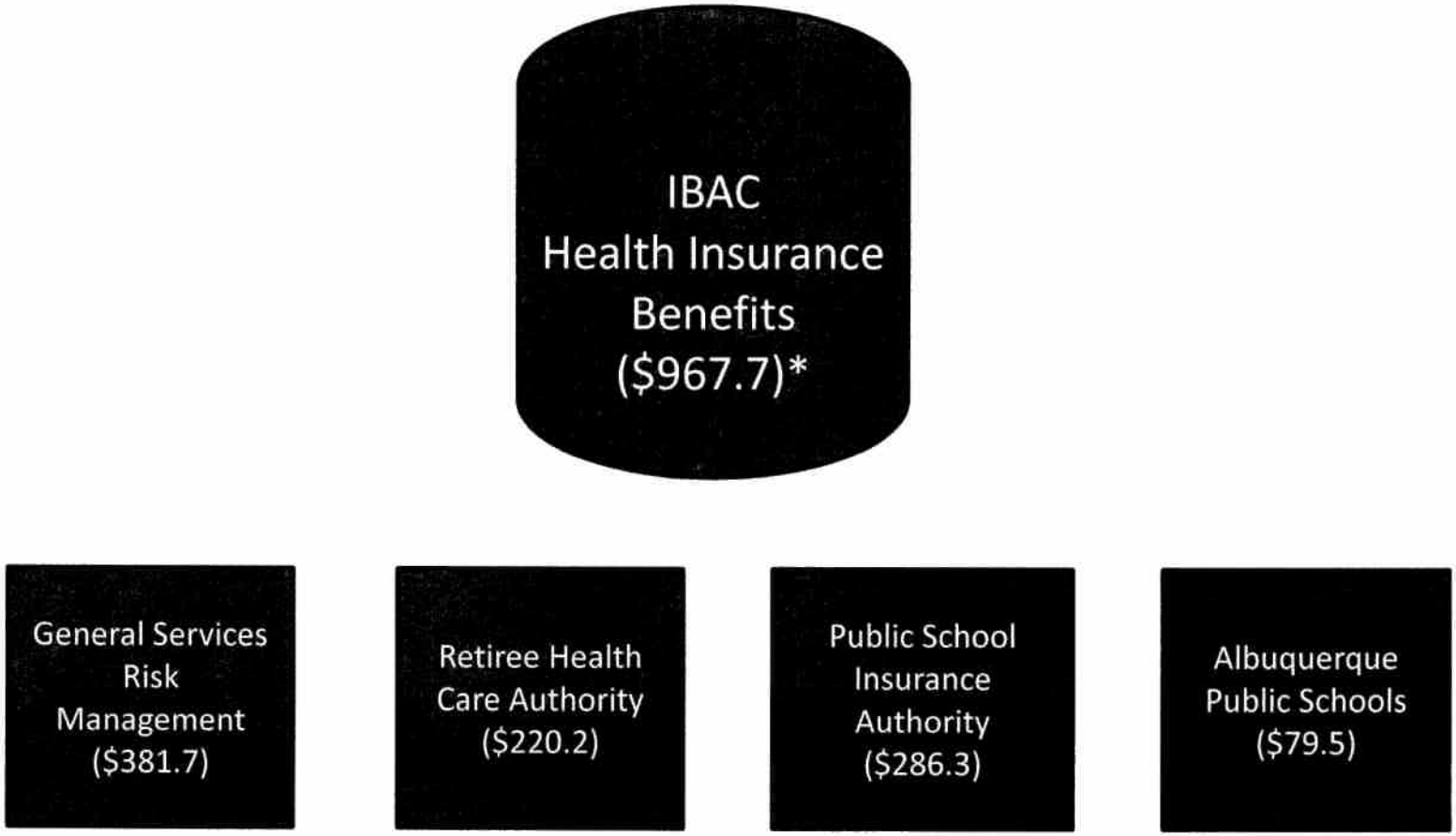


Health Care Programs Financed in New Mexico



Source: HSD; FY10 Medicaid Projection, August 3, 2010
*Includes PACE and other long-term care services in the fee-for-service program
Note: Dollars in millions unless otherwise noted

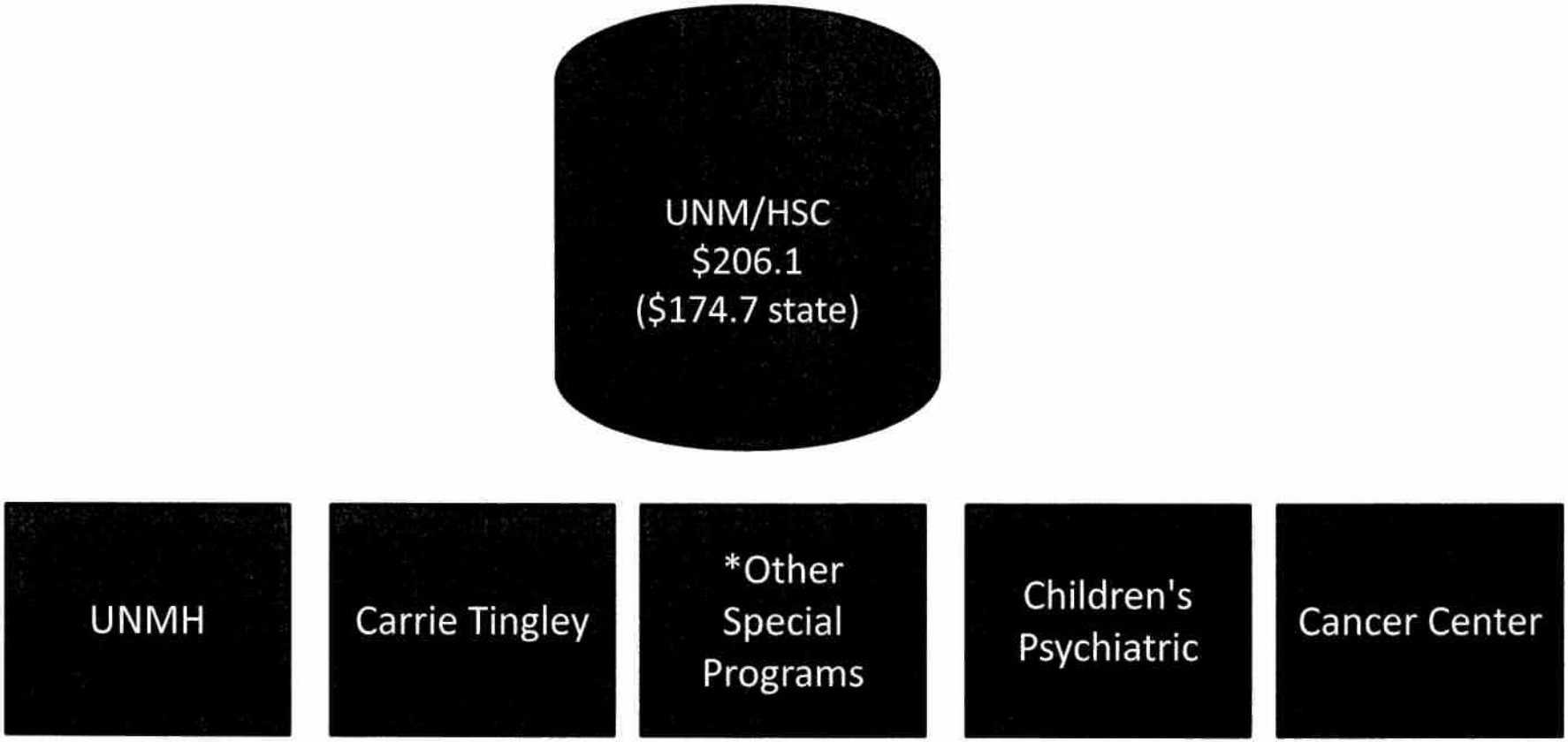
Health Care Programs Financed in New Mexico



*FY10 Expenditures

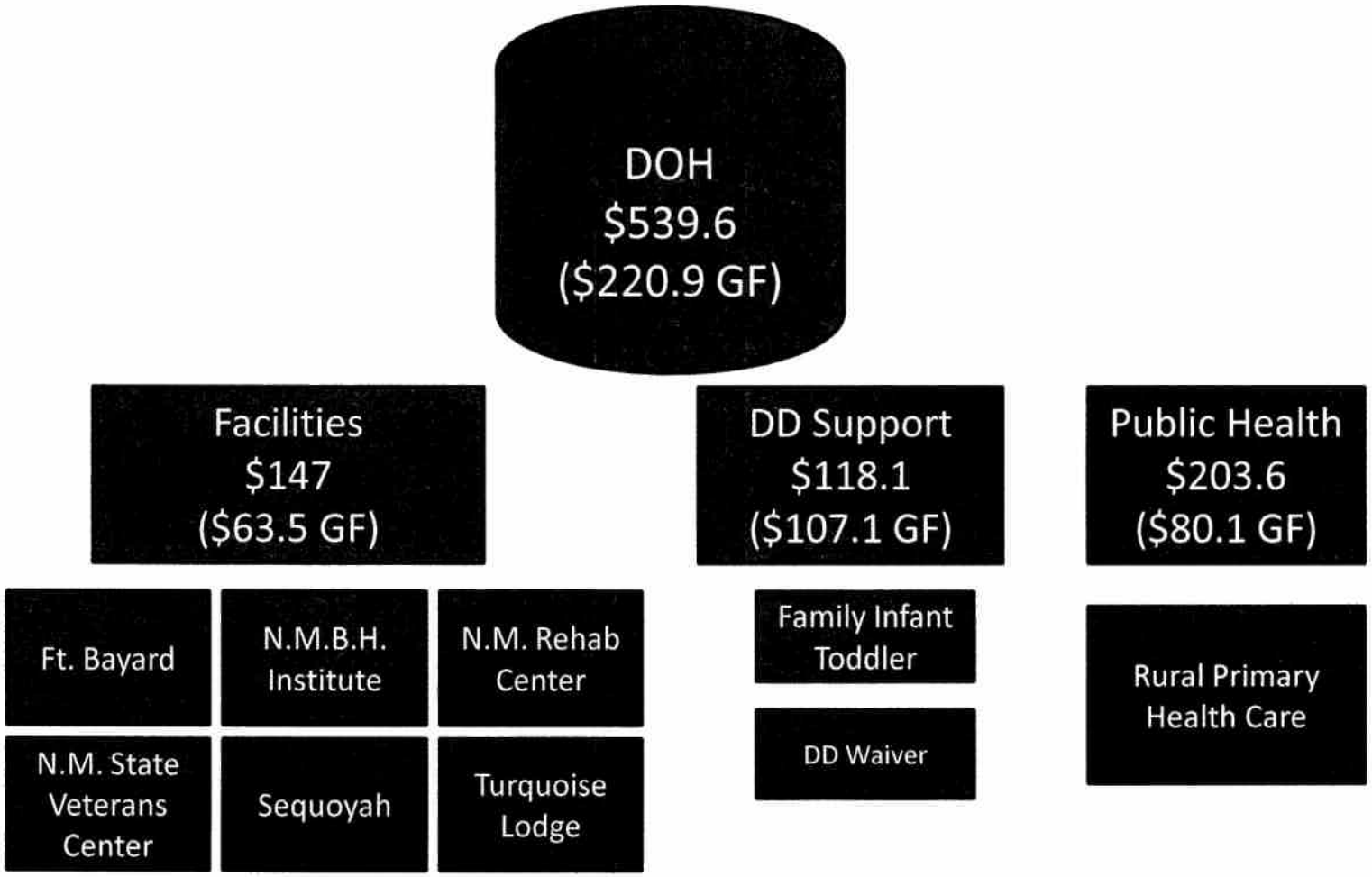
Note: Dollars in millions unless otherwise noted

Health Care Programs Financed in New Mexico



*Includes O.M.I., newborn intensive care, poison control, nurse expansion and others
Note: Dollars in millions unless otherwise noted

Health Care Programs Financed in New Mexico



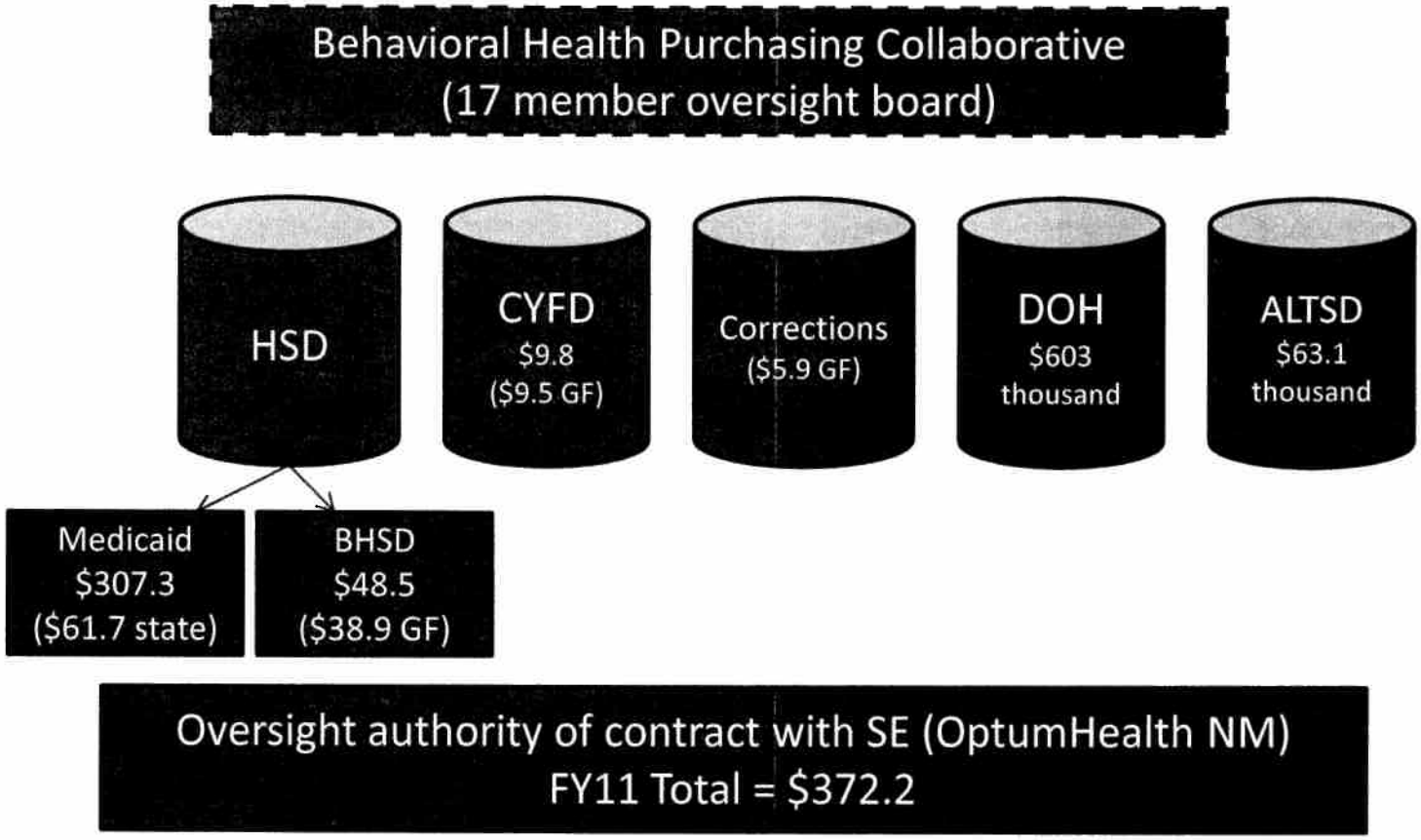
Programs not shown: epidemiology and response, laboratory services, health certification and licensing, policy and performance and administration

Note: Dollars in millions otherwise noted

Health Care Programs Financed in New Mexico

*FY09 Expenditures (FY09 revenues were $98.2 million)
Note: Dollars in millions unless otherwise noted

Health Care Programs Financed in New Mexico

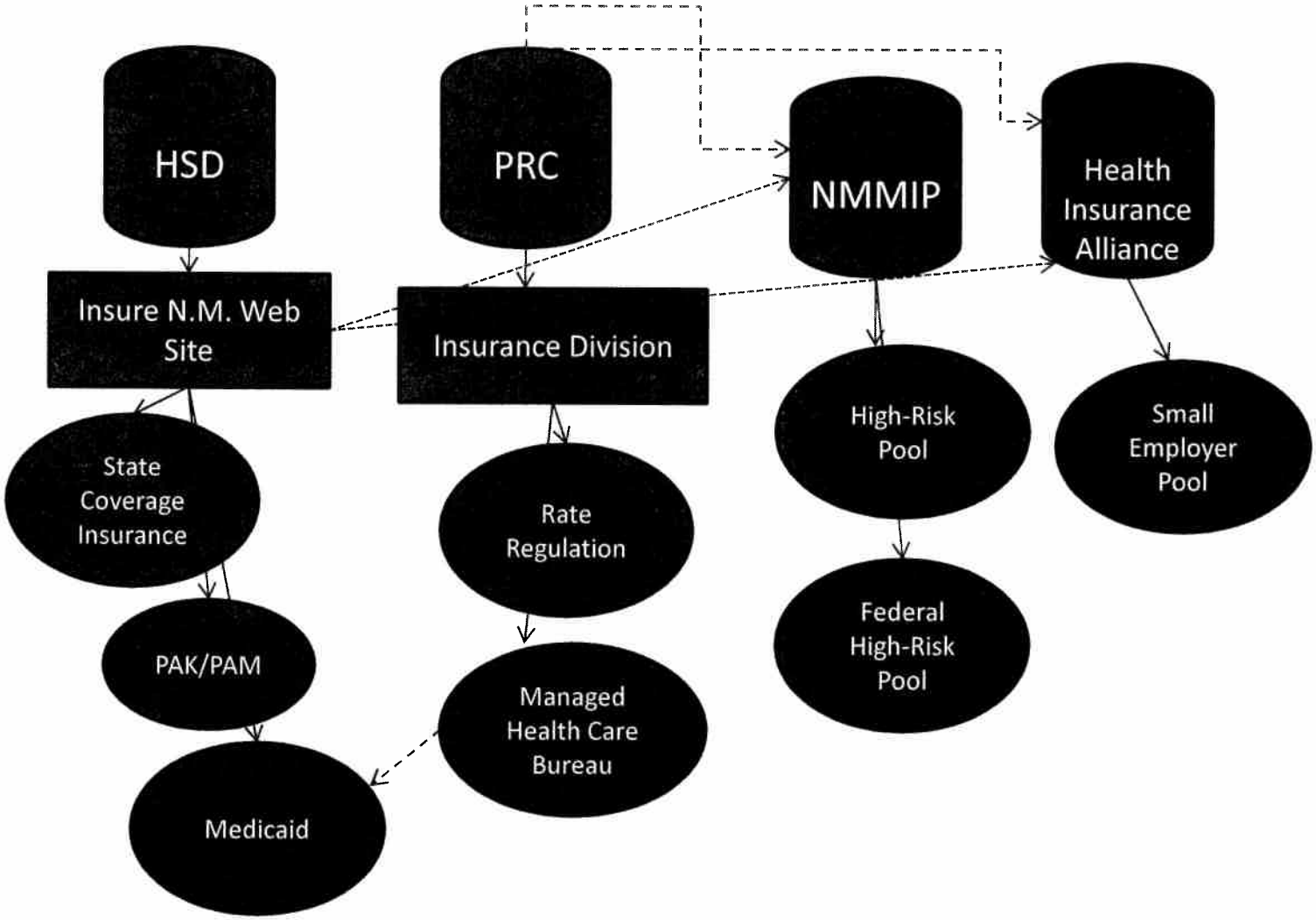


Source: BHC FY11 funding table (does not reflect 3.2% sanding)
Note: Dollars in millions unless otherwise noted

Health Care Programs Financed in New Mexico

Note: Dollars in millions unless otherwise noted

Multiple Entities Are Involved in Access to Health Insurance in New Mexico



Multiple Agencies Administer Health Care or Health Care-Related Programs in New Mexico

- ALTSD
- CYFD
- Corrections Department
- Department of Environment
- DFA
- GSD
- Department of Health
- HSD
- Regulation and Licensing Department
- Taxation and Revenue Department

Multiple Programs Are Administratively Attached to Agencies in New Mexico

- Governor's Commission on Disability (DFA)
- New Mexico Health Policy Commission (DFA, but currently located in DOH)
- Governor's HIV & AIDS Policy Commission (DOH)
- New Mexico Telehealth Commission (DOH)
- Trauma System Fund Authority (DOH)
- Office of the Governor's Council on Women's Health (HSD)
- Medical Advisory Board of the New Mexico Athletic Commission (RLD)

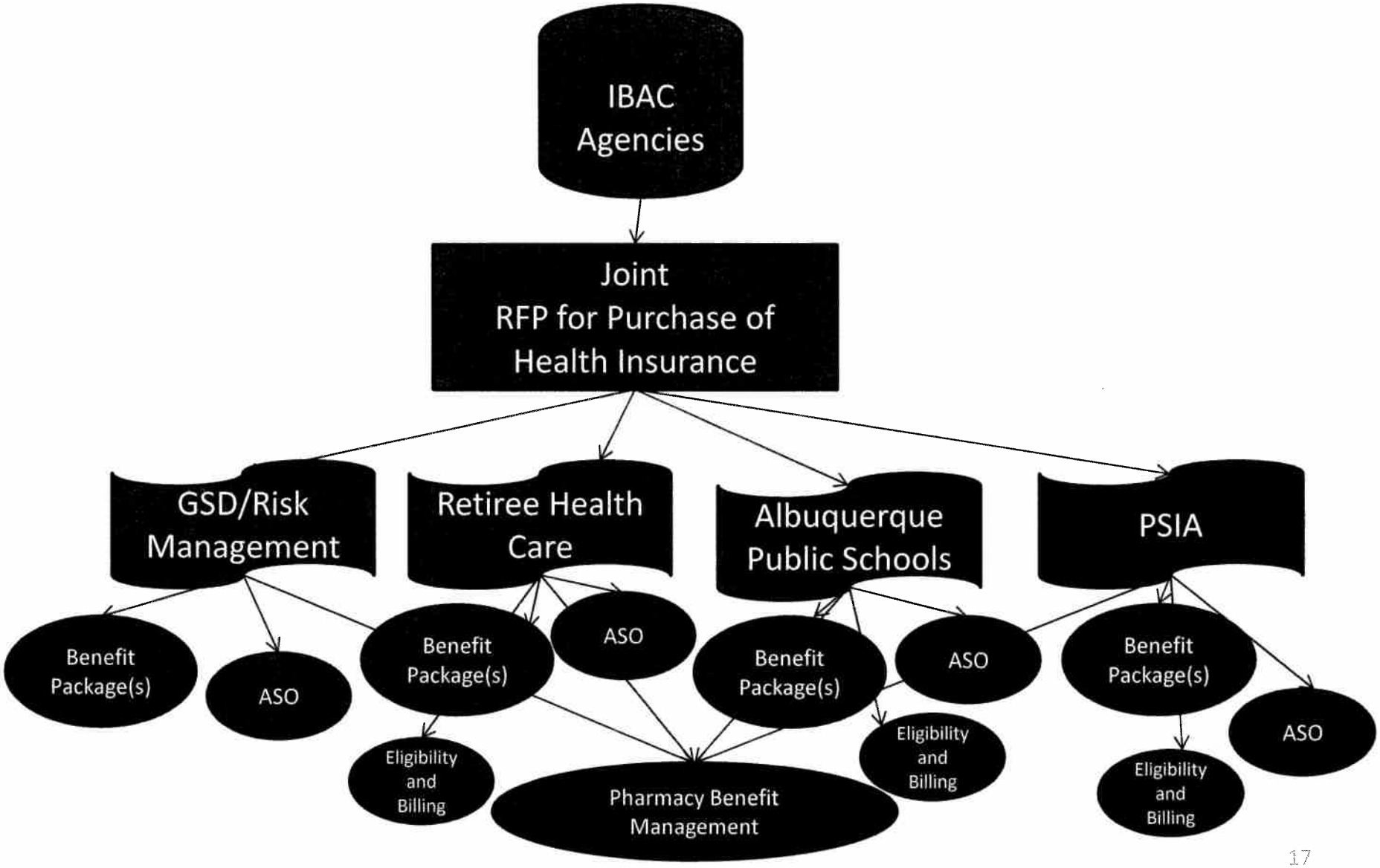
Additionally, some health programs, councils and commissions are adjunct entities, including the:

- Behavioral Health Planning Council
- Retiree Health Care Authority
- Public School Insurance Authority
- New Mexico Medical Board
- Board of Nursing

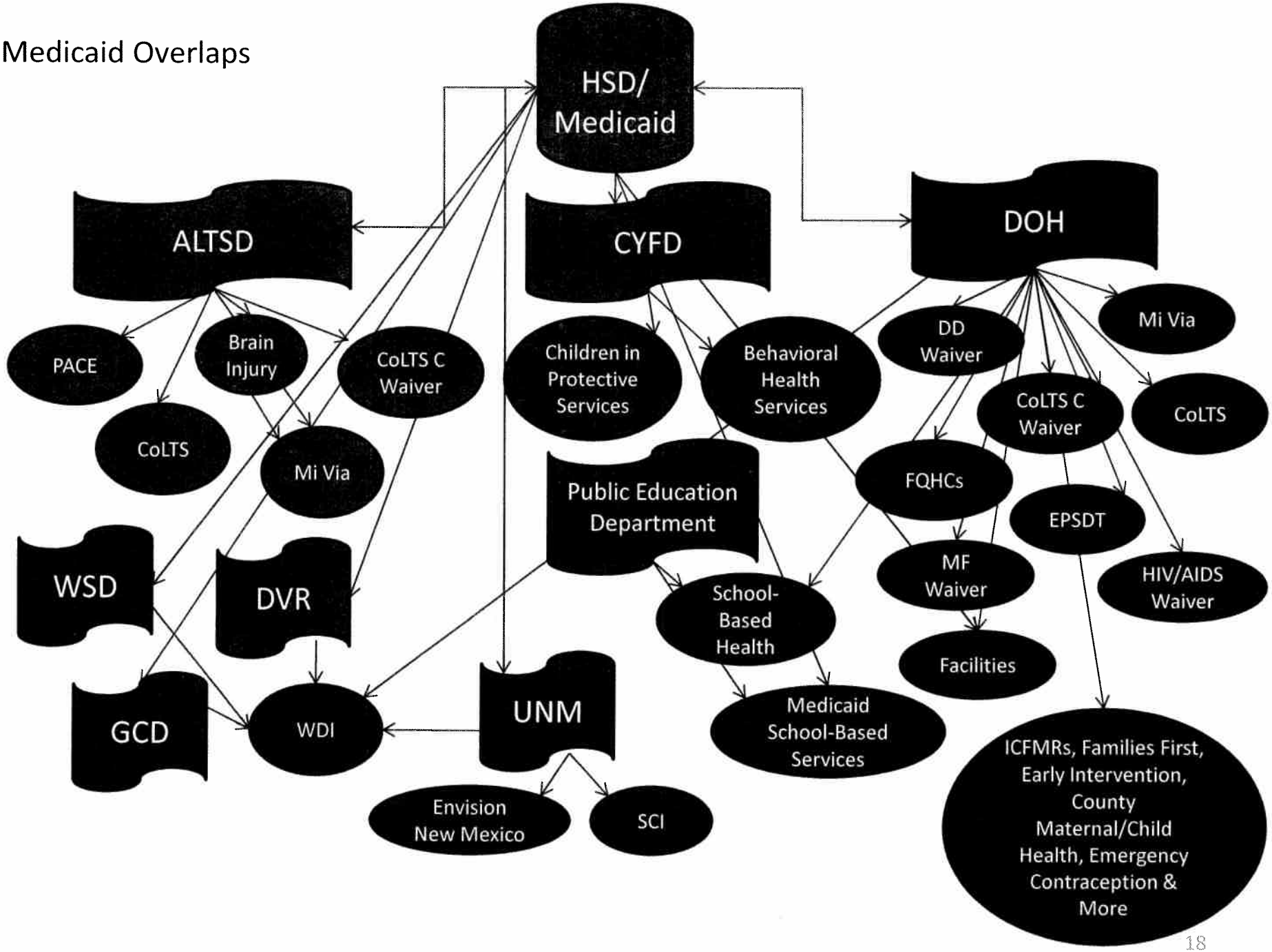
Gaps, Overlaps and Duplication

- Many health programs are administered by more than one agency
- Gaps, overlaps and duplication may suggest areas for consolidation or restructuring
- Major restructuring of the financing and administration of health care in New Mexico might be considered in light of opportunities in the federal Patient Protection and Affordable Care Act

IBAC Overlap

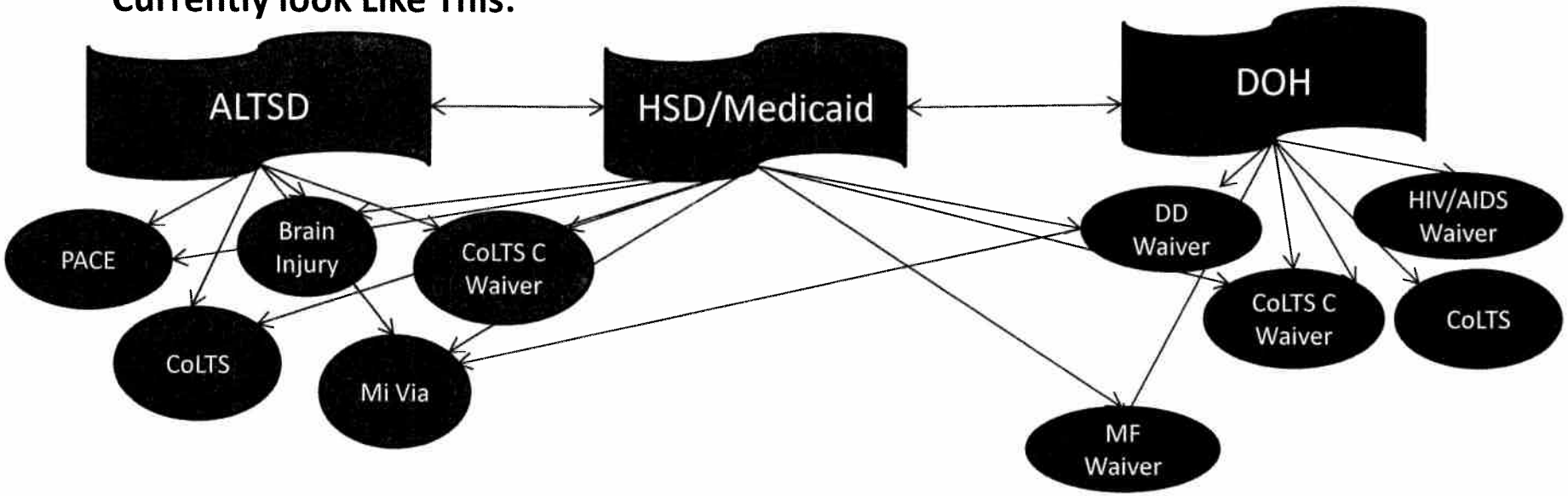


Medicaid Overlaps

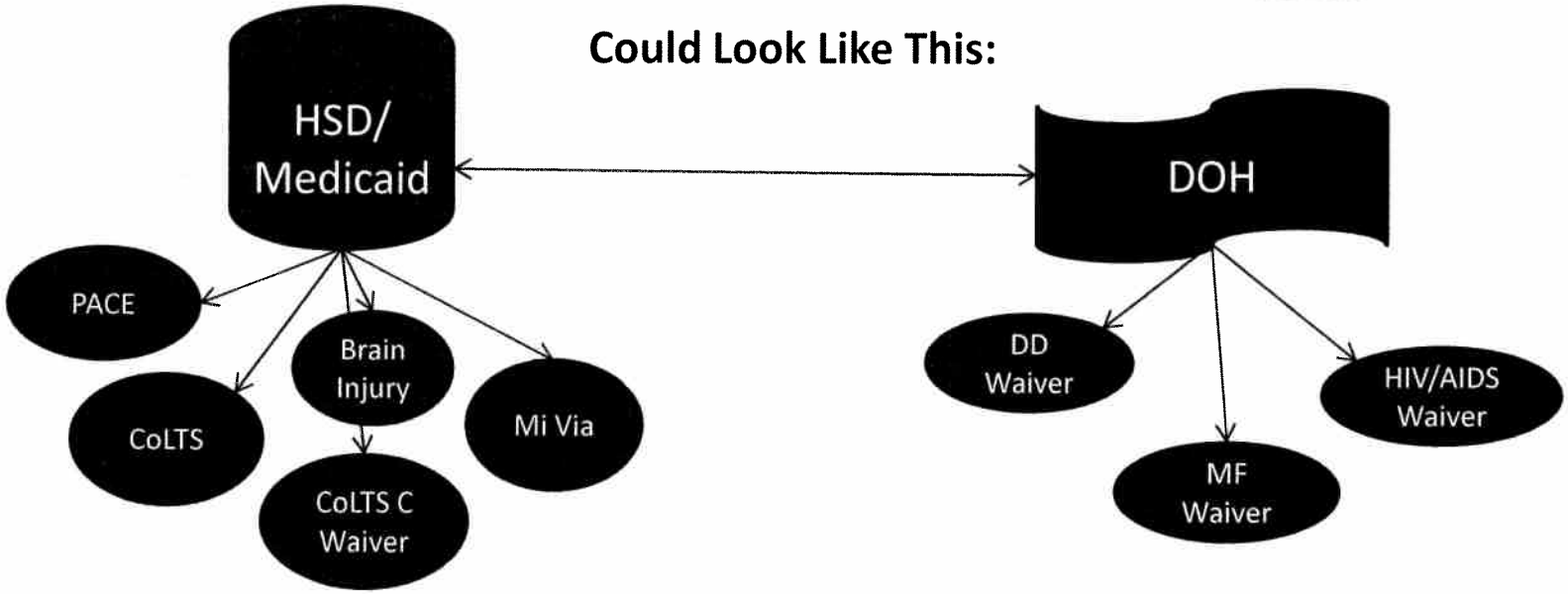


Medicaid Waiver Programs

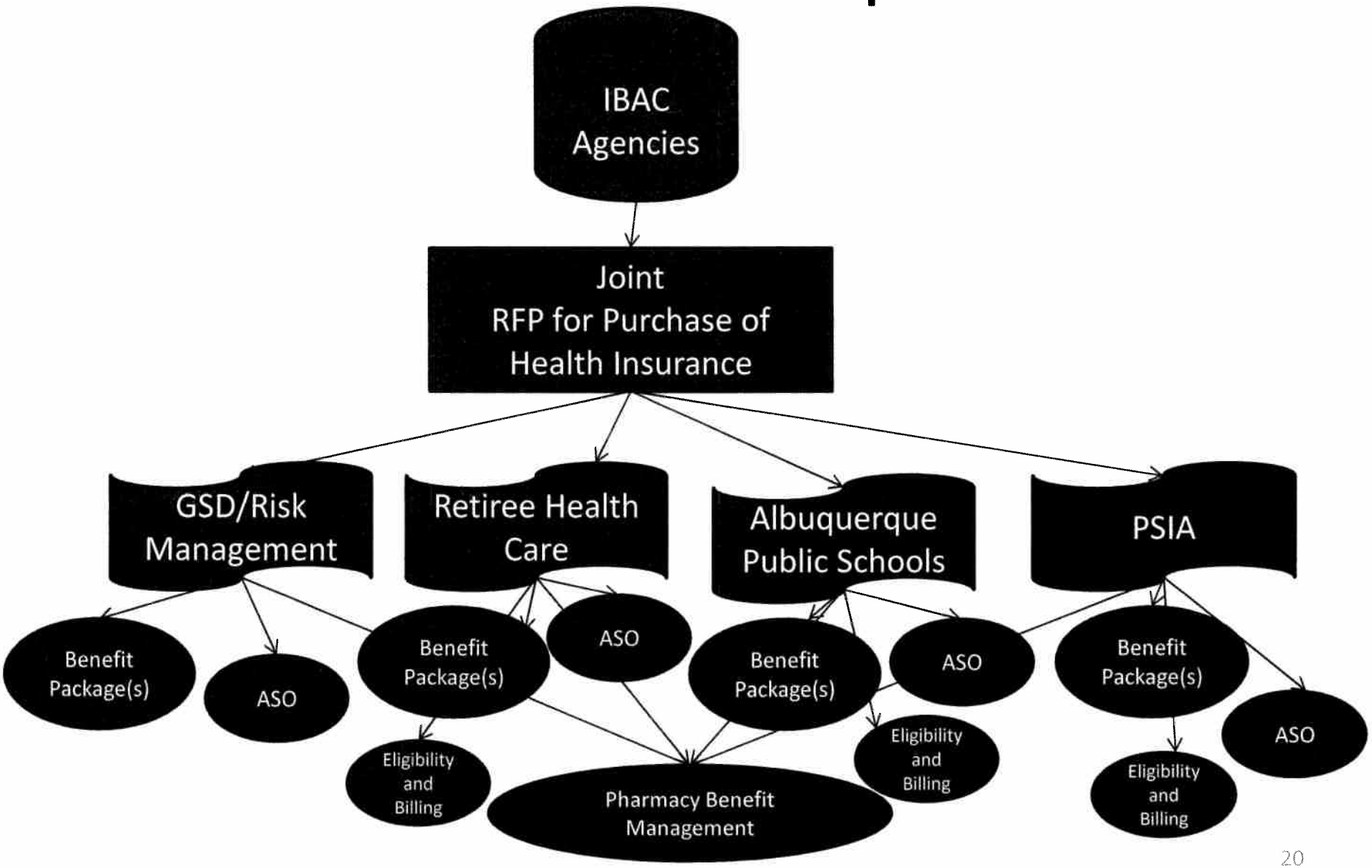
Currently look Like This:



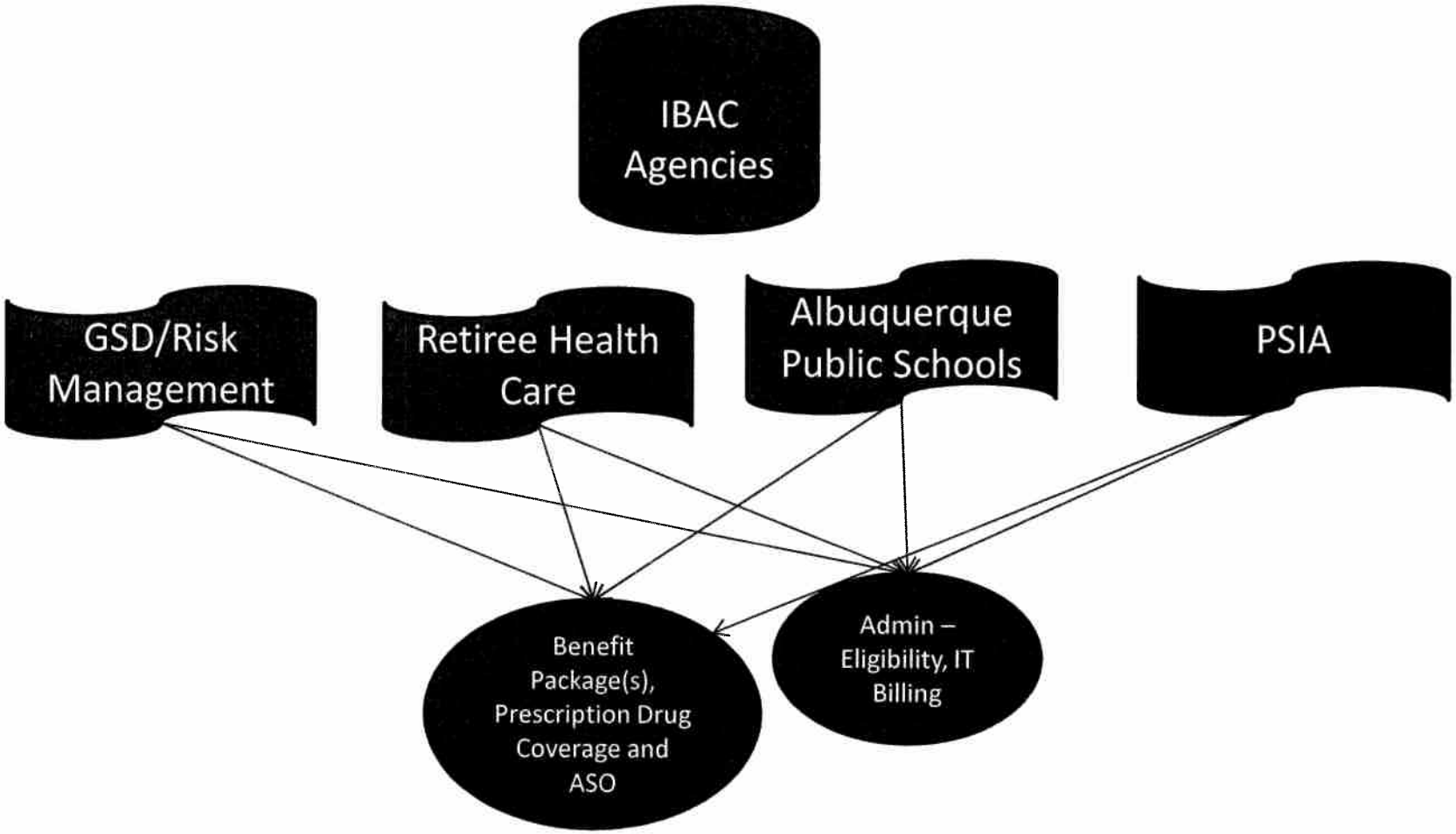
Could Look Like This:



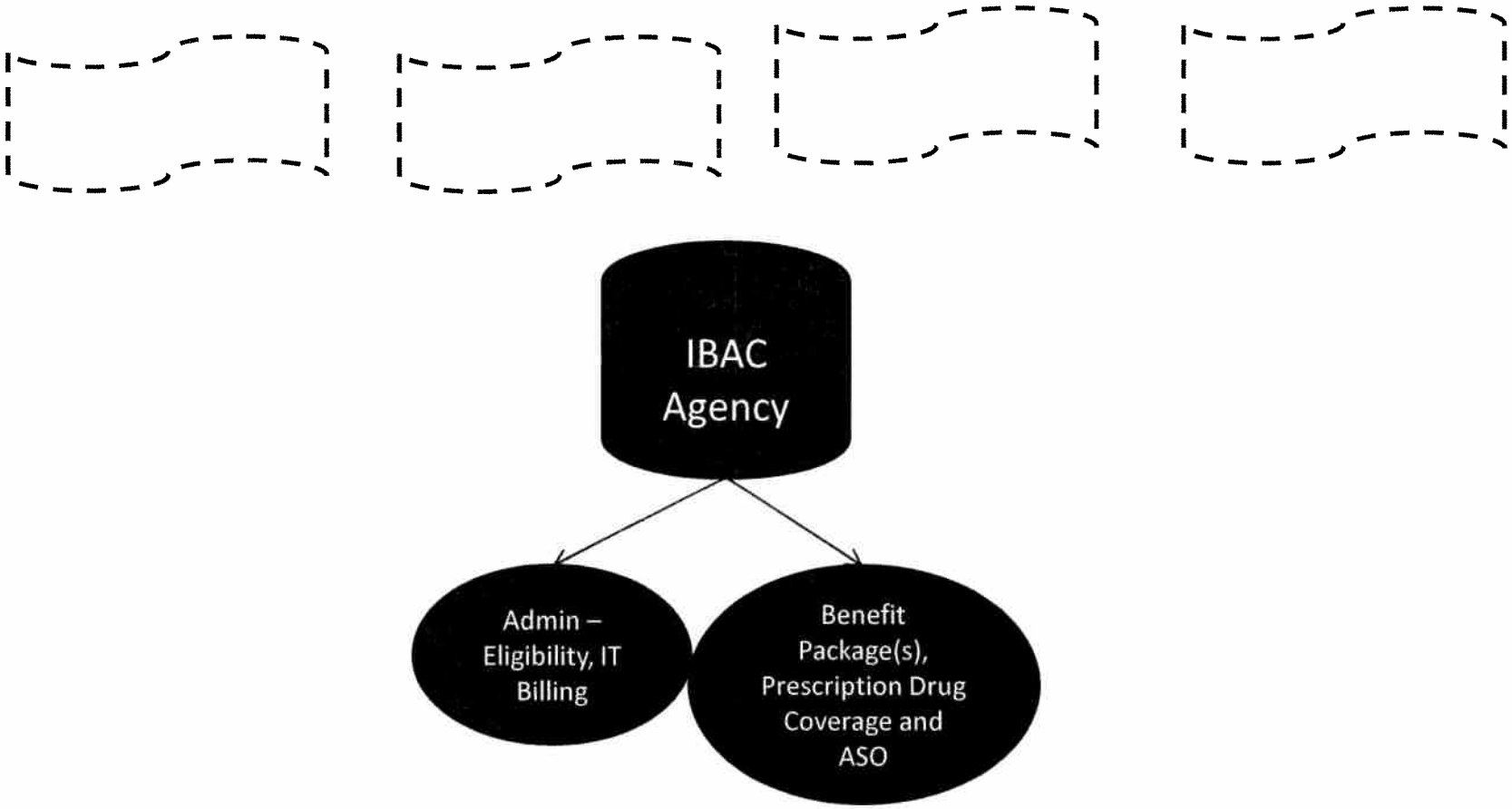
IBAC Overlap



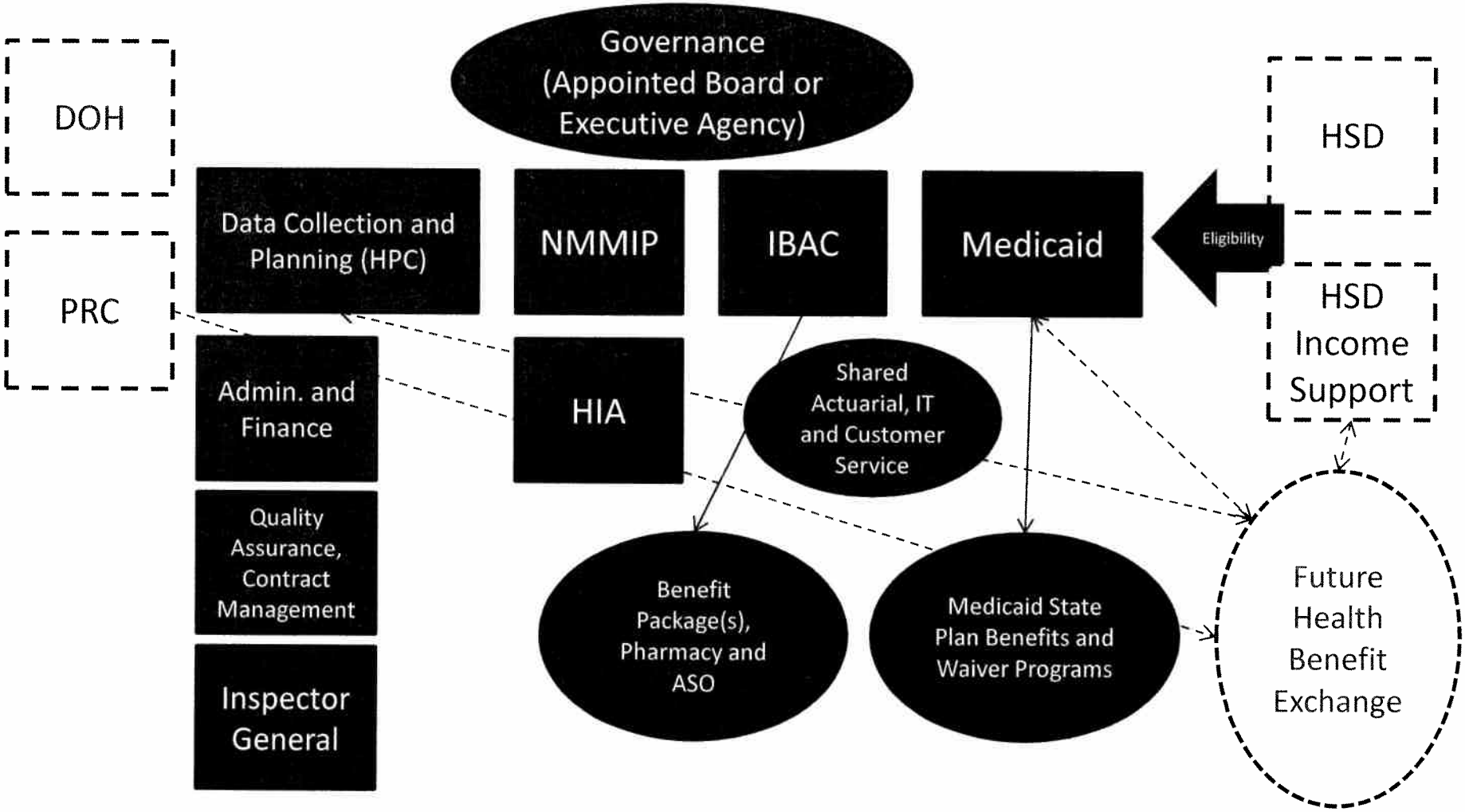
Could Look Like This:



Or This:


IBAC Agency
Admin – Eligibility, IT Billing
Benefit Package(s), Prescription Drug Coverage and ASO

Health Care Financing Agency



Note: Coverage under NMMIP and HIA will be effectively phased out in 2014, with guaranteed issue

Summary

- Health care financing and administration is currently spread throughout virtually all of state government
- The current budget crisis and the work of the Government Restructuring Task Force call for consideration of various approaches to restructuring
- The Patient Protection and Affordable Care Act offers opportunities for restructuring and contains some mandates for restructuring, such as the establishment of a health insurance exchange