New Mexico Health Law 101

Legislative Health and Human Services Committee
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Chris Pommier, Staff Attorney Lenaya Montoya, Staff Attorney Legislative Council Service

The Health and Human Services Agencies and Legislative Finance Staff

- Department of Health, Secretary Kathy Kunkel
 - ► LFC staff: Eric Chenier (Medical Board, Board of Nursing, DDPC, Veterans)
- Human Services Department, Secretary David R. Scrase, MD
 - ► LFC staff, Ruby Ann Esquibel (Disability Commissions, Voc. Rehab., Miners Hospital)
- Children, Youth and Families Department, Secretary Brian Blalock
 - ► LFC staff: Kelly Klundt (African American Affairs, Workforce and Workers' Comp)
- Aging and Long Term Services Department, Secretary Alice Liu McCoy
 - ► LFC staff: Eric Chenier
- Maybe ...
 - Corrections Department
 - Early Childhood Education
 - Office of the Superintendent of Insurance

Commercial Private | Public Employees | Medical Assistance

Statutes that affect New Mexicans' insurance, including quality and access, benefits, cost sharing and contractual requirements, appear throughout state and federal law.

- ▶ We won't be discussing federal laws, but remember: Medicare is NOT Medicaid
- State laws
 - Commercial Private Insurance
 - ▶ The Insurance Code, Chapter 59A, enforced by the Superintendent of Insurance
 - ▶ Health Insurance Contracts: Chapter 59A, Article 22 (applies to policies of **individual** health insurance)
 - ▶ **Group** and Blanket Health Insurance Contracts: Chapter 59A, Article 23
 - ▶ Health Maintenance Organization Law: Chapter 59A, Article 46
 - Nonprofit Health Care Plan Law: Chapter 59A, Article 47
 - Public Employees
 - Health Care Purchasing Act: Chapter 13, Article 7
 - Medical Assistance
 - ▶ Medicaid: various sections of Chapter 27, Article 2, the Public Assistance Act

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- Includes for-profit and not-for-profit insurers.
- Most plans are regulated by the Office of the Superintendent of Insurance.
- Most must comply with federal Patient Protection and Affordable Care Act (ACA) minimum requirements, which "sets the floor" for benefits and other aspects of private insurance plans, while states may add to the federal requirements.
 - ► The Federal 1332 Waiver allows for changes to ACA requirements (see slide 8)
- Self-insured (or self-funded) group plans are regulated by the federal government pursuant to the Employee Retirement Income Security Act of 1974 (ERISA).
 - "Self insured" means an employer assumes the financial risk for providing health care benefits to its employees. This is distinguished from a fully insured plan when an employer pays a premium to an insurance carrier to provide coverage.
- Sold online, by private agents and by the New Mexico Health Insurance Exchange (NMHIX).

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- Interagency Benefits Advisory Committee (IBAC) includes:
 - Risk Management Division (RMD) and the Group Benefits Committee of the General Services Department (GSD);
 - Retiree Health Care Authority;
 - Public School Insurance Authority; and
 - ► The publicly funded health care program of any public school district with a student enrollment in excess of sixty thousand students (Albuquerque Public Schools).
- ▶ IBAC enrollment is around 195,000 and it was meant to leverage the purchasing power of these agencies to contain health care costs.
- Created in 1997, a 2017 report found that it has "yet to reach the full fiscal promise of the combined purchasing power of the state's public employees and retirees." Source: IBAC Cost and Utilization Trends, 2012—2016, Program Evaluation Unit, Legislative Finance Committee, August 18, 2017.

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- Medicaid, administered by the Human Services Department (HSD).
 - ▶ A federal/state hybrid program: the feds pays roughly 70%; state 30%.
 - ▶ Titles 19 and 21 of the federal Social Security Act
 - > \$933.6 million budget for state fiscal year (SFY) 19, covering in March 2018: 854,235 individuals (approximately 41% of NM).
 - Mostly provided through "Centennial Care 2.0" approved by CMS on Dec. 14, 2018.
 - Pursuant to federal 1115 waiver (see slide 8)
 - ▶ Updates to 2.0 in progress. See http://www.hsd.state.nm.us/centennial-care-2-0.aspx
 - Provides physical health care, behavioral health care, long-term care and disabilities supports and services.
 - ▶ Eligibility for programs varies greatly.
 - ▶ In 2016, over 77.7% of births in New Mexico were paid for by Medicaid.
 - Medicaid Managed Care Organizations (as of Jan. 1, 2019):
 - Presbyterian Healthcare Services
 - Blue Cross Blue Shield of New Mexico
 - Western Sky Community Care (parent: Centene of Missouri)

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- Early and Periodic Screening, Diagnosis and Treatment Program (EPSDT).
 - N.M. Admin. Code 8.320.2
 - States must provide screening, diagnosis and treatment of Medicaid-covered conditions for all Medicaid recipients under 21 years of age.
 - Screening Services: comprehensive health and developmental history; physical exam; immunizations; laboratory tests, including lead toxicity screening.
 - Diagnostic Services: when a screening examination indicates the need for further evaluation of an individual's health, with necessary referrals.
 - ▶ Health Education: on child development, healthy lifestyles and accident and disease prevention.
 - Vision Services: diagnosis and treatment for defects in vision, including eyeglasses.
 - ▶ Dental Services: pain and infection relief; restoration of teeth; maintenance of dental health.
 - Hearing Services: diagnosis and treatment for defects in hearing, including hearing aids.
 - Treatment of conditions discovered during an EPSDT screening.
 - Schedule: must be provided at intervals that meet reasonable standards of medical practice.
 - Developmental and behavioral screening.

Federal Waivers: modifying Medicaid and ACA requirements

- HSD or other agencies may apply to the Federal government to waive certain requirements of the Social Security Act or the Affordable Care Act (ACA). This list is not exhaustive.
 - Research and Demonstration Project Waiver (1115 waiver) to allow for experimental, pilot, or demonstration projects that promote the objectives of the Medicaid and Children's Health Insurance Program (CHIP) programs.
 - Centennial Care 2.0
 - Home and Community-Based Services (HCBS) Waiver (1915(c) waiver) to provide services in non-institutional settings, such as in homes and communities.
 - Developmental Disabilities Supports and Services Waiver (DD Waiver)
 - Mi Via Waiver (Mi Via)
 - Medically Fragile Waiver
 - The State Relief and Empowerment Waiver (1332 Waiver) to change ACA requirements in the individual and small group markets (see **slide 4 Commercial Private** insurance)
 - May require enabling legislation (e.g. House Bill 436, Chapter 259)
 - Only eight have been approved, mainly to establish state-based reinsurance programs
 - Medicaid Buy-in may require it, depending on the model
 - The 1915(b) waivers (1) through (4) were abandoned by New Mexico in favor of administering Medicaid entirely under the 1115 waiver, Centennial Care.

Developmental Disability Services

- Developmental Disabilities Supports and Services Waiver (DD Waiver)
 - Created under the federal 1915(c) Waiver)see slide 8)
 - Provides in-home or in-community supports and services for adults living with intellectual or developmental disabilities. These services and supports are provided separately from, but integrated with, health care services.
 - ▶ Designed to allow individuals to live in "least-restrictive" environment possible.
 - Emphasize "person-centered"-ness and informed choice.
 - Includes physical therapy, cccupational therapy and speech and language therapy. employment training and assistance, in-home supports and respite care.
 - Department of Health is program administrator through its Developmental Disabilities
 Supports Division (DDSD), HSD is fiscal administrator
 - ▶ In SFY 17, there were about 3,500 people receiving services
 - Waiting list: the average wait time for allocation is approximately 12.5 years
 - ▶ There are approximately 4,508 individuals on the waiting list.

Developmental Disability Services

- Programs, continued
 - Medically Fragile Waiver: joint DOH/HSD administration with about 171 enrolled
 - Created under the federal 1915(c) Waiver (see slide 8)
 - For adults with an intellectual or developmental disability who also require care for a complex chronic medical condition.
 - Provides case management, private duty nursing and other supports and services.
 - Mi Via Self-Directed Waiver: joint DOH/HSD administration with about 1,543 enrolled
 - Created under the federal 1915(c) Waiver (see slide 8)
 - ► For individuals requiring intellectual or developmental disabilities supports or medically fragile supports and services but self-directed versus agency operated.
 - Recipients purchase services and supports within agreed budgetary amount.
 - Consultants help participants navigate throughout the Mi Via processes.

Aging Services

- Medicaid Long-Term Care Services
 - Higher eligibility threshold:
 - ► For income: Currently, if single, no higher than \$2,313 per month (\$4,626 / month limit if both spouses need care). Medicaid trusts no longer work as well as they used to.
 - ► For assets: No more than \$2,000 in "countable assets", plus "exempt assets" like irrevocable life insurance or burial, equity in a home up to a certain amount, other assets if one spouse is not in a nursing home.
 - Nursing Facility or "Institutional Care".
 - ► Home- and Community-Based Care provided through Medicaid Waiver programs (see Slide 8), for both licensed and unlicensed care.
 - Hospice Care.
 - (in Albuquerque only): Licensed and unlicensed day care services through the Program of All-Inclusive Care for the Elderly program or "PACE".

Aging Services

- Medicaid Long-Term Care Services, continued
 - ► Centennial Care 2.0 Community Benefit
 - ▶ Approximately 48,000 individuals are enrolled in managed care long-term services)
 - ▶ There may be a waiting list for services.
 - ▶ HSD proposes to increase the number of slots by 1,500
 - Assistance with activities of daily living:
 - eating, bathing, dressing, toileting, transferring (walking), continence.
 - Assistance with instrumental activities of daily living:
 - light housekeeping, laundry, cooking, shopping.
 - Private-duty care.
 - Nonmedical transportation.
 - Respite care.

Assistance with paying for Medicare

- All assistance programs have income and asset limits for eligibility
 - Qualified Medicare Beneficiary (QMB)
 - ▶ Pays Medicare premiums, plus cost-sharing (co=pays, coinsurance)
 - Specified Low-Income Medicare Beneficiary (SLMB)
 - Covers only Medicare Part B premiums
 - Qualified Individual (QI-1)
 - ► Covers Medicare Part B premiums
 - Must be reauthorized by Congress periodically
 - "Extra Help" or Low Income Subsidy
 - Assistance with paying for prescription drugs under Medicare (Part D)

Workforce Health professional licensure and regulation

- ► The New Mexico Medical Board, created by the Medical Practice Act, Chapter 61, Article 6.
 - Medical Doctors
 - Physician Assistants
 - Anesthesiologist Assistants
 - Genetic Counselors
 - Polysomnographic Technologists
 - Physician Supervisors of Pharmacist Clinicians
 - Doctors of Naprapathy
 - Doctors of Naturopathy (provided for in Senate Judiciary Substitute for Senate Bill 135, Chapter 244)

Workforce licensure and regulation, continued

- Board of Osteopathic Medicine
 - Doctors of Osteopathic Medicine
 - Osteopathic Physician Assistants
- Board of Nursing
 - Nurses, including
 - Registered Nurses, Nurse Practitioners, Licensed Nurse-Midwives (though the DOH licenses "Certified Nurse Midwives")
 - ▶ Hemodialysis Technicians
 - Medication Aides
 - Lactation Care Providers
- Boards of Physical Therapy, Occupational Therapy, Social Work, Counseling and Therapy, Psychology, Podiatry, Athletic Trainer Practice, Acupuncture and Oriental Medicine

Addressing health professional shortages: Federally Qualified Health Centers (FQHC)

- The Health Resources and Services Administration (HRSA) of the United States Department of Health and Human Services designates certain clinics as FQHCs or FQHC "look-alike" programs.
- An FQHC receives HRSA funding to provide comprehensive primary care and preventive care, including oral health, mental health and substance abuse services to underserved populations, regardless of ability to pay. The FQHCs are mostly located in rural and frontier "health professional shortage areas".
- A FQHC "look-alike" operates and provides services consistent with requirements for FQHCs, but look-alike programs do NOT receive funding from the federal Centers for Medicare and Medicaid Services.
- BOTH FQHCs and look-alikes are eligible for:
 - deeply discounted federal pharmaceuticals through the federal 3408 Drug Pricing Program, a federal discount program for pharmaceuticals; and
 - reimbursement under FQHC Medicare and Medicaid payment methodologies; and participation in recruitment and retention through the National Health Service Corps.

Workforce Medical Schools

- Private
 - Burrell College of Osteopathic Medicine
 - ▶ In Las Cruces, leases site at New Mexico State University
 - ► Trains osteopathic physicians and osteopathic physician assistants
- Public
 - University of New Mexico School of Medicine
 - ▶ Programs in 141 communities
 - The referral center for Level 1 Trauma
 - ► Innovative BA to MD program

Behavioral Health

- Behavioral Health Services Division (BHSD) of HSD
 - ▶ Wayne Lindstrom stepped down as Director as of May 3, no replacement has been identified yet
- CYFD Behavioral Health Services
 - Infant and Early Childhood Mental Health Services
 - Licensing and Certification Authority Bureau (LCA)
- The Behavioral Health Collaborative
 - The Director of BHSD serves as CEO of the Collaborative
 - Chaired by the Secretary of Human Services; co-chair alternates between the Secretary of Health and the Secretary of Children, Youth and Families.
- Inpatient facilities
 - DOH's mental health facilities:
 - The New Mexico Behavioral Health Institute (NMBHI) (psychiatric hospital in Las Vegas, NM)
 - The New Mexico Rehabilitation Center (NMRC) (physical and occupational therapy, speech and language pathology, social and psychological services and chemical dependency in Roswell)
 - Turquoise Lodge Hospital (substance abuse treatment services in Albuquerque)
 - Sequoyah Adolescent Treatment Center (for males ages 13-17 who have a history of violence, have a mental health disorder and who are amenable to treatment in Albuquerque)
 - Four private psychiatric hospitals
 - Psychiatric units of 12 general and acute care hospitals

Behavioral Health Behavioral Health Services Division

- The role of BHSD, as the Mental Health and Substance Abuse State Authority for New Mexico, is to address need, services, planning, monitoring and continuous quality systemically across the state.
- Three bureaus:
 - Finance and Contracts
 - Policy and Quality
 - Prevention, Treatment and Recovery
- State-funded behavioral health programs include Medicaid-funded behavioral health services (BHSs) and agency-funded BHSs. There used to be a single statewide entity, but now Managed Care Organizations (MCO) provide integrated medical, behavioral health, and long-term care services.
- Administrative services organization for non-Medicaid services: Falling Colors contract signed August 4, 2017 for administrative services organization, for \$54,713,794 in state fiscal year (SFY) 18.

Behavioral Health The Behavioral Health Collaborative

- ▶ The Collaborative is meant to allow fifteen state agencies involved in behavioral health prevention, treatment and recovery to share resources and work together in an effort to improve mental health and substance abuse services. Like IBAC, it is also a purchasing collaborative, but as of 2017, the only actively purchasing agencies were HSD and CYFD and, in a limited manner, the Aging and Long-Term Services Department (ALTSD).
 - DOH
 - HSD
 - CYFD
 - Administrative Office of the Courts
 - ALTSD
 - Department of Finance and Administration
 - Department of Transportation
 - Department of Workforce Solutions

- Developmental Disabilities
 Planning Council
- Division on Instructional Support and Vocational Rehabilitation
- Governor's Commission on Disabilities
- Indian Affairs Department
- Mortgage Finance Authority
- Corrections Department
- Public Education Department
- Department of Veterans Affairs

Behavioral Health The Collaborative, continued

- The Collaborative works to (from its website):
 - inventory expenditures for mental health and substance abuse services;
 - creates a single behavioral health care and services delivery system that promotes mental health, emphasizes prevention, early intervention, resiliency, recovery and rehabilitation, while managing funds efficiently, and ensuring availability of services throughout the state;
 - pay special attention to regional, cultural, rural, frontier, urban and border issues, and seeking suggestions from Native Americans.
 - contract with a single, statewide services purchasing entity (SE);
 - monitor service capacities and utilization in order to achieve desired performance measures and outcomes;
 - make decisions regarding funds, interdepartmental staff, grant writing, and grant management;
 - plan for and meet state and federal requirements;
 - oversee systems of care, data management, performance and outcome indicators, rate setting, service definitions, considering consumer, family, and citizen input, monitoring training, assuring that evidence-based practices receive priority, and providing oversight for fraud & abuse and licensing & certification.

Behavioral Health The Collaborative, continued

- The Collaborative produced a strategic plan for system improvement in January 2016 that focuses on three areas:
 - Regulations
 - ▶ To increase the productivity, efficiency and effectiveness of the current provider network.
 - ▶ To implement a value-based purchasing system that supports integrated care.
 - To identify, develop and promote implementation of effective strategies for state, counties and municipalities to work together to fund the provision of better BH care, especially for high.
 - Finance
 - To identify, align and eliminate inconsistencies in BH statutes, regulations, and policies in order to allow for more effective and efficient operation of the publicly-funded service delivery system.
 - ▶ To increase the adoption of person-centered interventions.
 - Workforce
 - To support the development of behavioral health practitioners.
 - ▶ To build a more multidisciplinary and competent BH workforce.
 - ▶ To promote the future of excellence in the behavioral health workforce and prepare for integrated care.
 - To improve the public image of behavioral health professions, raise awareness of its impact on the population and promote the effectiveness of the service delivery system.

Behavioral Health Behavioral Health Investment Zones

- Behavioral Health Investment Zones (BHIZs) focus funds on high-risk areas.
- Not in statute, but created by HSD and funded through appropriations.
- ▶ BHIZs were established in 2016 in two NM counties, Rio Arriba and McKinley, based on high incidence of deaths attributable to drugs overdose, alcohol-related health issues (including overdose) and suicide, sometimes referred to as "diseases of despair". Each county has created its own plan, based on strategic priorities.
 - ▶ Rio Arriba County created a coalition of providers and advocacy entities that they called the Opioid Use Reduction (OUR) Network, led by the Rio Arriba County Health and Human Services Department (RAHHS).
 - McKinley County developed a BHIZ oversight board, led by the City of Gallup, and including McKinley County, the NWNM Council of Government, the Navajo Nation and Zuni Pueblo. In early 2018, the City of Gallup's City Council approved the creation of an Indigenous Peoples Commission consisting of four Navajo community members, one Zuni tribal member, and one city employee.

Department of Health

- Seven Divisions
 - Public Health Division
 - ▶ Public health offices located statewide, offering services including family planning, Women, Infants and Children nutritional program (WIC), specialty children's medical services, disease specific services to health promotion and immunizations.
 - Division of Health Improvement
 - Licenses and regulates health facilities
 - Conducts abuse, neglect and exploitation (ANE) investigations at licensed health facilities and home- and community-based Medicaid waiver programs.
 - Operates the Caregivers Criminal History Screening Program, which provides criminal background checks on potential caregivers.
 - Operates the Employee Abuse Registry (EAR), also known as the Consolidated Online Employee Abuse Registry (COR):
 - provides background checks for all caregivers, ensuring that they have not been disqualified by a substantiated case of ANE; and
 - individuals placed on the EAR are not eligible for hire as caregivers.
 - Operates the Certified Nurse Aide Registry.

Department of Health Divisions, continued

- Epidemiology and Response Division
 - ► Tracks health conditions statewide.
- Scientific Laboratory Division
 - ▶ The sole public health, environmental, and drug laboratory for New Mexico
- Developmental Disabilities Supports Division
- Administrative Services Division
- Office of Facilities Management
 - See inpatient facilities on slide 14.
 - Los Lunas Community Program (DD Waiver supports and services in Valencia, Socorro, Torrance and Bernalillo).
 - Fort Bayard Medical Center (long-term services and chemical dependency in the Sliver City region).

Department of Health School Based Health Centers (SBHC)

- ▶ DOH's Office of School and Adolescent Health (OSAH) works with Medicaid MCOs, HSD, and CYFD to develop and support School-Based Health Centers.
 - These are clinics on or near school grounds that provide physical and behavioral health services to students at that school.
 - Many SBHCs also see students from other schools in the district, as well as staff and community members.
 - Dental services are also offered at some SBHCs.
 - ▶ There are approximately 70 SBHCs in New Mexico.
 - ▶ 48 SBHCs contract with the DOH's OSAH and are allowed to bill Medicaid.

Department of Health Two program examples

- ► Family Infant Toddlers (FIT) Program
 - Children's early-intervention services from birth to age 3 who have, or are at risk for, developmental delay and for their families.
 - ▶ The DOH administers to more than 14,000 individuals statewide.
 - Provided through individual providers and provider agencies statewide.
- Medical Cannabis
 - Regulated under the Lynn and Erin Compassionate Use Act (LECUA).
 - ▶ Patients must receive a registration card, available only for certain conditions.
 - Licensed producers are the only persons under state law eligible to sell, transport, store or possess cannabis.
 - For LECUA participation, doctors recommend that a patient have medical cannabis. Practitioners may prescribe products containing cannabis in a prescription drug that the federal Food and Drug Administration has approved, once the first such drug is approved.
 - Expanded by Senate Public Affairs Committee Substitute for Senate Bill 406 (Chapter 247).
 - Remains illegal under federal law.

Corrections Health care while in custody

- Corrections Department:
 - Population (as of April 2018): 6,579 men; 757 women= 7,336
 - ► Total: approximately \$51.9 million
- Contracts with Centurion:
 - > \$42.2 million (SFY 18 and 19)
- Separate contracts for:
 - pharmaceuticals at \$7.4 million (SFY 18)
 - women's behavioral health at \$2.3 million (SFY 18)

Source: Legislative Finance Committee

Local/State-Funded Health Care Safety Net Care Pool - Counties and HSD

- County "Indigent" Funds (Health Care Assistance Fund)
 - Established under Indigent Hospital and County Health Care Act, Chapter 27, Article 5.
 - Each county maintains its own fund.
 - County level programs administered by the Board of County Commissioners, in its capacity as the County Indigent Hospital and Health Care Board.
 - May provide assistance for ambulance transportation and medical and hospital care for indigent patients that are provided by eligible providers, including.
 - certain ambulance services, hospitals licensed by the New Mexico Department of Health, nursing homes, in-state licensed home health agencies, in-state licensed hospices, community-based programs providing primary and prenatal care, drug and alcohol rehabilitation centers, mental health agencies, and certain out-of-state hospitals licensed by their state licensing authority.
 - ▶ Payments to hospitals for uncompensated care in accordance with a formula.
 - ▶ Eligible for federal Medicaid reimbursement.

Pharma -cies, -cists and -cy Benefits Managers

- Pharmacists are regulated by the Board of Pharmacy, Chapter 61, Article 11
 - "Pharmacist clinicians" have prescription authority pursuant to Chapter 61, Article
 11B.
 - However, there is currently no mechanism to reimburse pharmacists for clinical work, such as prescribing
- Pharmacy Benefits Managers
 - Manage various aspects of purchasing and distributing pharmaceuticals and auditing pharmacies for compliance
 - Regulated by OSI under the Insurance Code, Chapter 59A, Article 61
- Interagency Pharmacy Purchasing Council, Senate Bill 131 (Chapter 91)
 - A council of state agencies tasked with exploring various ways to contain drug costs when buying drugs and pooling risk for pharmacy services.

Advocacy Organizations

- New Mexico Medical Society
- New Mexico Osteopathic Medical Association
- New Mexico Nurses Association
- New Mexico Center for Nursing Excellence
- New Mexico Behavioral Health Providers Association
- National Alliance on Mental Illness
- New Mexico Health Care Association
- New Mexico Association for Home & Hospice Care
- Health Action New Mexico

- New Mexico Center on Law and Poverty
- Southwest Women's Law Center
- Alzheimers' Association
- March of Dimes
- American Lung Association
- Disability Rights New Mexico
- New Mexico Community Health Worker Association
- New Mexico Voices for Children
- New Mexico Primary Care Association
- Many,, many more ...