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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/14
 SPONSOR Keller & Thomson LAST UPDATED 02/05/14 SJM 5/aSPAC
 SHORT TITLE Medicaid Services Oversight Council SB _____
 ANALYST Geisler

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0.01 Minimal			Recurring	General and Federal Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Governor’s Commission on Disability (GCD)
 Human Services Department (HSD)
 Department of Health (DOH)
 Aging and Long-Term Services Department (ALTSD)

SUMMARY

Synopsis of SPAC Amendments

The Senate Public Affairs Committee amendments to Senate Joint Memorial 5 increase the oversight council membership from 11 members to 13 members by adding two providers of services to persons with developmental disabilities.

Synopsis of Original Bill

Senate Joint Memorial 5 requests the New Mexico Legislative Council create a permanent, eleven-member Medicaid Disability Services Oversight Council, made up of legislators and non-legislators, to provide oversight of the Medicaid services provided for persons living with disabilities. Additionally, the Council would study and provide oversight of Medicaid program and finance matters relating to Medicaid disability services offered through the Human Services Department (HSD) and the Department of Health (DOH).

FISCAL IMPLICATIONS

No funding is included for the Council. HSD notes there would be a minor fiscal impact from the additional time spent by state staff in support of the Council. It is likely that staff from the Legislative Council Service would need to provide staff support for the Council.

SIGNIFICANT ISSUES

The state spends almost \$800 million on the Medicaid waiver for the developmentally disabled as well coordinated long-term care, serving almost 45,000 individuals. Enhanced oversight of these services as envisioned by SJM 5 for this vulnerable segment of New Mexico's population is critical.

GCD notes that the Medicaid Disability Services Oversight Council could be an essential part of a system that lends itself to improving the delivery of long term services and supports. By receiving information from state agencies and from individuals with disabilities and the people that provide services and support to them, this will enhance the council's ability to provide good input and recommendations on issues that matter to the disability community.

The Council would offer a venue where individuals with disabilities have a voice concerning Medicaid service and support delivery that affect their lives. The opportunity to provide open communication and participate in policy making efforts serves as the basis for individual empowerment. The Council shall make an annual report of its findings and make recommendations (including potential legislation) to the Legislative Health and Human Services Committee, the Disability Concerns Subcommittee, and the Legislative Finance Committee.

The Council would serve to supplement a number of existing groups that analyze and make recommendations on the Medicaid program. Please see discussion under "other substantive issues."

OTHER SUBSTANTIVE ISSUES

There are a number of other groups that make recommendations on the Medicaid program. HSD notes the Medicaid Advisory Committee (MAC) is established in Statute (28-4-9 NMSA). MAC membership includes the Secretaries of the Human Services Department, Department of Health, and Aging and Long Term Services Department, as well as members of the public. The MAC makes recommendations to HSD's Medical Assistance Division on the Medicaid program including issues related to disabilities. The MAC meets on a quarterly basis.

DOH notes that the Advisory Council on Quality Supports for Individuals with Developmental Disabilities and their Families (referred to as the ACQ) provides advice and counsel to the DOH Developmental Disabilities Supports Division (DDSD) regarding the provision of services and needs of individuals with developmental disabilities and their families. The ACQ is authorized in accordance with the New Mexico Developmental Disabilities Act of 1993 (Section 28-16A-13 NMSA 1978). The DDSD also receives advice from and collaborates with the Developmental Disabilities Planning Council, the Governor's Committee on Disability and other existing legislative committees including the Legislative Health and Human Services (LHHS) Committee, Disabilities Concerns Subcommittee. DOH continues to provide information and testimony to the LHHS Committee and to the Disabilities Concerns Subcommittee.

DOH provided background on input process for changes to the developmental disabilities waiver

Prior to making changes or modifications to the developmental disabilities home and community based waiver (also known as the Developmental Disabilities Waiver or DDW), the Centers for Medicare and Medicaid Services (CMS) requires states to obtain public input as part of the renewal process. Additionally, it is positive practice for the state to solicit input from parties potentially affected, with the ultimate purpose of contributing to the development of an effective waiver program.

DOH is committed to soliciting and using feedback from: individuals receiving services, families, providers and other interested stakeholders and the general public. DOH began providing information and soliciting feedback on the waiver redesign approximately two years prior to the submission of the waiver application to CMS; DOH has continued this process for over a year after the approval of the waiver application. Over the past several years, DOH has received extensive feedback and made responsive changes to service standards, rates, and service packages as a result. DOH has implemented policy decisions in response to feedback received by stakeholders.

In the spring of 2010, DOH created a DDW Renewal Task Force that met over a five month period to provide input into restructuring the DDW. The task force provided final approval of the service definitions that were included in the submitted waiver application to CMS. Approximately 89 percent of individuals will receive the same level of services or more than the services they received in state Fiscal Year 2012. DOH will continue to monitor the impact of the changes to the system and the concerns of the constituents.

TECHNICAL ISSUES

Including staff from the DOH and HSD might conflict with the mission of the Council to provide monitoring and oversight of the Medicaid program.

DUPLICATION

There is currently the Legislative Health and Human Services Interim Committee (LHHS) and LHHS Disability Concerns Subcommittee in place and either or both could serve the same function.

GG/ds:jl