



## **Centennial Care:**

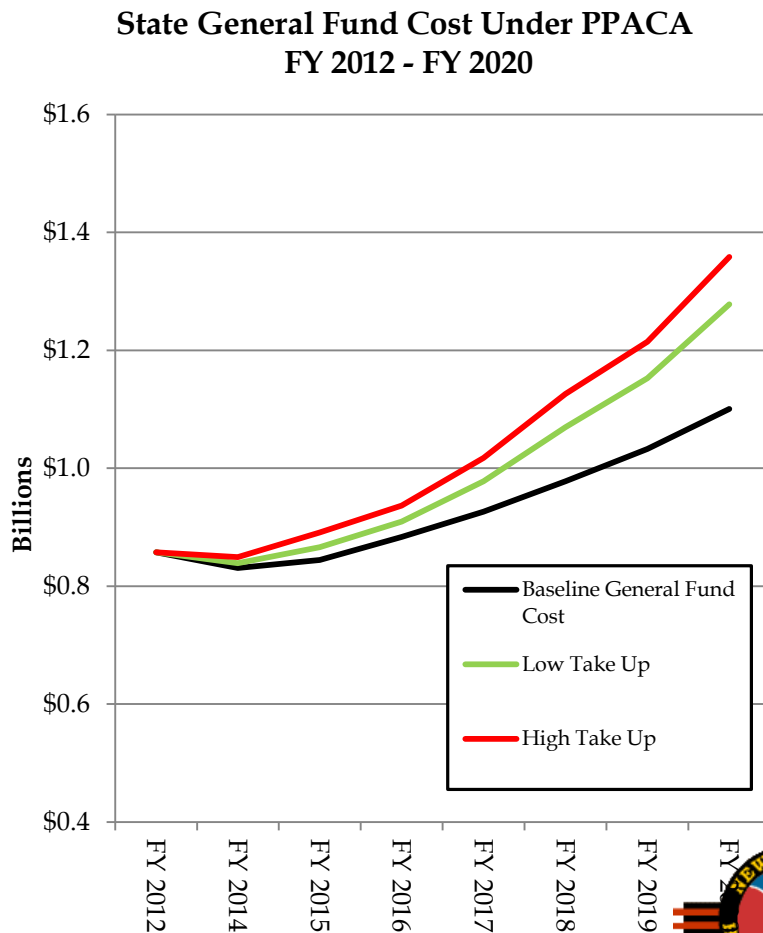
**Medicaid Modernization & Efforts to Expand Access & Improve Quality**

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# Centennial Care

- ◆ Currently, the Medicaid program is 16% of the state budget.
- ◆ Health care costs continue to increase.
  - 5.8% a year through 2020 according to the Centers for Medicare and Medicaid Services actuaries. This rate is faster than the economy is expected to grow this decade.
- ◆ Even with three years of 100% federal funding for newly eligible enrollees under the Federal Health Care Reform, the State's Medicaid bill will continue to rise dramatically.



# Centennial Care: Medicaid Costs

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- ◆ 16% of the State budget is dedicated to Medicaid
- ◆ Health care costs will increase 5.8% / year thru 2020, and faster than economy will grow. (CMS actuaries)
- ◆ Costs for the State will rise despite the 100% federal funding for new enrollees under the Federal Health Care Reform.



# New Mexico's Medicaid Modernization Effort

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## ◆ Four Goals:

- Assure Medicaid recipients receive the right amount of care at the right time, in the most cost-effective settings
- Assure that care is measured for quality, not quantity
- Slow the rate of growth of program costs without cutting services, eligibility or provider rates
- Streamlining and modernizing the program administratively



# New Mexico's Medicaid Modernization Effort

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- ◆ Two Principles of Centennial Care Can Help Address Workforce Issues:
  - A Comprehensive Service Delivery System
  - Payment Reform



# New Mexico's Medicaid Modernization Effort

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- ◆ Principle 1: A Comprehensive Service Delivery System
  - Manage Care to Recipients
    - Comprehensive care coordination process
    - Health literacy for recipients
    - Reintegration of behavioral health
    - Maximize use of technology for rural/frontier regions
    - Better use of school based clinics



# New Mexico's Medicaid Modernization Effort

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- ◆ Comprehensive Care Coordination Process Can Increase Access to and Quality of Care
  - MCOs developing Patient Centered Medical Homes
  - Behavioral-Physical Health Home model
    - Intensive care management/coordination for those with SMI/SED and chronic medical conditions
    - Expanded multi-disciplinary teams, MD, APCs, RN, CHW/CSW
  - Physical Health Homes for other patient populations



# New Mexico's Medicaid Modernization Effort

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- ◆ Maximize technology for rural and frontier regions
  - Provider shortage deepens with expansion of Medicaid
  - Long waitlist for sub-specialty consults in urban areas
  - Telemedicine is an important tool for delivery of care and retention of providers:
    - Specialty consults
    - Education forum for rural providers
    - Develop local expertise/referral options
    - Reinforcing quality and best practices





# New Mexico's Medicaid Modernization Effort

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- ◆ Payment Reform allows for rewarding plans and providers who practice cost-effective medicine targeted at:
  - Outcomes rather than process
  - Quality rather than quantity
  - Pilot projects allow for road testing of new models
    - Pediatric Asthma/Diabetes
    - Readmissions for Coronary/Pulmonary Disease
    - Peer to peer effectiveness reporting



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THANK YOU!

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New Mexico Human Services Department