



HUMAN
SERVICES
DEPARTMENT



NEW MEXICO MEDICAID ADVISORY COMMITTEE (MAC) MEETING
AUGUST 3, 2020
MEDICAL ASSISTANCE DIVISION

INVESTING FOR TOMORROW, DELIVERING TODAY.

MEETING PROTOCOLS

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MEETING PROTOCOLS

- Join GoToMeeting
- Mute Microphones
- Update Name and Address
- Committee Member Questions
- Chat Function for Public Comments
- Presenters and Slide Transition
- Meeting is Recorded

INTRODUCTIONS

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AGENDA AND APPROVAL

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MEETING AGENDA AND APPROVAL

1. Meeting Protocols
2. Introductions
3. Agenda and Approval
4. April 2020 Minutes
5. MAD Director Update
6. Medicaid Budget Projections
7. Cost Reduction Options
8. Public Comment
9. Adjournment

APRIL 2020 MINUTES

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MAD DIRECTOR UPDATE

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Congratulations!

- Kari Armijo – Deputy Secretary, Kari.Armijo@state.nm.us
- Lorelei Kellogg – Deputy Director of Programs, Lorelei.Kellogg@state.nm.us

HUMAN SERVICE DIVISION COVID-19 RESPONSE EFFORTS

Income Support Division COVID-19 Response		Medical Assistance Division COVID-19 Response	
11	Approved Waivers	18	Approved Waivers
4	Program Flexibilities Granted	5	Approved State Plan Amendments

MAD COVID-19 RESPONSE: REDUCING ADMINISTRATIVE BURDEN AND FINANCIAL SUPPORT FOR PROVIDERS

- Over \$120 million in provider relief (e.g. hospital & nursing facility increase, E&M codes, pharmacy add-on)
- Suspending sanctions for non-compliance with HIPAA when providing telehealth services
- Easing provider enrollment and re-enrollment requirements
- Temporarily ceasing revalidation of in-state providers
- Waiving in-state licensure requirements when out-of-state provider holds similar, valid license in another state
- Allowing facilities to provide services in Alternative Care Sites (Albuquerque, McKinley and San Juan Areas)
- Requiring expedited claims payments by MCOs to ensure health care providers are paid as quickly as possible
- Requiring MCOs to provide same level of reimbursement for out-of-network care for Medicaid members
- Suspending prior authorization requirements for specific services
- Extended existing prior authorizations for duration of the public health emergency
- Temporarily suspending supervision requirements for home health agencies

MAD COVID-19 RESPONSE: PROTECTING AND EXTENDING ACCESS TO COVERAGE AND CARE FOR NEW MEXICANS

- Allowing coverage of COVID-19 testing for all uninsured New Mexicans (100% federally funded)
- Expanding types of entities able to provide Presumptive Eligibility Determinations for new Medicaid enrollees
- Suspending automatic eligibility redeterminations for current Medicaid enrollees
- Ceasing suspension of Medicaid enrollees' benefits when they have been incarcerated for more than 30 days
- Increasing telehealth and phone visit options (Physical/Speech/Occupational Therapies and Behavioral Health)
- Allowing Medicaid enrollees more time to file appeals and request Fair Hearings
- Allowing payment for certain services provided by family caregivers or other legally responsible individuals
- Suspending recertification requirements for patients to receive home and community-based care
- Relaxing restrictions on early prescription refills
- Coordinating outreach and education with beWellnm, NM Medical Insurance Pool, and Office of Superintendent of Insurance

OTHER TOP MAD PRIORITIES

- **Benefits & Reimbursement** – Behavioral Health Policy and Billing Manual
- **Budget Planning & Reporting** - Special session budget and cost containment
- **Centennial Care Contracts** – MCO Contract amendment finalized
- **Communication & Education** – Immunization campaign; education and enrollment events
- **Compliance** – 9 current audit engagements
- **Eligibility** –Emergency Medical Services for Aliens (EMSA) changes; New Mexico Health Insurance Exchange (NMHIX) integration

OTHER TOP MAD PRIORITIES (CONTINUED)

- **Exempt Services & Programs** – Supports Waiver Implementation
- **Financial Management** – Managed Care Organization (MCO) rate setting
- **Long-Term Services & Supports** – Community Benefit Allocations; Electronic Visit Verification (EVV) for Self-directed services
- **Policy & Provider Services** – Medicaid Rule changes & State Plan Amendments
- **Pharmacy/Medical** – “Call Don’t Cancel” campaign; Public Health Emergency (PHE) Best Practice Research
- **Quality** – Virtual ride-alongs with MCO Care Coordinators; Resuming quality reporting planning
- **Systems** – COVID system changes, Provider relief payments

FEDERAL CORONAVIRUS RELIEF

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FEDERAL LEGISLATION SUMMARY

- Phase 1 Bill – Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (H.R. 6074)
- Phase 2 Bill – Families First Coronavirus Response Act (FFCRA) (H.R. 6201)
- Phase 3 Bill – Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748)
- Phase 3.5 Bill – Paycheck Protection Program and Health Care Enhancement Act (H.R. 266)

FFCR Act – 3/18/2020

- **Safeguards Medicaid Benefits** – temporarily increased the federal Medicaid matching rate (FMAP) by 6.2 percentage points with requirements
- **Free testing for Coronavirus** – no cost sharing allowed & allowed states to extend Medicaid coverage for testing to the uninsured
- Strengthens food assistance
- Enhances unemployment aid
- Establishes paid leave

CARES Act – 3/27/2020

- \$500B financial assistance for companies in need
- \$380B economic support for small businesses
- \$300B various tax incentives
- \$290B direct payments to taxpayers
- \$270B expansion of unemployment benefits
- **\$150B federal aid to hospitals & healthcare providers**
- **\$150B support to state, local, & territorial governments**
- \$2.3T total

MEDICAID INCREASED MATCH: MAINTENANCE OF EFFORT REQUIREMENT

- States must attest compliance with the statutory requirements below to receive this increase and if they violate these terms, they will be required to return all additional federal funds:
 - **No new eligibility and enrollment** requirements that are more restrictive than were in place prior to the Public Health Emergency (PHE)
 - No cost-sharing for testing
 - No increases in premiums
 - **No disenrollment** during PHE declaration
 - Prior to the emergency, NM averaged 7,000 disenrollments per month = 0.84% of membership

FEDERAL PROVIDER RELIEF FUND (PRF)

Provider Relief Fund Distribution (PRF) (amount)	Recipients
First General Allocation (\$30B)	All Medicare-billing providers
Second General Allocation (\$20B)	All Medicare-billing providers
High Impact Allocation (\$12B)	Hospitals with at least 100 COVID-19-related admissions
Rural Allocation (\$10B)	Rural acute general hospitals, CAHs, RHCs, and rural CHCs
Second Rural Allocation (\$1B)	Specialty rural Medicare designation hospitals in urban areas and hospitals in smaller non-rural communities
Nursing Homes (\$4.9B)	SNFs
Indian Health Service Support (\$500M)	Tribal hospitals, clinics, and urban health centers
Safety Net (\$25B)	Medicaid and CHIP Providers, Safety Net Hospitals
Second Safety Net Allocation (\$3B)	Acute care hospitals that have less than 3% profitability averaged over 2 or more of its last 5 cost report filings
Total Allocated: \$106.4 billion (see more detail from HHS here)	

- HHS has dispersed or announced disbursement of approximately **\$106 billion** of the total **\$175 billion** appropriated to the PRF.
- This leaves approximately **\$69 billion** for reimbursement to dentists and the uninsured, as well as subsequent funding tranches.
- HHS had stated it would issue another **\$10 billion to hotspots** but with cases dramatically increasing across the country, the agency may need to tweak the previous formula or increase the amount of the tranche.

FFRCA IMPACT ON STATE BUDGETS

- **“FMAP increases during public health crises, natural disasters, or economic downturns are intended to help states address higher Medicaid costs resulting from higher enrollment as people lose their jobs or see their hours or wages reduced and become eligible for Medicaid. It also allows for greater financial support to the health care safety net that disproportionately serves Medicaid beneficiaries (and the uninsured) and is likely to face growing, severe stress in coming weeks and months.**

Source: <https://ccf.georgetown.edu/wp-content/uploads/2020/03/Families-First-Final-3.30-V2.pdf>

6.2% FMAP EXTENSION TIMELINE

January 31, 2020

- Secretary Azar first declared COVID-19 a nationwide public health emergency (PHE) utilizing his authority under Sec. 319 of the Public Health Service Act.
- Under Sec. 319, the Secretary may extend the PHE declaration for subsequent 90-day periods for as long as the **PHE continues to exist.**

April 26, 2020

- Secretary Azar issued a renewal of the determination which was scheduled to expire on July 25, 2020.

July 25, 2020

- **Newest declaration will be effective from through October 23, 2020, UNLESS** Sec. Azar determines that the PHE has ceased to exist prior to that date.

DURATION OF FMAP INCREASES

	FFY 2018	FFY 2019	FFY 2020	FFY 2020 6.2% increase	FFY 2021	FFY 2021 6.2% increase
FMAP	72.16%	72.26%	72.71%	78.91%	73.46%	79.68%
E-FMAP	80.51%	80.58%	80.90%	85.24%	81.42%	85.78%
CHIP E-FMAP	100%	100%	92.40%	96.74%	81.42%	85.78%

- Expansion FMAP steps down again on January 1, 2019, to 93% and on January 1, 2020 to 90%.
- CHIP Reauthorization
 - 100% expired in September 30, 2019.
 - Phase-out increased to states' E-FMAP by 11.5% through September 30, 2020.
 - E-FMAP reverts back on October 1, 2020.
- As a result of the Families First Coronavirus Response Act (FFCRA), FFY 20 receives a 6.2% FMAP increase for the months of January to December 2020.
- FFY21 is projected to receive a 6.2% FMAP increase for the months of October to December 2020. This will last until the end of quarter in which the public health emergency ends.
- COVID-19 testing and related services for uninsured are 100% FFP

MEDICAID FMAP AND 6.2% INCREASE IMPACT

Federal Fiscal Year 20 FMAP with 6.2% Increase

	Pre-PHE Federal and State FFP			Policy Adjusted Federal and State FFP			Percent Change from 6.2%
	Federal Match %	State Match %	Ratio (Federal: State)	Federal Match with 6.2%	State Match w/ 6.2%	Ratio (Federal: State)	
Traditional (PH & LTSS)	72.71%	27.29%	2.66	78.91%	21.09%	3.74	40%
Chip EFMAP	92.40%	7.60%	12.16	96.74%	3.26%	29.67	144%
Other Adult Group (CY20)	90.00%	10.00%	9.00	90.00%	10.00%	9.00	0%
State FY Blended FFP	78.75%	21.25%	3.71	80.60%	19.40%	4.15	19%

DOLLAR IMPACT ON GENERAL FUND FROM 6.2% FMAP INCREASE

QUARTERS 3 & 4 OF SFY20

FY 20 6.2% FMAP Impact by Program (\$000s)	
Fee for Service	14,933.8
Waivers	13,542.1
CC - Physical Health	49,877.5
CC - LTSS	38,090.9
CC - Behavioral Health	11,428.5
CC- Health Insurance Providers Fee	2,945.0
Medicare	3,953.6
Others	2,082.1
Total Medicaid	136,853.8

QUARTERS 1 & 2 OF SFY21

FY 21 6.2% FMAP Impact by Program (\$000s)	
Fee for Service	13,428.6
Waivers	15,985.4
CC - Physical Health	56,340.2
CC - LTSS	42,098.1
CC - Behavioral Health	12,983.4
CC- Health Insurance Providers Fee	-
Medicare	4,170.8
Others	2,563.1
Total Medicaid	147,569.9

GROUPS THAT BELIEVE THAT 6.2% FMAP IS INSUFFICIENT TO FUND MEDICAID COST GROWTH IN THIS PANDEMIC

- Georgetown University
<https://ccf.georgetown.edu/2020/05/04/critical-need-for-further-large-fmap-increases-to-sustain-state-medicaid-programs-during-economic-crisis/>
- Manatt
<https://www.shvs.org/analyzing-the-fiscal-impact-of-covid-19-the-economic-downturn-and-recent-policy-changes-50-state-databook/>
- Urban Institute
https://www.urban.org/sites/default/files/publication/102098/increasing-federal-medicaid-matching-rates-to-provide-fiscal-relief-to-states-during-the-covid-19-pandem_0_0.pdf
- Center for Budget and Policy Priorities
<https://www.cbpp.org/blog/medicaid-funding-boost-for-states-cant-wait>

Critical Need for Further, Large FMAP Increases to Sustain State Medicaid Programs During Economic Crisis



EMERGENCY PROVIDER SUPPORT

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MEDICAID PROVIDER RATE INCREASES RELATED TO COVID-19

Waiver Type	Policy Change	Reflected in the Budget Projection	Estimated Total Cost	Estimated GF Cost
			(millions)	(millions)
Appendix K for HCBS	Retainer Payments for PCS services (1 quarter)	NO	\$0.0	\$0.0
Appendix K for Mi Via, Med Frag & DD Waiver	Increase assistive technology budget from \$250.00 to \$500.00 (1 quarter)	NO	\$0.03	\$0.01
	Support waiver participants (personal care) in an acute care hospital or short-term institutional stay (DD waiver, Med Frag waiver, and Mi Via Waiver) (1 quarter)	NO	-	-
	Increase rates for supported living, intensive medical living, family living (DD waiver) (1 quarter)	YES	\$9.1	\$1.9
Disaster SPA	Delayed reconciliation of SBHC cost reports for FFY18	YES	\$0.0	\$0.0
	EMSA – to cover COVID-19 testing	YES	\$1.9	\$0.5
	COVID-19 testing uninsured group for uninsured beginning 3/18	YES	\$1.3	\$0.0
	Targeted Access Payments (Disaster SPA)	YES	\$16.8	\$3.5
	Hospital Access Payments	YES	\$57.6	\$12.1
	Advance payment of DSH for first 2 quarters of 2020	YES	\$16.4	\$3.5
	DRG ICU 50% rate increase (1 quarter) for 201 Acute Care Hospitals	YES	\$50.6	\$7.1
	DRG inpatient stays 12.4% rate increase (1 quarter) for 201 Acute Care Hospitals	YES	\$16.2	\$2.3
	12.4% rate increase (1 quarter) for providers 202-205	YES	\$3.5	\$0.6
	30% rate increase to short term skilled & custodial nursing facility services for COVID-19 + patients (1Q)	YES	\$6.7	\$1.4
	30% rate increase for Assisted Living Facilities (ALFs) for COVID-19 positive patients (1 quarter)	YES	\$0.06	\$0.01
	\$1 rate increase to pharmacies for curbside pickup (1 quarter)	YES	\$1.9	\$0.3
	Other Provider Rate Increases (1 quarter)	YES	\$13.1	\$2.4
Managed Care	Increase non-emergency ground transportation (NEMT) rates (1 quarter)	YES	\$1.6	\$0.4
	E&M/Non E&M/Medicaid only rate increase (1 quarter)	YES	\$36.6	\$6.3
	Targeted Access Payments (Regular SPA)	YES	\$7.2	\$1.5
	TOTAL Medicaid Costs		\$240.5	\$43.8

MEDICAID PROVIDER RATE INCREASES RELATED TO COVID

- In March, when major portions of hospital functions were closed, it was quickly identified that hospitals would face severe revenue shortfalls.
- In addition, other providers cited cost of care increases for PPE, electronic communications systems (e.g., for televisits and telecommuting staff).
- The Federal Government provided financial relief for some, but not all providers.
- HSD calculated that the temporary aggregate provider revenue shortfall would be ~\$65M and submitted CMS waivers to increase provider payments.
- In the past, we have increased capitation rates to MCOs to cover the increased provider rates; in this case we did not.

MEDICAID BUDGET PROJECTIONS

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GUIDING MEDICAID PRINCIPLES

- New Mexico has the highest population percentage covered by Medicaid, which creates a greater New Mexico HSD responsibility to our healthcare market and to fair payments.
- The overwhelming majority of federal CMS dollars must be spent on providing direct services to Medicaid beneficiaries.
- HSD aims to optimally leverage federal funds to improve the health of New Mexicans, while maintaining strict compliance with the law.

MEDICAID BUDGET PROJECTION

- The Medicaid budget projection is produced quarterly by economists in the Budget Planning and Reporting Bureau at the Medical Assistance Division of the New Mexico Human Services Department.

MEDICAID BUDGET AGENDA

- Introduction
- Risk to the Budget
- Overview
- Utilization
- Enrollment
- FY 19 Lag Model
- FY 20 Lag Model
- FY 21 Trend Model

RISKS TO THE BUDGET

- General Fund Revenue Declines from Oil and Gas
- Prolonged Health and Economic Crisis
- Continued Enrollment Changes
- Duration and amount of increased federal match
- Financial Wellbeing of Providers
- Future Managed Care Rates

FY19, FY20 & FY21 BUDGET OVERVIEW

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MEDICAID BUDGET UPDATE

- The estimated expenditures in FY19 is \$5,616.9 million
- The estimated expenditures in FY20 is \$6,671.4 million
- The estimated expenditures in FY21 is \$7,313.0 million

Budget Projection – Expenditures (\$000s)	FY2019	FY2020	FY2021
Fee-For-Service	723,353	763,345	760,298
DD & MF Traditional, and Mi Via			
Waivers	408,552	446,558	528,358
Centennial Care MCO	4,278,189	5,162,003	5,714,685
Medicare	188,286	195,519	210,148
Other	18,578	103,977	99,531
Total Projection (June 2020)	5,616,958	6,671,404	7,313,020
Prior Projection (March 2020)	5,609,103	6,645,577	7,142,250
Change from Prior	7,855	25,827	170,769

*The current quarterly budget projection is updated with data through June 2020.

MEDICAID BUDGET UPDATE

- The estimated state revenue surplus in FY19 is \$4.9 million
- The estimated state revenue surplus in FY20 is \$61.7 million
- The projected state revenue shortfall in FY21 is \$71.7 million

Budget Projection – Revenues (\$000s)	FY2019	FY2020	FY2021
Federal Revenues	4,429,067	5,376,185	5,882,983
All State Revenues	1,173,966	1,282,800	1,414,304
Operating Transfers In	201,423	251,716	306,987
Other Revenues	54,129	73,053	66,377
General Fund Need	918,415	958,031	1,040,940
Appropriation	933,625	1,019,697	1,076,544
Reversion	10,274		
State Revenue Surplus/(Shortfall)	4,935	61,666	(71,690)
Change from Prior	5,124	(1,034)	(89,863)

UTILIZATION ANALYSIS

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ISSUES WITH REPORTING ACCURATE UTILIZATION DATA

- **Providers:** delays in claims submission due to disruption of pandemic.
- **MCOs:** delays in processing due to emergency programming for COVID related rate increases.
- **HSD:** less complete data to compare current data to last year.

Comparisons of March – June as of July 7 should significantly underestimate 2020 data when compared to 2019.

ANALYSES OF PROVIDERS SINCE LAST PROJECTION

- Study compared March-May MCO encounter and FFS claims to prior year.
- Encounter data cover 77 different provider types:
 - 44% show negative impacts (fewer claims, less paid)
 - 36% show positive impacts (more claims, more paid)
 - 22% show mixed impacts
- FFS data cover 70 provider types:
 - 50% show positive impact
 - 26% show negative impact
 - 24% show mixed impact
- In total providers show lower claim volume for March-to-May 2020 than prior year:
 - 248,826 fewer encounter claims
 - 135,590 fewer FFS claims
- *Data is preliminary and will require further run out for completion

EARLY EXPERIENCE WITH MCO COST CHANGES: NET SAVINGS?

	A	B	C	D = A * (1 + B) * (1 + C)	E	F = E / D - 1	G
Provider Type	HSD Analysis April 2019 ¹	Program Changes ²	Enrollment Growth ³	Adjusted April 2019 ⁴	HSD Analysis April 2020 ¹	Calculated Cost Reduction (min 0% reduction)	Applied Cost Reductions ⁵
Hospital	\$ 51,798,355	17.2%	1.5%	\$ 61,638,236	\$ 50,339,956	-18.3%	-30.0%
SNF/HCBS/PCS	\$ 35,569,967	11.2%	1.5%	\$ 40,152,287	\$ 52,143,120	NA	0.0%
Physician/FQHC	\$ 39,174,616	8.6%	1.5%	\$ 43,178,938	\$ 30,324,123	-29.8%	-35.0%
Dental	\$ 9,649,701	1.9%	1.5%	\$ 9,977,969	\$ 858,484	-91.4%	-80.0%
BH	\$ 13,687,170	29.1%	1.5%	\$ 17,931,395	\$ 17,883,452	-0.3%	0.0%
Pharmacy	\$ 32,217,417	3.8%	1.5%	\$ 33,927,044	\$ 40,315,002	NA	0.0%
All Other	\$ 19,055,739	1.5%	1.5%	\$ 19,624,026	\$ 16,373,045	-16.6%	-20.0%
Total	\$ 201,152,964			\$ 226,429,894	\$ 208,237,182	8.0%	-20.1%

	H	I = H * G	J	K	L = I * J * K	M	N = M * (1 + G)
Provider Type	Projected Monthly CY2020 Medical ^{6,7}	Estimated One- Month Cost Reduction	Estimated # of Months Impacted ⁸	Cost Offset ⁹	Estimated CY2020 Cost Reductions	Managed Care Budget Impact Before Cost Reductions	Adjusted Budget Impact ¹⁰
Hospital	\$ 116,681,859	\$ (35,004,558)	2.3	50.0%	\$ (40,389,874)	\$ 57,924,957	\$ 40,547,470
SNF/HCBS/PCS	\$ 61,915,107	\$ -	2.3	50.0%	\$ -	\$ -	\$ -
Physician/FQHC	\$ 48,187,528	\$ (16,865,635)	2.3	50.0%	\$ (19,460,348)	\$ 34,536,346	\$ 22,448,625
Dental	\$ 12,178,672	\$ (9,742,937)	2.3	50.0%	\$ (11,241,851)	\$ -	\$ -
BH	\$ 35,647,800	\$ -	2.3	50.0%	\$ -	\$ 1,293,396	\$ 1,293,396
Pharmacy	\$ 32,603,007	\$ -	2.3	50.0%	\$ -	\$ 1,770,505	\$ 1,770,505
All Other	\$ 25,592,404	\$ (5,118,481)	2.3	50.0%	\$ (5,905,939)	\$ 1,522,572	\$ 1,218,058
Total	\$ 332,806,377	\$ (66,731,611)			\$ (76,998,012)	\$ 97,047,776	\$ 67,278,054

General Fund: \$ (10,802,821) \$ 13,615,803 \$ 9,439,111

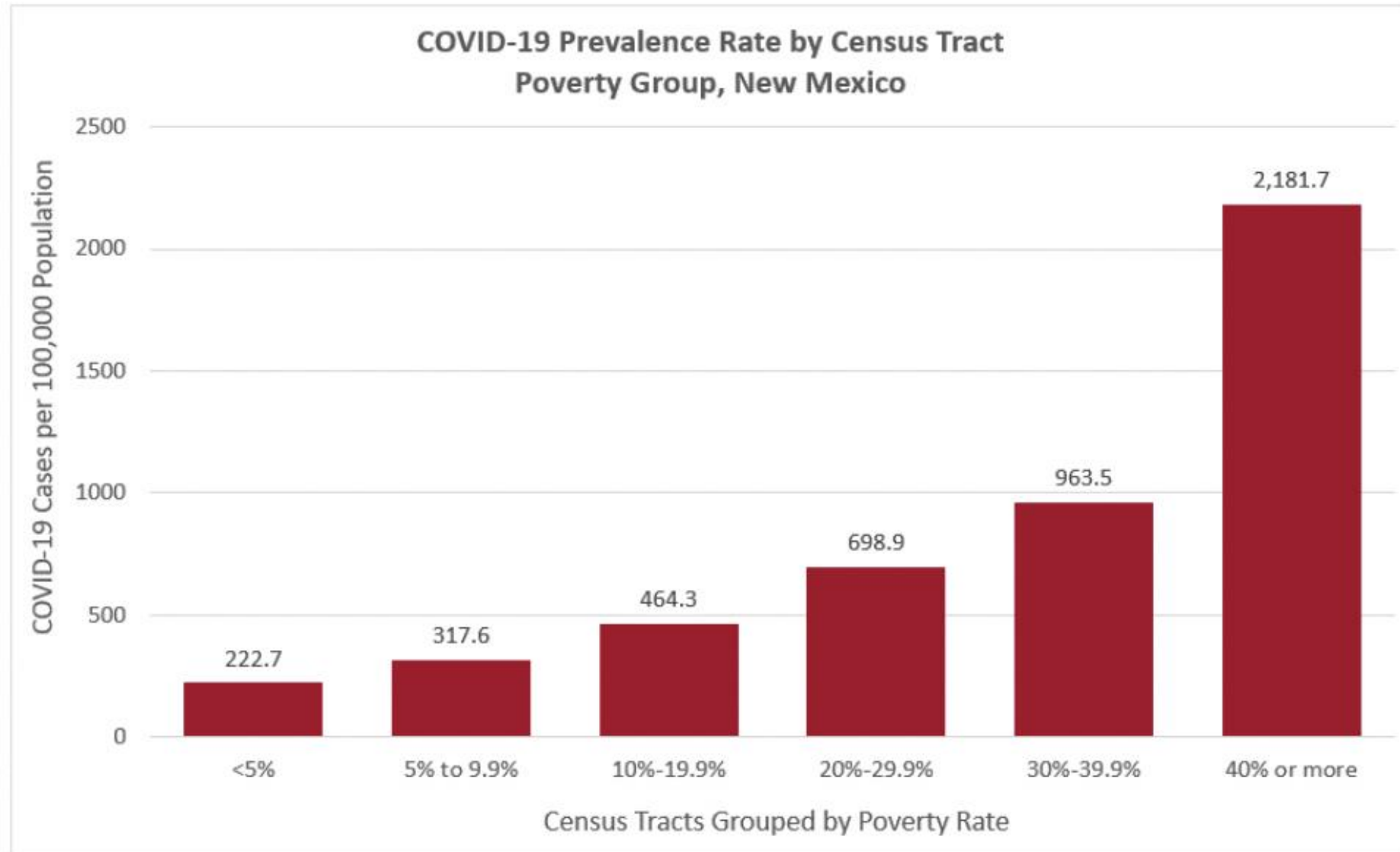
New Proposed Initiatives: \$ 67,278,054

Estimated Cost Reductions: \$ (76,998,012)

Net Impact: \$ (9,719,959)

General Fund: \$ (1,363,710)

New Mexico COVID-19 Prevalence by Poverty Rate: COVID-19 Cases per 100,000 Population by Census Tract Poverty Rate



OPTIONS FOR ADJUSTING 2020 MCO CAPITATION RATES

MCOs may implement changes voluntarily (ex. NEMT), through similar contract mechanisms as FFS (ex. DRG increase), or through directed payments (ex. NF rate increase)

- CMS will require 2-sided risk mitigation for new directed payments on all medical services, likely for full calendar year

Increase or decrease rates up to 1.5% per rate cell without requiring new certification; requires contract amendment

- May not fully account for the expected impact of changes

Review rate setting assumptions retrospectively with more recent experience as it becomes available

- Takes time for complete data to become available for analysis

CMS may require certification amendments and/or additional documentation under many of these approaches

3 YEARS OF UNDERWRITING GAIN (“PROFIT MARGIN”) FOR CENTENNIAL CARE

	A	B	C	D	E
Final 2017	-5.1%	0.6%	4.5%	3.5%	N/A
Prelim. 2018	-5.4%	-0.3%	1.3%	1.3%	N/A
DRAFT 2019	-11.9%	N/A	0.8%	N/A	-6.1%

- Medicaid capitation rates nationally include an amount for margin of up to 3%.
- Milliman reported an average Medicaid underwriting gain of over 2% for 2014 and 2015 and less than 1% each year since then.
- New Mexico Medicaid capitation rates reflect an assumption of 1.25% to 2.25% gain.
- HSD Centennial Care MCO contracts include an underwriting gain cap that returns half of all gains above 3% back to the state.
 - No MCOs are expected to hit this limit for 2018 or 2019.
 - There is no similar limit or sharing of MCO losses.

ENROLLMENT PROJECTION

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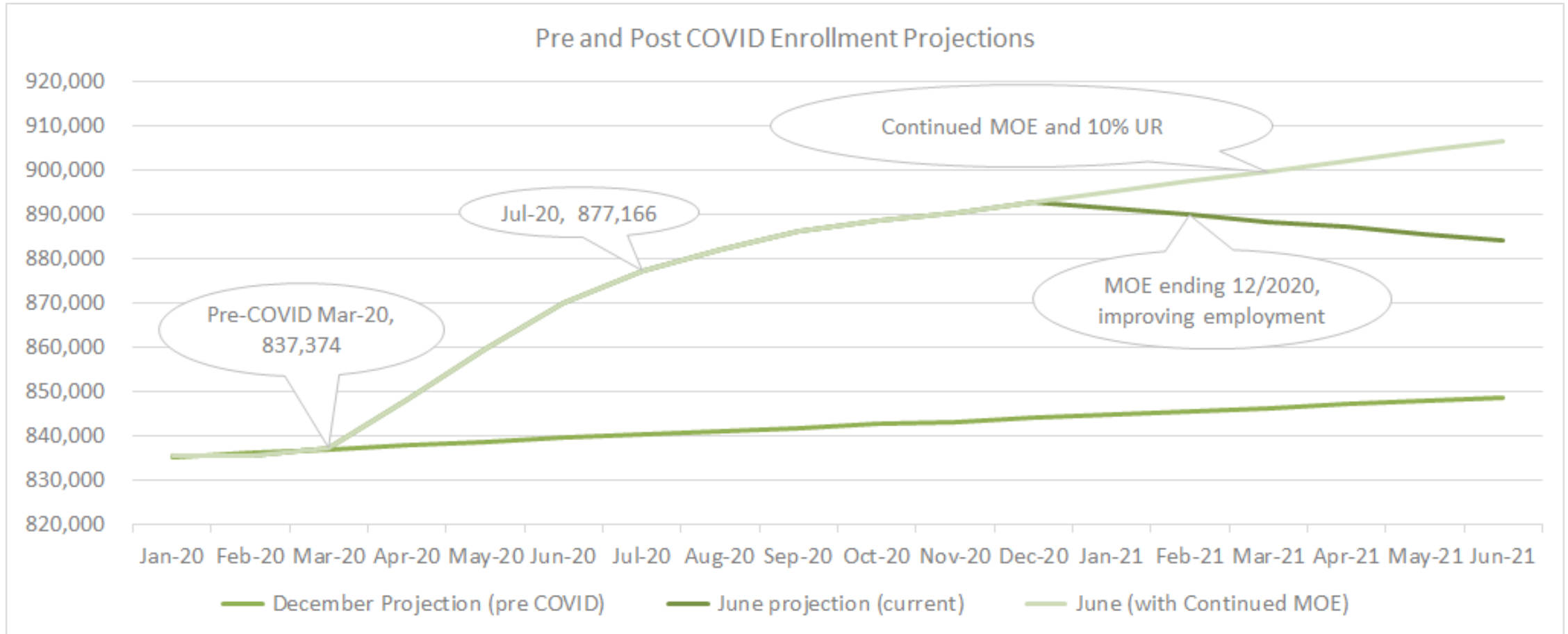
MEDICAID ENROLLMENT IN CONTEXT

- 869,000 total beneficiaries in June 2020
- 884,000+ anticipated by June 2021
- 82% are enrolled in managed care
- 40% of all New Mexicans are enrolled in Medicaid
- 43% of beneficiaries are children
- 56% of New Mexico children are enrolled in Medicaid
- 72% of all births in New Mexico are covered by Medicaid

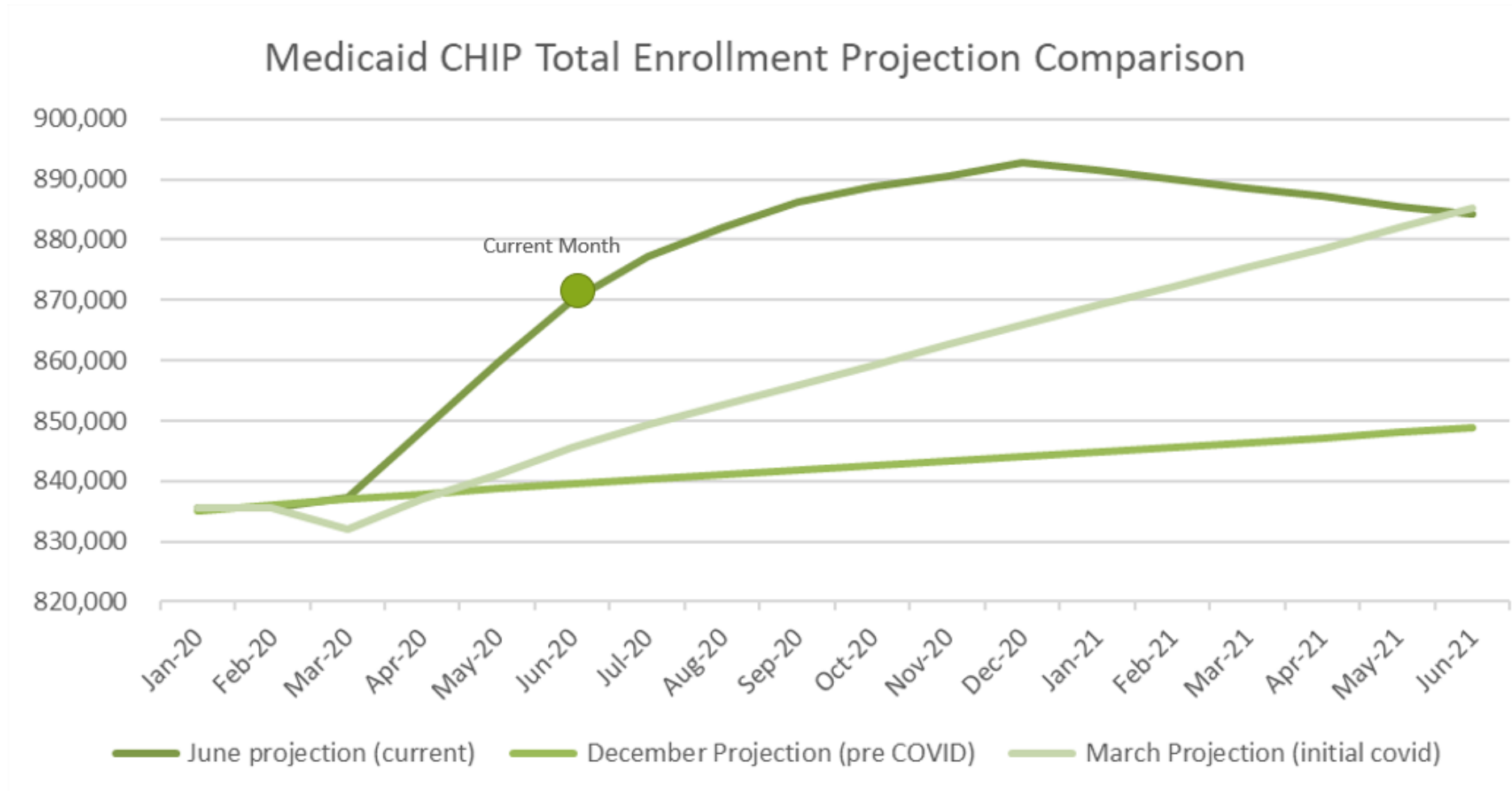
MEDICAID ENROLLMENT CHANGES

- COVID-19, MOE requirements, the current economic outlook, and stimulus policies are influential factors in the current FY20 and FY21 enrollment and budget projections.
- The Medicaid/CHIP enrollment is estimated at 869,000 individuals in June 2020 and is projected to reach 884,000 by June 2021.
- Growth in Medicaid/CHIP enrollment over this time-period reflects the effects of the Health Emergency and increased take-up from losses in employer-based health insurance.

EVOLUTION OF ENROLLMENT PROJECTION



EVOLUTION OF ENROLLMENT PROJECTION



IMPACT OF COVID-19 RECESSION ON MCO ENROLLMENT COSTS AND STATE GENERAL FUND (COMPARED TO 12/2019)

	Cost \$M	GF \$M
2 nd Half FY20 (March-June) with MOE : additional 61,950 member months, avg. PMPM \$596.49	36.9	6.7
1 st Half FY21 (July-Dec) with MOE : additional 264,591 member months, avg. PMPM \$586.35	158.1	31.9
2 nd Half FY21 (Jan-June) without MOE : additional 246,432 member months, avg. PMPM \$612.56	150.9	30.5
Alternative Scenario: 2 nd Half FY21: with MOE : additional 325,174 member months, avg. PMPM \$612.56	199.2	40.2

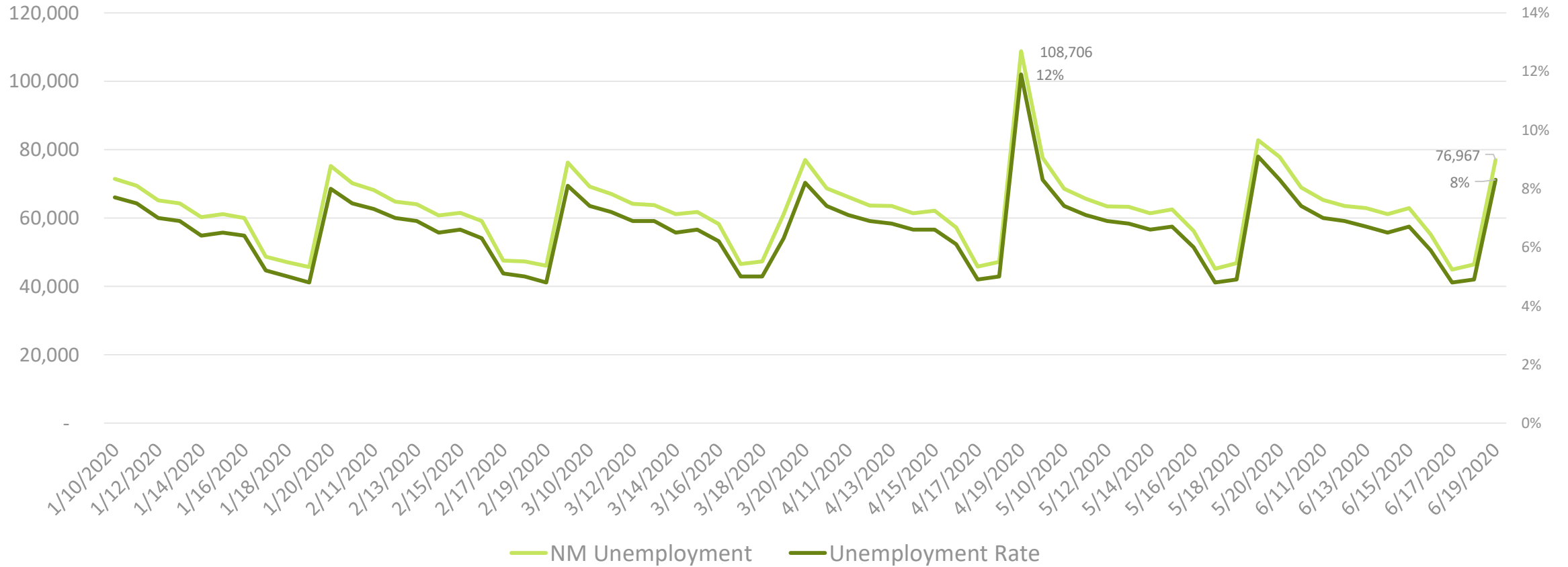
COVID-19 ECONOMIC RECESSION AND HEALTH INSURANCE STATUS

Feb. to May: 6% contraction in NM labor force -56,800;
unemployment rate rises from 4.8% to 9.2% (BLS, June 25 data)

Feb to June: NM Medicaid expands 4.5% \approx 40,000; June
Medicaid/CHIP enrollment reaching 877,166 (HSD)

Est. loss of employer coverage \approx 40,000 (10% unemployment rate);
Est. additional uninsured or new HIX members 16,800

ENROLLMENT PREDICTORS

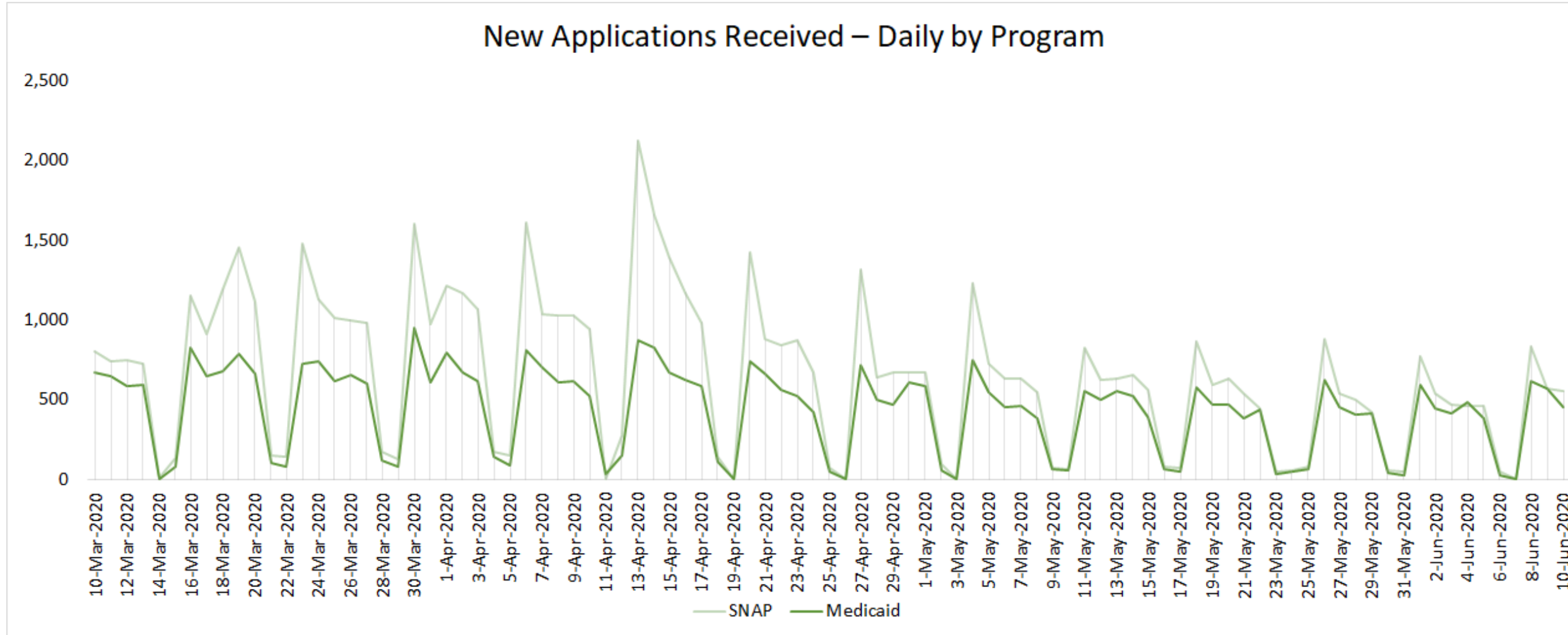


*Source: Bureau of Labor Statistics

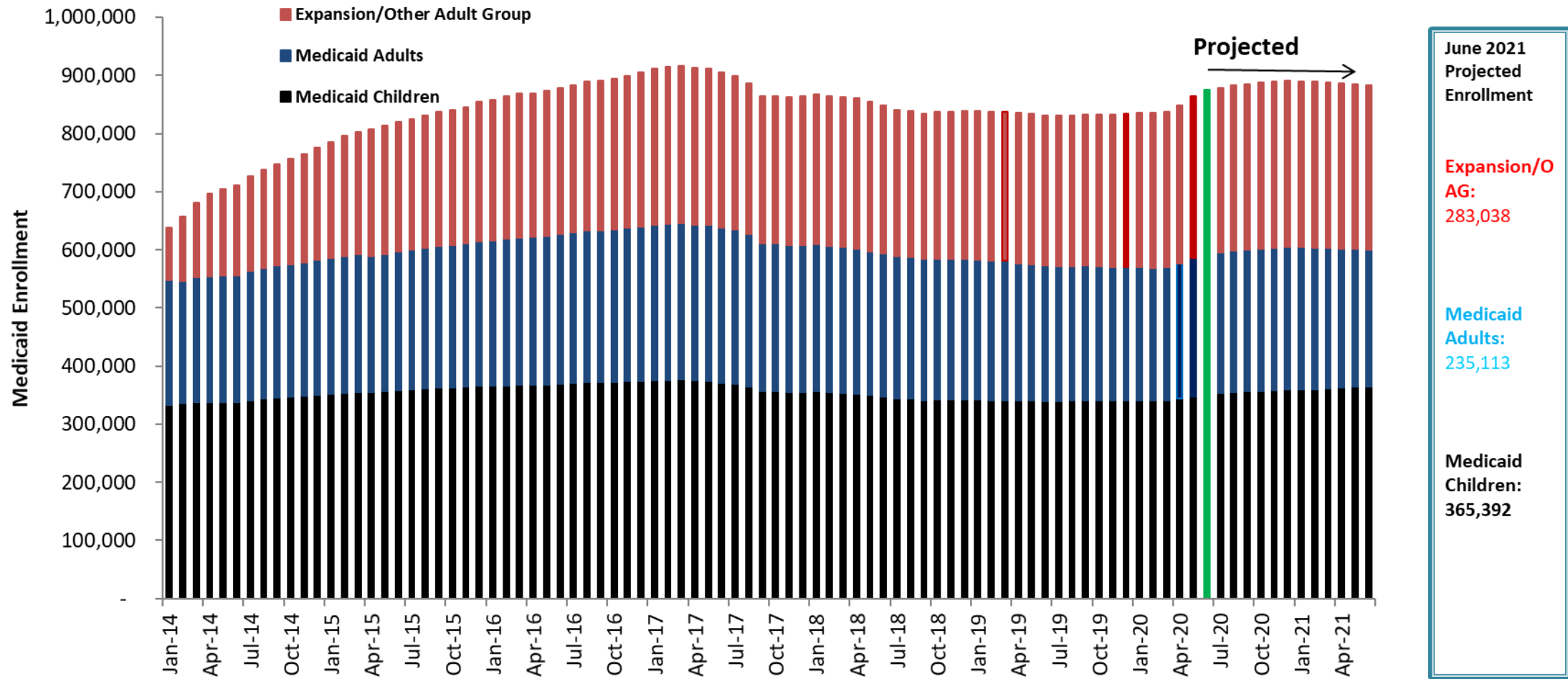


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SUPPLEMENTAL FOOD AND NUTRITION BENEFIT UPTAKE V. MEDICAID UPTAKE



NEW MEXICO MEDICAID ENROLLMENT



ENROLLMENT CHANGES BY PROGRAM

Centennial Care 2.0 CY 2020 Projected Enrollment Distribution by Program

	Jan.-March Avg. (CY Q1)	April-June Avg. (CY Q2)	July-Sept. Avg. (CY Q3)	Oct.-Dec. Avg. (CY Q4)
(MCO) Physical Health Program	391,638	403,784	422,436	428,719
(MCO) Expansion Program	238,506	248,519	254,188	256,287
(MCO) Long Term Supports & Services Program	48,872	49,331	50,112	50,363
All MCO Programs	679,016	701,634	726,736	735,369
All FFS Programs	157,176	157,664	155,090	155,417
All FFS & MCO Programs	836,192	859,298	881,826	890,786

Centennial Care 2.0 CY 2020 Projected Enrollment Changes by Program

	CY Q2 vs CY Q1		CY Q4 vs CY Q1	
	Δ	%Δ	Δ	%Δ
(MCO) Physical Health Program	12,146	3.1%	37,081	9.5%
(MCO) Expansion Program	10,013	4.2%	17,781	7.5%
(MCO) Long Term Supports & Services Program	459	0.9%	1,491	3.1%
All MCO Programs	22,618	3.3%	56,353	8.3%
All FFS Programs	488	0.3%	(1,759)	(1.1%)
All FFS & MCO Programs	23,106	2.8%	54,594	6.5%

Source: MAD BPRB June Enrollment Projections

*Decrease in FFS due to movement of Family Planning members into Full Benefit.

NM MEDICAID ENROLLMENT PROJECTION FY20

Month-Year		Medicaid Base Population & CHIP						Medicaid Expansion (FFS & MCO)		All Medicaid & CHIP			
		Full Benefit		Partial Benefit			Estimated Total Base Population (D+E+F+G)	Reported	Estimated	Estimated (H+J)	Change from Prior Projection	Month over Month Change	% Change Yr/Yr
		Reported	Estimated	Family Planning Estimated	QMBs Estimated	SLIMBs & QI1s Estimated							
SFY 2020	Jul-19	478,273	478,272	58,214	23,572	12,348	572,406	258,260	258,308	830,714	(19)	(72)	-1.2%
	Aug-19	479,212	479,166	56,203	24,366	12,536	572,271	258,563	258,636	830,907	(20)	193	-1.0%
	Sep-19	479,957	479,990	55,267	25,141	12,621	573,019	259,934	260,002	833,021	(17)	2,114	-0.2%
	Oct-19	479,573	479,661	53,695	25,844	12,709	571,909	260,923	260,976	832,885	(1)	(136)	-0.4%
	Nov-19	478,887	479,062	51,763	26,554	12,783	570,162	262,324	262,377	832,539	(3)	(346)	-0.6%
	Dec-19	479,143	479,384	50,111	27,236	12,858	569,589	264,628	264,676	834,265	30	1,726	-0.6%
	Jan-20	479,702	480,002	48,727	27,898	12,930	569,557	266,062	266,109	835,666	170	1,401	-0.4%
	Feb-20	478,733	479,174	48,812	27,971	13,002	568,959	266,542	266,578	835,537	74	(129)	-0.3%
	Mar-20	479,922	480,456	49,326	28,052	13,073	570,906	266,394	266,468	837,374	5,461	1,838	0.1%
	Apr-20	486,771	487,609	47,158	28,827	13,144	576,737	271,187	271,583	848,320	11,168	10,946	1.5%
	May-20	493,864	494,980	46,232	29,300	13,214	583,726	273,902	275,930	859,655	18,495	11,335	3.2%
	Jun-20	497,863	501,253	45,528	29,695	13,285	589,761	274,966	280,158	869,919	24,301	10,264	4.7%

NM MEDICAID ENROLLMENT PROJECTION FY21

Month-Year		Medicaid Base Population & CHIP						Medicaid Expansion (FFS & MCO)		All Medicaid & CHIP			
		Full Benefit		Partial Benefit			Estimated Total Base Population (D+E+F+G)	Reported	Estimated	Estimated (H+J)	Change from Prior Projection	Month over Month Change	% Change Yr/Yr
		Reported	Estimated	Family Planning Estimated	QMBs Estimated	SLIMBs & QI1s Estimated							
SFY 2021	Jul-20		505,163	45,495	29,718	13,356	593,732		283,434	877,166	27,793	7,247	5.6%
	Aug-20		509,183	45,505	29,726	13,427	597,841		284,161	882,002	29,470	4,835	6.1%
	Sep-20		512,689	45,473	29,734	13,497	601,393		284,916	886,309	30,376	4,307	6.4%
	Oct-20		514,458	45,475	29,754	13,568	603,255		285,596	888,851	29,676	2,542	6.7%
	Nov-20		515,945	45,451	29,770	13,639	604,805		285,796	890,601	28,039	1,749	7.0%
	Dec-20		518,057	45,411	29,778	13,710	606,956		285,950	892,906	26,979	2,305	7.0%
	Jan-21		517,125	45,421	29,796	13,780	606,123		285,347	891,470	22,393	(1,436)	6.7%
	Feb-21		516,193	45,417	29,804	13,851	605,266		284,710	889,976	17,652	(1,494)	6.5%
	Mar-21		515,261	45,419	29,816	13,922	604,418		284,022	888,440	13,076	(1,535)	6.1%
	Apr-21		514,329	45,387	29,834	13,993	603,543		283,823	887,366	8,866	(1,074)	4.6%
	May-21		513,397	45,337	29,840	14,063	602,638		282,901	885,539	3,628	(1,827)	3.0%
	Jun-21		511,969	45,327	29,848	14,134	601,279		283,038	884,317	(893)	(1,222)	1.7%

NEW MEXICO MANAGED CARE ENROLLMENT FY20

Month-Year		Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO)													
		Physical Health			Long Term Services and Supports			Medicaid Expansion			Total CC MCO				
		(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	Month over Month Change	% Change Yr/Yr
SFY 2020	Jul-19	386,676	386,643	(33)	48,174	48,197	23	232,631	232,560	(71)	667,481	667,400	(81)	1,227	0.5%
	Aug-19	387,444	387,402	(42)	48,292	48,312	20	232,955	232,877	(78)	668,691	668,591	(100)	1,191	0.7%
	Sep-19	388,480	388,452	(28)	48,491	48,476	(15)	234,083	234,031	(52)	671,054	670,959	(95)	2,368	1.3%
	Oct-19	388,407	388,395	(12)	48,588	48,546	(42)	235,140	235,129	(11)	672,135	672,070	(65)	1,111	0.6%
	Nov-19	388,330	388,296	(34)	48,668	48,609	(59)	236,383	236,411	28	673,381	673,316	(65)	1,246	1.4%
	Dec-19	389,147	388,910	(237)	48,619	48,678	58	238,649	238,696	47	676,416	676,283	(132)	2,967	1.7%
	Jan-20	389,606	391,383	1,778	48,857	48,850	(7)	239,930	237,926	(2,004)	678,392	678,159	(234)	1,876	1.9%
	Feb-20	389,603	391,065	1,462	48,833	48,866	33	240,260	238,631	(1,629)	678,696	678,562	(134)	403	2.0%
	Mar-20	390,326	392,466	2,141	49,108	48,900	(208)	240,796	238,960	(1,836)	680,230	680,327	97	1,765	2.2%
	Apr-20	396,190	395,300	(890)	49,464	49,056	(408)	244,131	247,759	3,628	689,785	692,115	2,331	11,788	3.7%
May-20	399,491	405,078	5,586	49,670	49,340	(330)	246,165	247,989	1,824	695,327	702,407	7,080	10,291	5.3%	
Jun-20	402,821	410,973	8,152	49,877	49,596	(280)	248,217	249,809	1,592	700,914	710,378	9,463	7,971	6.6%	
Total MM	4,696,520	4,714,363	17,843	586,641	585,425	(1,216)	2,869,341	2,870,778	1,438	8,152,501	8,170,566	18,065	184,813	2.3%	

NEW MEXICO MANAGED CARE ENROLLMENT FY21

Month-Year		Estimated Member Months in Centennial Care Managed Care Organizations (CC MCO)													
		Physical Health			Long Term Services and Supports			Medicaid Expansion			Total CC MCO				
		(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	(Prior)	(Current)	Change from Prior	Month over Month Change	% Change Yr/Yr
SFY 2021	Jul-20	404,163	418,203	14,039	49,960	50,029	69	249,251	253,090	3,839	703,374	721,321	17,947	10,944	8.1%
	Aug-20	405,511	423,053	17,542	50,043	50,112	69	250,290	254,349	4,059	705,843	727,514	21,670	6,192	8.8%
	Sep-20	406,862	426,053	19,190	50,126	50,196	69	251,332	255,126	3,793	708,321	731,374	23,053	3,861	9.0%
	Oct-20	408,218	427,803	19,584	50,210	50,279	69	252,380	255,796	3,416	710,808	733,878	23,070	2,504	9.2%
	Nov-20	409,579	428,803	19,223	50,294	50,363	70	253,431	256,332	2,900	713,304	735,498	22,193	1,620	9.2%
	Dec-20	410,944	429,553	18,608	50,378	50,447	70	254,487	256,734	2,247	715,809	736,733	20,924	1,236	8.9%
	Jan-21	412,314	428,658	16,343	50,461	50,510	49	255,548	256,199	651	718,323	735,367	17,043	(1,367)	8.4%
	Feb-21	413,689	427,765	14,076	50,546	50,573	28	256,612	255,665	(947)	720,847	734,003	13,156	(1,364)	8.2%
	Mar-21	415,068	426,873	11,806	50,630	50,637	7	257,682	255,133	(2,549)	723,379	732,643	9,263	(1,361)	7.7%
	Apr-21	416,451	425,984	9,533	50,714	50,700	(14)	258,755	254,601	(4,154)	725,921	731,285	5,364	(1,358)	5.7%
	May-21	417,839	425,097	7,257	50,799	50,763	(35)	259,833	254,071	(5,763)	728,471	729,930	1,459	(1,355)	3.9%
	Jun-21	419,232	424,211	4,979	50,883	50,827	(57)	260,916	253,541	(7,375)	731,032	728,579	(2,453)	(1,351)	2.6%
	Total MM	4,939,871	5,112,052	172,181	605,044	605,437	393	3,060,518	3,060,635	117	8,605,433	8,778,124	172,691	607,558	7.4%

FY2019 PROJECTION

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MEDICAID BUDGET PROJECTION

FY19 EXPENDITURES

Description	FY19 Total (\$000s)	% Change from FY18	Previous Projection	Change from Previous
IHS Hospital	119,277	-1.36%	120,353	(1,076)
Clinic Services	51,312	29.51%	39,226	12,086
Others	55,787	3.97%	58,935	(3,147)

MEDICAID BUDGET PROJECTION

FY19 EXPENDITURES

Description	FY19 Total (\$000s)	% Change from FY18	Previous Projection	Change from Previous
DD and MF and Mi Via Waiver	408,552	6.07%	408,571	(19)
Waiver Subtotal	408,552	6.07%	408,571	(19)

MEDICAID BUDGET PROJECTION

FY19 REVENUES

Description	FY19 Total (\$000s)	Change from Previous
UNM IGT	44,514	\$3,914
MSBS CPE	13,225	8,753
General Fund Need	918,415	(5,124)
Reversion	10,274	10,274
State Revenue Surplus / (Shortfall)	4,935	5,124

FY2020 PROJECTION

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MEDICAID BUDGET PROJECTION

FY20 EXPENDITURES

Description	FY20 Total (\$000s)	% Change from FY19	Previous Projection	Change from Previous
Medicare Part D	37,825	-22.15%	43,343	(5,518)
Hospital and Provider Rate Increases	58,113	--	68,600	(10,487)
Grand Total	6,671,404	18.94%	6,645,577	25,827

\$8.6 million from removing
NMMIP potential budget
increase

\$1.8 million from shifting \$1
Pharmacy curbside
dispensing fee cost to FY21

MEDICAID BUDGET PROJECTION

FY20 EXPENDITURES

Description	FY20 Total (\$000s)	% Change from FY19	Previous Projection	Change from Previous
DSH/GME/IME	199,741	24.48%	201,020	(1,279)
UC Pool/ TAP	63,236	-21.84%	55,945	7,292
Physician Services	36,605	-2.10%	38,309	(1,703)
IHS Hospital	112,445	-6.57%	124,285	(11,840)
Clinic Services	49,824	27.02%	37,376	12,448
Outpatient Hospital	45,077	7.43%	48,703	(3,627)
BH FFS	35,760	-2.61%	37,831	(2,072)
Others	58,814	-0.21%	62,892	(4,079)
Fee-For-Service Subtotal	763,345	6.47%	769,396	(6,051)

*The Safety Net Care Pool (SNCP) transitioned to the Targeted Access Payment (TAP) program, and the Hospital Access Payment (HAP) program on 1/1/2020

*HAP is now reflected in the Managed Care lines

MEDICAID BUDGET PROJECTION

FY20 EXPENDITURES

Description	FY20 Total (\$000s)	% Change from FY19	Previous Projection	Change from Previous
DD & MF Traditional, and Mi Via Waivers	446,558	9.30%	443,615	2,944
Waivers Subtotal	446,558	9.30%	443,615	2,944

MEDICAID BUDGET PROJECTION

FY20 EXPENDITURES

Description	FY20 Total (\$000s)	% Change from FY19	Previous Projection	Change from Previous
CC - Physical Health	1,758,381	19.31%	1,739,948	18,434
CC – LTSS	1,245,347	18.00%	1,241,377	3,971
CC - Behavioral Health	392,674	15.36%	389,035	3,638
CC Medicaid Expansion- P.H.	1,501,410	17.90%	1,483,373	18,037
CC Medicaid Expansion-B.H.	169,190	26.45%	168,425	765
Health Insurance Provider Fee	95,000	--	95,000	-
CC MCO Subtotal	5,162,003	20.70%	5,117,158	44,845

MEDICAID BUDGET PROJECTION

FY20 REVENUES

Description	FY20 Revenues (\$000s)	Change from Previous
Department of Health	123,032	
Department of Health Additional Need/Surplus	(8,808)	5,937
UNM IGT Adjustment	(8,636)	
MSBS CPE	11,418	7,713
FY20 Appropriation (HB2 & HB6)	1,019,697	
General Fund Need	958,031	1,034
State Revenue Surplus / (Shortfall)	61,666	(1,034)

FY2021 PROJECTION

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MEDICAID BUDGET PROJECTION

FY2021 EXPENDITURES

Description	FY21 Total (\$000s)	% Change from FY20	Previous Projection	Change from Previous
DSH/GME/IME	205,645	2.96%	202,298	3,347
HQII/ Targeted Access Payments	31,202	-50.66%	29,528	1,674
Physician Services	39,371	7.56%	41,228	(1,857)
IHS Hospital	120,522	7.18%	129,254	(8,732)
Clinic Services	49,976	0.31%	38,883	11,093
Other Practitioners	37,359	5.98%	41,220	(3,861)
Outpatient Hospital	49,584	10.00%	55,035	(5,450)
BH FFS	36,081	0.90%	38,174	(2,093)
Others	62,158	6.07%	66,032	(3,875)
Fee-For-Service Subtotal	760,298	-0.37%	769,461	(9,163)

MEDICAID BUDGET PROJECTION

FY2021 EXPENDITURES

Description	FY21 Total (\$000s)	% Change from FY20	Previous Projection	Change from Previous
DD & MF Traditional, and Mi Via Waivers	502,454	15.11%	508,571	(6,117)
Supports Waiver	25,904	--	27,113	(1,209)
Waivers Subtotal	528,358	21.04%	535,684	(7,327)

MEDICAID BUDGET PROJECTION

FY2021 EXPENDITURES

Description	FY21 Total (\$000s)	% Change from FY20	Previous Projection	Change from Previous
CC - Physical Health	1,975,783	12.36%	1,895,305	80,478
CC – LTSS	1,384,089	11.14%	1,308,021	76,068
CC - Behavioral Health	447,090	13.86%	438,636	8,454
CC Medicaid Expansion- P.H.	1,708,637	13.80%	1,702,522	6,115
CC Medicaid Expansion-B.H.	199,086	17.67%	198,964	122
Health Insurance Provider Fee	-	-100.00%	-	-
CC MCO Subtotal	5,714,685	10.71%	5,543,446	171,238

MEDICAID BUDGET PROJECTION

FY2021 EXPENDITURES

Description	FY21 Total (\$000s)	% Change from FY20	Previous Projection	Change from Previous
Medicare Part D	41,284	9.14%	45,093	(3,809)
Utilization Review & Contracts	3,400	-58.96%	8,284	(4,884)
Hospital & Provider Rate Increases	35,791	-47.83%	33,904	1,887
DOH Designated Trauma Hospitals	-	--	7,423	(7,423)
COVID-19 Related Expenditures	39,468	281.04%	8,481	30,986
Grand Total	7,299,214	9.56%	7,142,250	156,964

MEDICAID BUDGET PROJECTION

FY2021 REVENUES

Description	FY21 Revenues (\$000s)	Change from Previous
Department of Health (Line 15)	133,343	(4,400)
Department of Health Additional Need /(Surplus)	(12,083)	(11,136)
UNM IGT	76,312	1,013
MSBS CPE	11,535	7,121
FY2021 Appropriation	1,076,544	
3% reduction	(32,294)	
General Fund Swap	(75,000)	
FY2021 Revised Appropriation	969,250	
General Fund Need	1,040,940	(89,863)
State Revenue Surplus / (Shortfall) FY 21	(71,690)	(89,863)
Additional Revenue from 6.2% For Qtrs. 3 & 4	147,000	
State Revenue Surplus / (Shortfall) FY 21 (w/ 4 Qtrs. 6.2%)	75,310	

COST REDUCTION OPTIONS

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WHAT VARIABLES DRIVE MEDICAID EXPENSES

Variable	HSD Usually Able to Influence	HSD Able to Influence Under FFCR*
Enrollment	Yes	No
Benefit Plans	Yes	No
MCO Contracts	Within actuarial limits	Within actuarial limits
Provider Rates	Yes	Yes
Utilization	Yes	Yes

OPTIONS FOR EXPENSE REDUCTIONS: BENEFITS

#	Option	Aggressive	GF Savings (\$M)	Very Aggressive	GF Savings (\$M)	Total Computable (\$M)
1	Copays	Moderate premiums	\$1.0	High premiums	\$3.0	\$10 - \$30
2	Premiums for the Adult Group	Implement moderate premiums	\$2.5	Implement high premiums	\$5.0	\$25 - \$50
3	Reduce or eliminate adult dental services	Reduce adult dental services	\$4.0	Eliminate adult dental services	\$8.0	\$40 - \$80
4	Reduce or eliminate adult vision benefits	Reduce adult vision benefits	\$1.5	Eliminate adult vision benefits	\$3.0	\$15 - \$30
5	Reduce or eliminate coverage for adult hearing aids	Reduce coverage for adult hearing aids	\$0.3	Eliminate coverage for adult hearing aids	\$0.6	\$3 - \$6

- Options cannot be combined and are not additive and cannot be employed in combination.
- Employing any of the options in this table would violate the Maintenance of effort requirement and would result in loss of 6.2% match – up to \$204.52 million GF for 3 quarters (January – September 2020)

OPTIONS FOR EXPENSE REDUCTIONS: OTHER PROGRAM OPTIONS – POTENTIAL BENEFIT IMPACT

#	Option	Aggressive	GF Savings (\$M)	Very Aggressive	GF Savings (\$M)	Total Computable (\$M)
6	Reduce Centennial Rewards program (incentives for preventive services and medication adherence)	50% reduction	\$1.7	Eliminate program	\$3.4	\$8.8 - \$17.7
7	Home Visiting Program	Postpone statewide expansion	TBD	Eliminate pilot	\$0.15	\$0.78
8	Behavior Management Skills Pilot			Postpone	\$1.40	\$7.29

- Options cannot be combined and are not additive and cannot be employed in combination.
- Awaiting CMS response on if these changes would violate Maintenance of Effort requirement from Families First Act.

OPTIONS FOR EXPENSE REDUCTIONS: MANAGED CARE ORGANIZATIONS

#	Option	Aggressive	GF Savings (\$M)	Very Aggressive	GF Savings (\$M)	Total Computable (\$M)
9	Move MCOs down to the bottom of the rate range (12 month)	6 months	\$3.54	12 months	\$7.83	\$18.43 - \$40.76
10	MCO care coordination staffing levels	Reduce halfway to minimum	\$0.7	Reduce to minimum	\$1.40	\$3.64 - \$7.29
11	Require MCOs to pay 340B prices for drugs		TBD		TBD	
12	Recoupment unused CAP amount (calculated based on assumptions – not actual)	Recoup half the amount	\$5.0	Recoup Full amount	\$10.8	\$26.03 - \$52.06

- Options cannot be employed in combination.

OPTIONS FOR EXPENSE REDUCTIONS: PROVIDER RATES

#	Option	GF Savings (\$M)	Total Computable (\$M)
13	Each 1% Reduce hospital inpatient rates	\$3.0	\$15.62
14	Each 1% Reduce hospital outpatient rates	\$0.8	\$4.16
15	Each 1% Across-the-board reduction to physician and other professional services rates	\$3.0	\$15.62
16	Each 1% reduction to hospitals FFS	\$0.27	\$1.41
17	Each 1% all other providers FFS	\$0.40	\$2.08
18	Update cost-to-charge-ratio (CCR) for hospital outlier claims (\$9.6 - \$12.5)	\$11.0	\$57.52
19	All Medicare type codes to 90% of Medicare (Medicaid only codes excluded)	\$2.47	\$12.87
20	All Medicaid only codes equivalent to 90% of Medicare (1.24% rate decrease)	\$2.37	\$12.32
21	All Medicare type codes to 85% of Medicare (Medicaid codes only excluded)	\$12.55	\$65.32
22	All Medicaid only codes equivalent to 85% of Medicare (6.27% rate decrease)	\$12.01	\$62.52

- Options cannot be combined and are not additive and cannot be employed in combination.
- Sum of 1% provider rate reductions (Options 12 to 16): \$7.47 million GF**

OPTIONS FOR EXPENSE REDUCTIONS: OTHER PROGRAM OPTIONS – POTENTIAL RATE IMPACT

#	Option	Aggressive	GF Savings (\$M)	Very Aggressive	GF Savings (\$M)	Total Computable (\$M)
23	GME Expansion			Suspend	\$0.17	\$0.88
24	Medicare Premium Savings from 6.2%			2 QTRS in FY20 1 QTR in FY21	\$4.68 FY20 \$2.68 FY21	\$4.68 FY20 \$2.68 FY21
25	Hospital Access Program (formerly SNCP) Reduction from \$69 M to \$34 M	2 years	\$3.5	Effective 1/1/2021	\$7.0	\$35 - \$69

- All options cannot be employed in combination.

PUBLIC COMMENT

Investing for tomorrow, delivering today.



HUMAN
SERVICES
DEPARTMENT



ADJOURNMENT

INVESTING FOR TOMORROW, DELIVERING TODAY.