

Governor's Commission on Medicaid Care Management
First Gubernatorial Recommendation
Press Release

For Immediate Release
May 31, 2013

Concord, NH – The Governor's Commission on Medicaid Care Management has recommended to Governor Maggie Hassan that Medicaid expansion, as permitted under the Affordable Care Act, be implemented in New Hampshire. The commission highly advises this step in order to ensure the successful transition from a Medicaid fee for service system to a more efficient, more effective, and more cost-effective Medicaid care management system in the Granite State.

This is the first recommendation issued by the Commission, which was established by executive order of the Governor in April of this year to review and recommend best practices in implementing New Hampshire's Medicaid care management program.

In a cover letter to the Governor, Mary Vallier-Kaplan, Chair of the Governor's Commission on Medicaid Care Management, states, "Our primary reason for urgent Medicaid expansion is that the care management system being pursued by the State is constructed and depends on the assumption that the expansion will occur. In the opinion of the Commission, failure to proceed with the expansion jeopardizes the entire care management initiative and the ability of the Department of Health and Human Services to carry out its legislative mandate in this regard."

The recommendation outlines several key reasons for implementing Medicaid expansion. The State of New Hampshire originally authorized a care management system based on expanding Medicaid. This authorization provides the three managed care organizations (MCOs), which were approved by the legislature's Joint Fiscal Committee and by the Governor and Executive Council, with a large enough managed care pool to provide efficient, cost-effective services. A larger pool translates into lower administrative and program costs per capita.

Rejecting Medicaid expansion would alter the business assumptions and costs for MCOs to participate in New Hampshire. It threatens to create a material change in contractual conditions between the State and the MCOs. This could jeopardize MCO participation, put projected savings to the State at risk and threaten to make care management untenable, states the recommendation.

In addition, the cost for Medicaid expansion enrollees will be 100% covered by federal funds for the first three years, beginning in 2014. The recommendation states that it makes "practical sense" for New Hampshire to take advantage of these funds, which will cover the costs to address a pent-up demand for health care services in a streamlined and coordinated system, rather than a fragmented and costly system of uncompensated care.

"Two years ago, the New Hampshire General Court directed in SB147 that managed care become the policy of New Hampshire's Medicaid program," stated Vallier-Kaplan. "If Medicaid expansion is now rejected by the New Hampshire Legislature, it appears likely to reverse its previous policy and the Medicaid care management initiative. The commission urges that Medicaid expansion be supported by our elected officials to ensure the financial stability of our State's Medicaid program."

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About the Governor's Commission on Medicaid Care Management

The Governor's Commission on Medicaid Care Management was formed by executive order of the Governor in April of this year to review and advise the Governor on the implementation of an efficient, fair and high-quality Medicaid care management system. The commission meets monthly, including forums across the state with members of the public. The first meeting was held on May 3, 2013.

The commission brings together members of the public with expertise in managed care and payment reform models of care, Medicaid public policy, elderly affairs, children's health, public health, mental health, developmental disabilities and adult health care services. Mary Vallier-Kaplan, former vice president of the New Hampshire Endowment for Health, chairs the panel and Donald Shumway, former commissioner of the Department of Health and Human Services and president and CEO of Crotched Mountain Rehabilitation Center, serves as vice-chair. The Commission's members are Thomas Bunnell, policy consultant for NH Voices for Health; Sue Fox, project director at the UNH Institute on Disability and a parent of a child with developmental disabilities; Wendy Gladstone, MD, a pediatrician at Dartmouth-Hitchcock Medical Center's Child Advocacy and Protection Program; Yvonne Goldsberry, Ph.D, MPH, vice president of Population Health and Clinical Integration at Cheshire Medical Center/ Dartmouth-Hitchcock- Keene; Catherine McDowell, founder of Coos Family Health and now running McDowell Project Management; Douglas McNutt, Associate State Director for Advocacy, AARP NH; Gustavo Moral, President of Independent Services Network; Kenneth Norton, executive director of NAMI New Hampshire; and Jo Porter, MPH, deputy director of the NH Institute for Health Policy and Practice.

About the Medicaid Care Management Program

The Medicaid care management program, as enacted in 2011, is intended to improve the value, quality and efficiency of services provided through Medicaid, stimulate innovation and generate savings for New Hampshire. The program is to be implemented in three phases through contracts entered into between the Department of Health and Human Services and at least two Managed Care Organizations who are responsible for providing management of health care services to members enrolled in the New Hampshire Medicaid Program.

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