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**State of New Hampshire**  
**Department of Health and Human Services**

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**Division of Medicaid Services**  
**Presented to Senate Finance**  
**May 3, 2021**  
**Henry Lipman, Medicaid Director**



# Division of Medicaid Services

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- Department Unique Identifier:
  - 05 Health and Social Services
  - 95 Health and Human Svcs Dept
  - 047 HHS: Ofc Medicaid Services
  - 470010 Division of Medicaid Services
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# Agenda

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- **Brief Overview of Division**
- **Scope, Focus and Approach**
- **Federal Medical Assistance Percentage (FMAP) and COVID**
- **Medicaid Caseloads**
- **Priority Funding Needs**
- **Requested Changes to House Budget / Budget Overview**
- **Staffing**
- **MMIS**
- **Account listing and Page Numbers**



## Mission and Vision

*The mission of DMS is to serve the healthcare needs of Medicaid beneficiaries in New Hampshire through an effectively and efficiently run Medicaid Care Management and Fee For Service Program.*

*Further, DMS will operate this publicly funded health insurance program in a fiscally sound fashion while continuously striving to improve the quality of service and care for the approximately 1 in 7 New Hampshire citizens who have Medicaid.*



# Medicaid: SCOPE, FOCUS AND APPROACH

- As of 4/26/21 NH Medicaid serves 219,242 residents of the state; **nearly 1 in 6** NH residents at any one time.
- Offering a Medicaid program is elective for states. All fifty states currently elect to offer a Medicaid program.
- Participating states must cover select groups of people and cover select groups of services that are known as mandatory.
- Participating states can elect coverage for additional services and populations that are known as optional.
- In return, the federal government pays a fixed percentage of the cost, known as FMAP. In New Hampshire it is always at least 50 percent of cost.



- Families First Coronavirus Response Act (FFCRA) requires states receiving the enhanced FMAP due to the Federal Public Health Emergency (PHE) keep anyone enrolled in Medicaid as of March 18, 2020 (the start date of the PHE) enrolled in the program through the first day of the month following the month in which the PHE ends.
- The COVID enhanced FMAP continues through the end of the quarter in which the PHE ends.
- The federal PHE has currently been extended through July 2021.



# Division of Medicaid Services – Federal Match

FMAP = Federal Medical Assistance Percentage

EFMAP = Enhanced Federal Medical Assistance Percentage

	SFY2020		SFY2021			
	July 2019 - Dec 2019	Jan 2020 - June 2020	July 2020 - Sept 2020	July 2020 - Sept 2020	Oct 2020 - June 2021	Oct 2020 - June 2021
	<b>Standard FMAP</b>	<b>EFMAP</b>	<b>Standard FMAP</b>	<b>EFMAP</b>	<b>Standard FMAP</b>	<b>EFMAP</b>
Standard Medicaid	50.0%	56.2%	50.0%	56.2%	50.0%	56.2%
Breast & Cervical Cancer (BCCP)	65.0%	69.34%	65.0%	69.34%	65.0%	69.34%
CHIP	76.50%	80.84%	76.50%	80.84%	65.0%	69.34%
Family Planning	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%

	SFY2022		SFY2023
		Budgeted through 12.31.21	
	<b>Standard FMAP</b>	<b>EFMAP</b>	<b>Standard FMAP</b>
Standard Medicaid	50.0%	56.2%	50.0%
Breast & Cervical Cancer (BCCP)	65.0%	69.34%	65.0%
CHIP	65.0%	69.34%	65.0%
Family Planning	90.0%	90.0%	90.0%

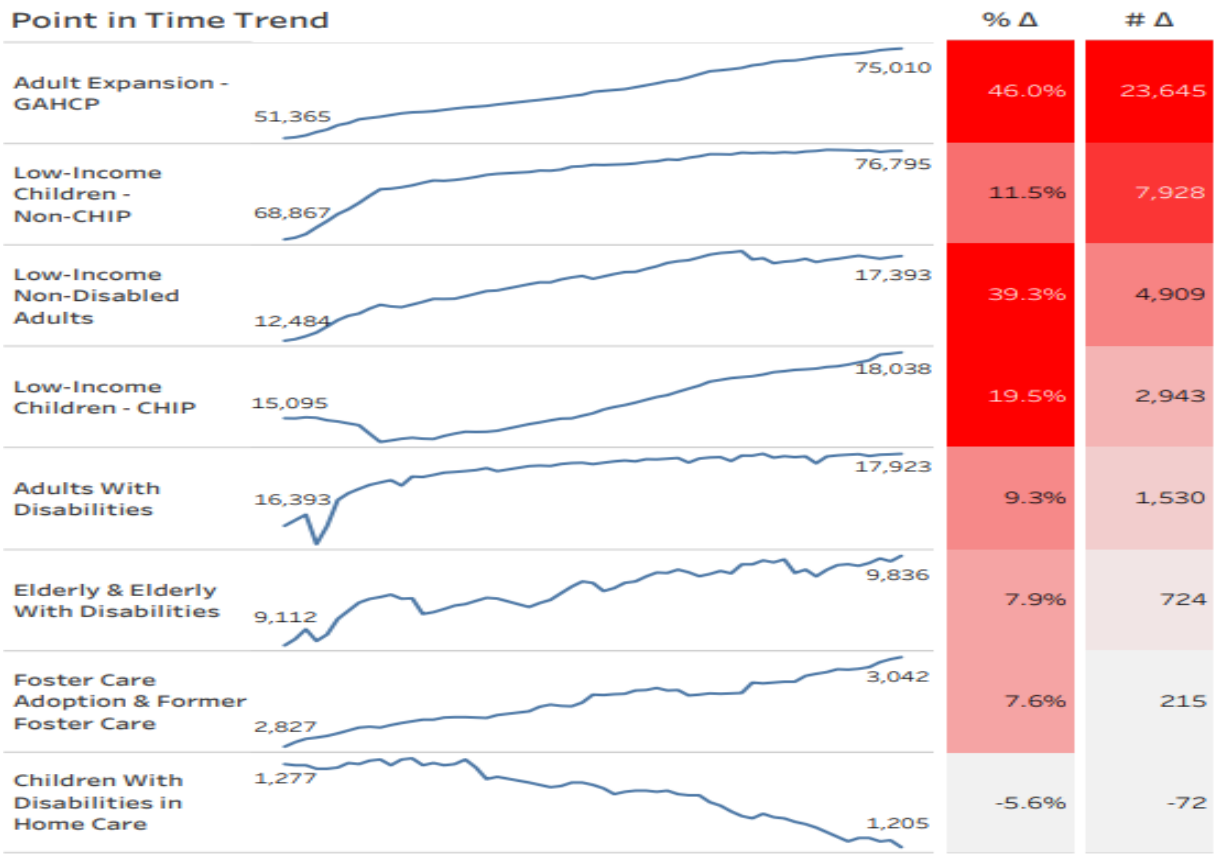
Families First Coronavirus Response Act (FFCRA) requires states receiving the enhanced FMAP due to the Federal Public Health Emergency (PHE) keep anyone enrolled in Medicaid as of March 18, 2020 (the start date of the PHE) enrolled in the program through the first day of the month following the month in which the PHE ends.

The COVID enhanced FMAP continues through the end of the quarter in which the PHE ends and is intended to provide general fund relief to states to cover costs associated with the increased caseload due to the COVID pandemic.



# Division of Medicaid Services - Caseloads

NH DHHS Daily Medicaid Enrollment Dashboard					
Period	Granite Adv	Standard	Total		
3/16/2020 to 4/26/2021	75,010 +46.0% 23,645	144,232 +14.4% 18,177	219,242	+23.6%	41,822

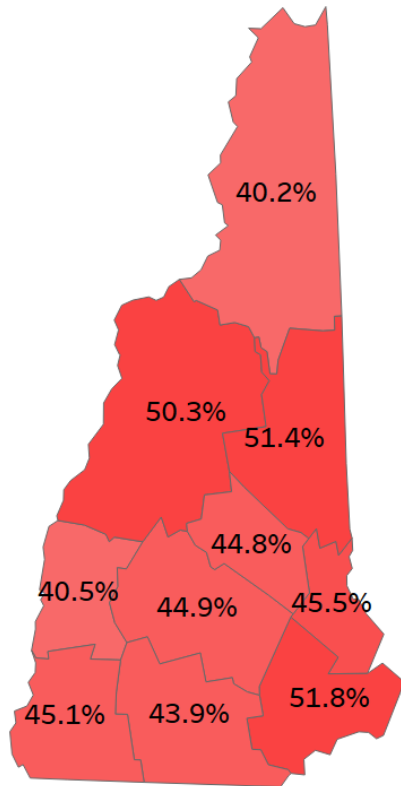




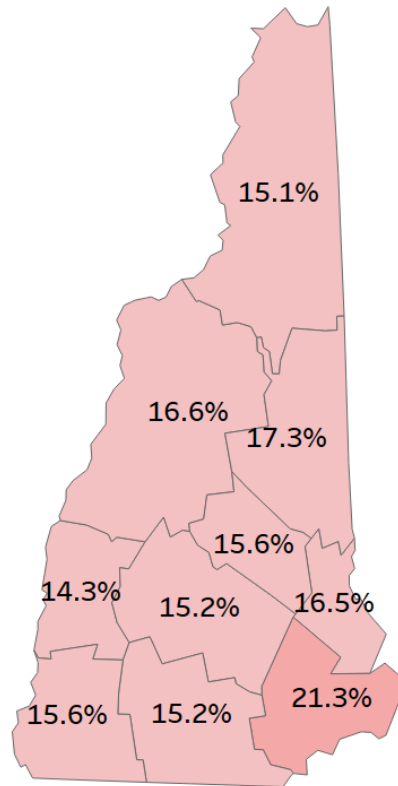
# Division of Medicaid Services - Caseloads

Percent Change in NH Medicaid Enrollment by County Since the Start of COVID-19 Pandemic

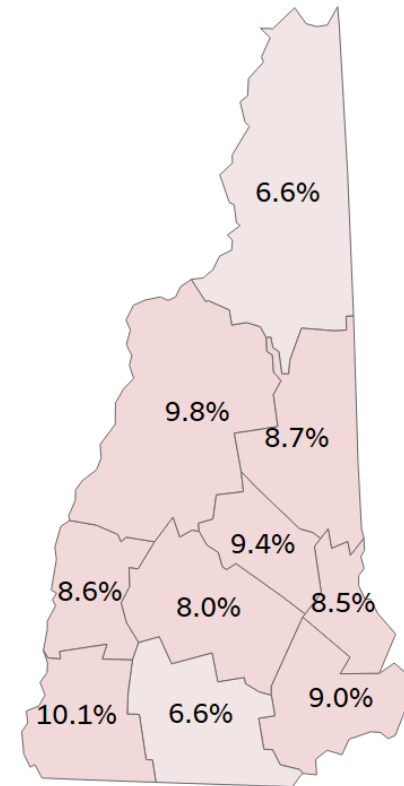
Granite Advantage



Standard - Income Based



Standard - Disabled/Elderly/Foster Care



# SFY2022/2023 Priority Funding Needs

**Adult Dental Benefit:** Appropriation to implement SB150 which created an Adult Dental Benefit. Must be funded or must be suspended / repealed

SFY23 \$1.4M GF / \$2.9M TF

**Medically Needy eligibility group known as “In and Out”:** Appropriation to implement increases to income limits pursuant to HB1639. Must be funded or must be suspended/repealed

SFY22 \$2.7M GF / \$5.4M TF and SFY23 \$5.3M GF / \$10.7M TF

**Home Visiting for Prenatal, Child & Family:** Appropriation to implement SB274, which expands the newborn home visiting program to all children and pregnant women. Must be funded or must be suspended/repealed

\$1.5M GF / \$3M TF each year of the bi-ennium

**Transitional Housing:** Increase rates for transitional housing and increase transitional housing beds

SFY22 \$1.3M GF / \$ 2.7M TF and SFY23 \$2.75 GF / \$5.5M TF



# Requested Changes to House Budget

Summary of Requests by Source of Funds		SFY 2022				SFY 2023				SFY22/23	SFY22/23	
AJ Title	AU	General	Agency	Federal	Net Impact	General	Agency	Federal	Net Impact	General Funds	Total Funds	Description
<b>Accounting Changes:</b>												
4A	Medicaid Administration	7937			\$1,341,433	\$1,341,433			(\$986,519)	(\$986,519)	\$354,914	Change in DSH projection for NHH
<b>HB1 Funding Requests:</b>												
2G	State Phase Down	7939	\$2,090,248		\$2,090,248	\$3,538,755			\$3,538,755	\$5,629,003	\$5,629,003	To fund Part D Premiums (dually eligible)
15	Children's Health Insurance Program	7051	(\$3,507,555)	(\$100,000)	(\$7,031,422)	(\$10,638,977)	(\$5,488,812)	(\$10,203,106)	(\$15,691,918)	(\$8,996,367)	(\$26,330,895)	FMAP; decrease of Rx rebate revenue (PH Emergency), Expected contract amendment changes, caseload expectation change (pre-COVID by 1/22)
2S	Medicaid Care Management	7948	\$11,872,468	(\$2,326,284)	\$46,303,014	\$55,849,198	\$6,722,407	\$10,948,249	\$17,670,656			FMAP, decrease of drug rebate revenue (PH Emergency), Expected contract amendment changes, caseload expectation change (pre-COVID by 1/22)
3S	Medicaid Care Management	7948	\$1,374,525		\$1,375,900	\$2,750,425	\$2,749,051	\$2,751,800	\$5,500,851			Increase rates for transitional housing, increase transitional housing beds FY23
4S	Medicaid Care Management	7948	\$1,546,478		\$1,548,024	\$3,094,502	\$1,546,478	\$1,548,024	\$3,094,502			Additional home visiting services as required in SB274
5S	Medicaid Care Management	7948	\$2,686,535		\$2,689,221	\$5,375,756	\$5,373,069	\$5,378,442	\$10,751,511			HB1639 passed last session, effective 6/30/21, changes eligibility to include Medically Needy, "Medicaid In & Out" population.
	Medicaid Care Management	7948				\$1,460,000		\$1,461,460	\$2,921,460			SB150 Adult Dental Program: implementation date of 1/1/23 and a 3-month premium payment lag.
	7948 sub-total		\$17,480,006	(\$2,326,284)	\$51,916,159	\$67,069,881	\$17,851,005	\$0	\$22,087,975	\$39,938,980	\$35,331,011	\$107,008,861
	Total by Fund Source		\$16,062,699	(\$2,426,284)	\$46,226,170	\$59,862,585	\$15,900,948	\$0	\$10,898,350	\$26,799,298	\$31,963,647	\$86,661,883



# Requested Changes to House Budget

	SFY 2022	SFY 2023
<b>Activity 7937: Medicaid Administration</b>		
General Funds	\$0	\$0
<b>TOTAL FUNDS</b>	<b>\$1,341,433</b>	<b>(\$986,519)</b>
<b>Activity 7939: State Phase Down</b>		
General Funds	\$2,090,248	\$3,538,755
<b>TOTAL FUNDS</b>	<b>\$2,090,248</b>	<b>\$3,538,755</b>
<b>Activity 7948: Medicaid Care Management</b>		
General Funds	\$17,480,006	\$17,851,005
<b>TOTAL FUNDS</b>	<b>\$67,069,881</b>	<b>\$39,938,980</b>
<b>Activity 7051: Child Health Insurance Program</b>		
General Funds	(\$3,507,555)	(\$5,488,812)
<b>TOTAL FUNDS</b>	<b>(\$10,638,977)</b>	<b>(\$15,691,918)</b>

**2S-5S 7948 Medicaid Care Management:**  
MCO contract amendment changes, caseload expectation change (pre-COVID by 1/1/22)  
**Adult Dental**  
**In & Out**  
**Expanded Home Visiting**  
**Transitional Housing**

**1S 7051 Children’s Health Insurance Program:** MCO contract amendment changes, caseload expectation change (pre-COVID by 1/1/22)

**2G SPDC:** Increase for Medicare Part-D Premiums

**4A 7937 Medicaid Administration:**  
updated NH Hospital Disproportionate Share Hospital  
100% FF



# Budget Overview: Activity 1371, 5201, 7937, 7939, 7943, 7945, 7948, 7051, 8009 & 7207

	SFY2020 Actual	SFY2021 Adjusted Authorized	SFY2022 Governor Budget	SFY2022 House Budget	SFY2023 Governor Budget	SFY2023 House Budget	SFY 2022/23 Total Requested Changes*
<b>Activity 1371: Maternal Opioid Misuse Model</b>							
General Funds	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL FUNDS	\$762	\$385,629	\$746,013	\$746,013	\$1,099,465	\$1,099,465	
<b>Activity 5201: IDN Fund</b>							
General Funds	\$205,933	\$3,283,453	\$0	\$0	\$0	\$0	
TOTAL FUNDS	\$10,941,779	\$26,580,189	\$0	\$0	\$0	\$0	
<b>Activity 7937: Medicaid Administration</b>							
General Funds	\$3,703,345	\$5,026,586	\$7,738,187	\$7,772,187	\$7,888,585	\$7,922,585	
TOTAL FUNDS	\$34,033,682	\$33,612,525	\$52,736,619	\$46,285,533	\$54,990,352	\$48,395,442	\$354,914
<b>Activity 7939: State Phase down</b>							
General Funds	\$45,174,735	\$49,091,588	\$48,422,453	\$48,422,453	\$48,520,243	\$48,520,243	\$5,629,003
TOTAL FUNDS	\$45,174,735	\$49,091,588	\$48,422,453	\$48,422,453	\$48,520,243	\$48,520,243	\$5,629,003
<b>Activity 7943: Uncompensated Care</b>							
General Funds	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL FUNDS	\$242,356,765	\$246,443,345	\$238,078,980	\$238,078,980	\$238,078,980	\$238,078,980	



# Budget Overview: Activity 1371, 5201, 7937, 7939, 7943, 7945, 7948, 7051, 8009 & 7207

	SFY2020 Actual	SFY2021 Adjusted Authorized	SFY2022 Governor Budget	SFY2022 House Budget	SFY2023 Governor Budget	SFY2023 House Budget	SFY 2022/23 Total Requested Changes*
<b>Activity 7945: 'EHR Incentive payments</b>							
General Funds	\$50,187	\$88,370	\$65,942	\$65,942	\$65,942	\$65,942	
<b>TOTAL FUNDS</b>	<b>\$640,195</b>	<b>\$1,278,014</b>	<b>\$915,270</b>	<b>\$915,270</b>	<b>\$660,015</b>	<b>\$660,015</b>	
<b>Activity 7948: Medicaid Care Management</b>							
General Funds	\$121,483,457	\$172,542,080	\$189,229,909	\$189,229,909	\$207,132,780	\$207,132,780	\$35,331,011
<b>TOTAL FUNDS</b>	<b>\$652,259,791</b>	<b>\$732,161,330</b>	<b>\$759,567,935</b>	<b>\$759,567,935</b>	<b>\$775,694,775</b>	<b>\$775,694,121</b>	<b>\$107,008,861</b>
<b>Activity 7051: Child Health Insurance Program</b>							
General Funds	\$17,195,233	\$23,928,671	\$37,757,190	\$35,390,915	\$37,885,197	\$37,885,197	(\$8,996,367)
<b>TOTAL FUNDS</b>	<b>\$85,016,562</b>	<b>\$75,005,324</b>	<b>\$112,522,984</b>	<b>\$112,522,984</b>	<b>\$112,887,584</b>	<b>\$112,887,584</b>	<b>(\$26,330,895)</b>
<b>Activity 8009: Medicaid Mgmt Info System</b>							
General Funds	\$8,351,548	\$3,090,839	\$12,486,552	\$85,000	\$13,116,865	\$85,000	
<b>TOTAL FUNDS</b>	<b>\$25,721,347</b>	<b>\$20,199,927</b>	<b>\$45,494,802</b>	<b>\$203,013</b>	<b>\$48,017,545</b>	<b>\$204,904</b>	
<b>Activity 7207: Medicaid to Schools</b>							
General Funds	\$0	\$0	\$0	\$0	\$0	\$0	
<b>TOTAL FUNDS</b>	<b>\$8,288,554</b>	<b>\$45,045,045</b>	<b>\$30,030,000</b>	<b>\$30,030,000</b>	<b>\$32,032,000</b>	<b>\$32,032,000</b>	

\*Detail on following slide



# DMS Staffing

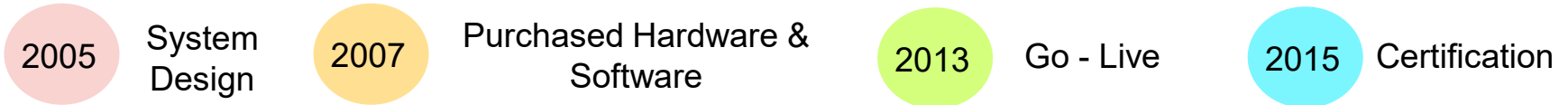
Governor Recommended Positions SFY22	# of Vacant Positions	Vacancy Rate	4710 – Division of Medicaid Services Accounting Unit 7937 Medicaid Administration
6	0	0%	Director's Office
1	1	100%	Federal Waiver Programs
2	0	0%	MCO staff
2	0	0%	Pharmacy Staff
3	0	0%	Dental Staff
4	1	25%	Clinical Staff
4	3	75%	Provider Relations Staff
5	3	60%	Policy Staff
6*	6	100%	MMIS staff
<b>33</b>	<b>14</b>	<b>46%</b>	<b>DMS Total</b>

DMS staff provide clinical, contract management, system coordination, and ensure compliance with all state and federal rules and regulations to ensure continued Medicaid services and maximize opportunity for eligible federal funding.

\* There were 2 MMIS 9Temp positions added during Governor Phase for a total of 8 MMIS positions



# Medicaid Management Information System – Current State



The State’s Medicaid Program cost is largely influenced by State and Federal legislation. DHHS’s acknowledges the need to strategically re-procure the Medicaid systems to enhance services and reduce costs.

## Medicaid Systems Overview

	<b>\$7.6M GF</b> Current cost to Maintain current system (Two Vendors/Contracts)		<b>MMIS contract expires June 30, 2021</b>
	Core Medicaid System - Integrates 6 DHHS systems		5 year Contract Extension – Conduent \$9.9M GF annually
	MMIS processes 15.7M claims totaling \$1.8B annually		5 year contract extension – NTT Data for Quality Assurance - \$2.2M GF annually

## Re-Procurement Strategies

NASPO: **Provider Services & Fee For Service (FFS) Claims**  
*6% of NH population is FFS remaining 94% is Managed Care*

Regionalized Government: **AZ & HI; Michigan and Illinois**

Modular – 7 capital project requests to support effort

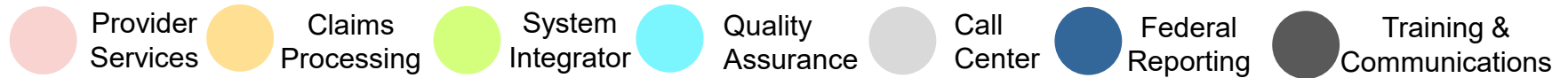
## Strategic Directions

	5 year plan: Maintain existing system and re-procure the MMIS key components
	Lifecycle Management: maintain and operate the MMIS over the period of re-procurement; planned upgrades and changes to meet federal and state legislation





# Medicaid Management Information System (MMIS)



The Medicaid Management Information System priorities are directed by State and Federal legislation.

## Medicaid Systems Overview

### Key Benefits / Metrics

- ✓ Core Medicaid System - Integrates 6 DHHS systems
- ✓ Federal Reporting - federal claiming for funding match
- ✓ MMIS Providers enrolled = 30,000
- ✓ Managed over 137,000 calls annually 99.5% up-time

### Penalties and Risks

- Biennium Penalties: EVV: 21<sup>st</sup> century cures act: \$2.14M
- Risks:
  - Staffing shortages impacting ability to act on plan
  - Capital and operational funding
  - Unfunded legislative mandates resulting in complex workarounds increasing operational costs
  - Certification: General Fund Impact - \$6.6M annually

## Operational Expenses



Conduent – Fiscal Agent and Operations of MMIS

- \$9M General Fund Annually
- \$39.4M Total Funds Annually

NTT Data – Quality Assurance required for federal matching funds

- \$2.2M General Fund Annually
- \$4.3M Total Funds Annually

## Financials (Cost Drivers for Increase)

**22/23: Budget shortfall in SFY 20/21. SFY22** increase of \$13M as result of the Biennium 20/21 budget short-fall

**22/23 Lifecycle Management** – Increase of \$12.2M for hardware and software upgrades

**22/23 EVV Penalties** - \$3.1M

**22/23 Maintenance Cost Increase** - \$19.3M to support data interface transactions, and interoperability and patient access final rule; as well as operational impacts associated with capital project transitions into operations



# DMS Accounting Units

Activity-Accounting Unit	Accounting Unit Title	Division	Bureau	Compare House to Governor Page #	Budget Briefing Book Page #
4710-1371	Maternal Opioid Misuse Model	DMS	DMS	1148	68
4710-5201	IDN Fund	DMS	DMS	1149	70-72
4710-7937	Medicaid Administration	DMS	DMS	1150-1151	73-74
4710-7939	State Phase Down	DMS	DMS	1152	75-76
4710-7943	Uncompensated Care Fund	DMS	DMS	1153	77-78
4710-7945	Electronic Health Records	DMS	DMS	1154	79-80



# DMS Accounting Units

Activity-Accounting Unit	Accounting Unit Title	Division	Bureau	Compare House to Governor Page #	Budget Briefing Book Page #
4710-7948	Medicaid Care Management	DMS	DMS	1155	81-87
4710-7051	Child Health Insurance Fund	DMS	DMS	1156	88-89
4710-8009	Medicaid Mgmt Info System	DMS	DMS	1157	90-91
4710-7207	Medicaid To Schools	DMS	DMS	1158	92-93

