

TWENTY-THIRD NEW MEXICO FIRST TOWN HALL
TWENTY-FIRST CENTURY HEALTHCARE IN NEW MEXICO: CONSTRUCTING A RATIONAL PLAN
Las Cruces, October 21-24, 1999

EXECUTIVE SUMMARY

The Twenty-third New Mexico Town Hall deplors New Mexico's last place ranking in many critical health indicators. The Town Hall is concerned about the alarmingly high number of poor children needing care, the increasing poverty in the state, the unacceptable layers of bureaucracy that slow the efficiency and delivery of healthcare, the departure from the state of healthcare providers, the need to identify the elements of a community-based process that will define the basic services in a rational health plan, and the lack of infrastructure in rural areas.

UNDERLYING VALUES OF A RATIONAL HEALTH PLAN

The Town Hall declared that access to basic healthcare is a right, that New Mexicans value optimal health and wellness for all New Mexicans and value a system that provides choice and a plan that empowers individuals to take responsibility for their own personal health. Any rational system must take into account New Mexico's unique cultural diversity and be sensitive to traditions of all people; respect and dignity for all.

GOALS FOR A RATIONAL HEALTH PLAN

- Promote optimal physical, dental and behavioral health
- Improve the quality of life, including economic development to reduce poverty
- Improve the overall health indicators by prioritizing and deploying efforts in healthcare delivery, based on major health issues in New Mexico
- Prevent personal financial catastrophe related to disability or terminal illnesses or injury
- Promote and provide compassionate end of life care for individuals, their families, and caregivers
- Increase and/or support community partnerships to develop systems that improve health status
- Improve the understanding of the healthcare system and related economics
- Promote the exercise of individual responsibility
- Provide and promote prevention programs
- Make healthcare affordable and fairly reimbursed
- Reduce uninsured rates to less than 10% by 2005
- Reduce the number of uninsured working poor by 100,000 by 2004
- Enroll 90% of the children eligible for Medicaid and provide them with Early, Periodic, Screening, Diagnosis and Treatment (EPSDT), also known in New Mexico as "Tot-to-Teen Health Check", by a target date
- Support and encourage centers of research within the state to pursue research and creative endeavors, in collaboration with other state stakeholders, communities and affected peoples, in order to improve health indicators relative to New Mexico

SHORT AND LONG TERM SOLUTIONS

- The Health Policy Commission should re-emphasize its policy responsibilities in identifying and removing statutory and regulatory barriers to care and evaluating and recommending options for healthcare finance reform
- Study the feasibility of and implement the changes required to uncouple employment and health insurance including neutralization of tax consequences and transition issues
- Provide Medicaid fee increases for health providers to the greater of Medicare Rate Based Relative Value System (RBRVS) or the current Medicaid fee schedule, up to the Medicare level, unless the Medicaid level is at a higher amount
- Determine what tax incentives/credits or structures should be implemented to assist doctors/providers in serving the uninsured and underinsured
- Investigate and implement strategies to reduce legal costs within the healthcare system, while protecting patient rights
- Expand and assure immunity for individuals participating in any peer review of health care professionals
- Support development and implementation of telemedicine/telehealth, Internet communications, and interactive databases to support rural practitioners and other under-served areas, with privacy rights ensured
- Determine whether the Oregon Model will work for New Mexico; involve all stakeholders in making the determination
- Study should begin at the grass roots level and be comprehensive including definition of medical necessity, barriers and plans of action at the local level for access to services, the system of reimbursement, goals and objectives for the state
- Perform research and implement creative endeavors, which address health issues of New Mexico with the intent of ultimately improving the health of all New Mexicans
- Use tobacco settlement funds to recover healthcare costs by preventing tobacco use
- Simplify and standardize the referral process and billing forms
- As it applies to health care, encourage government and private industry to contract with New Mexico-based corporations and providers in order to positively impact the state economy
- Provide programs to address teen issues of substance abuse, pregnancy, broken families, suicide, behavioral health and family violence
- Enforce existing federal legislation in order to eliminate pre-existing conditions discrimination
- The Town Hall declares that the Governor sign a behavioral health parity bill such as enacted by the legislature in 1999
- Develop and support a system which helps individuals, families, and communities identify and access services appropriate and available to meet their needs; an example is the "211" system
- Develop a simplified process to access public services so that when consumers access one portion of the system they are then provided access to other applicable programs and services
- Work to eliminate tax incentives for pharmaceutical company provision of "perks" to providers and payors, (except drugs and valid continuing education) with the goal of lowering drug costs

PARTNERS IN THIS RATIONAL HEALTHCARE PLAN

Grassroots level partners, including credible non-partisan leaders, will lead in setting the priorities for culturally appropriate basic healthcare services. Other partners identified were: individuals, family, community, employers, government (federal, state, sovereign tribal and county), health care community, elected officials, insurers, nonprofit agencies, associations, practitioners, schools, faith based communities, Indian Health Service/Tribal/Urban system, the justice system. **The Town Hall declares that responsibilities should be borne as follows:**

Individual's Responsibilities

- Develop self-awareness and strategies for maintaining and improving one's own health; practice a healthy lifestyle; seek to maintain a sense of self worth and self-efficacy
- Plan for current and long term needs
- Educate one's self and practice a way of dealing with healthcare systems in a manner which achieves the receipt of the care desired
- Embrace the duty of having the primary responsibility for payment of basic healthcare services

Families' Responsibilities

- Develop an awareness of family needs and provide emotional support
- Plan for current and long-term needs
- Serve as a role model for the young and elderly through setting an example of good health practices
- Actively teach children morals, values and expectations
- Take the role of caregiver for family members to the extent they are qualified and able
- Share financial burdens within the family based on ability

Healthcare Delivery System's Responsibilities

- Develop adapted systems that deal with gaps and overlaps in the provision of healthcare services

- Confront waste and inefficiency head-on with the goal of providing a better, more affordable healthcare product to consumers
- Develop tools and strategies that succinctly and understandably provide an effective method of evaluating healthcare delivery
- Eliminate ineffective, inferior and harmful care
- Address increasing costs associated with advances in technology
- Empower consumers by making them more knowledgeable about the system, their choices, and their responsibilities
- Take an active role in developing methods and programs to support families and caregivers that provide care for those who cannot provide care for themselves

Business Community's Responsibilities

- The primary responsibility of business is to provide increased job opportunities and safe, healthy workplaces
- As long as health insurance is coupled to employment, businesses should participate in discussions and actions to increase health insurance coverage

Government's Responsibilities

- Ensure a good public health infrastructure is in place
- Set and enforce standards of baseline protections
- Keep and enforce the importance of competition in the system alive
- Advocate and develop tax breaks and incentives to get business to support and embrace healthcare services
- Develop appropriate regulation of business and the healthcare industry by aggressively reducing, eliminating, and/or modifying all unnecessary regulation, legislation, and bureaucratic red tape
- State government agencies such as Human Services Department (HSD), Department of Health (DOH), and Children Youth and Families Department (CYFD) should work together to define and unify their service contracts, monitoring, and accountability functions to avoid redundancy and extra costs

RECOMMENDED FINANCIAL CHANGES

We recommend the County Indigent Fund Act be amended to broaden the scope and funding of permissible services and provide consistency across the state. The County Indigent Fund should provide adequate reimbursement to healthcare providers. The Town Hall declares that the tobacco litigation settlement funds should be dedicated in their entirety to funding healthcare needs including funds directed towards the prevention of tobacco use in an amount sufficient to be effective. Further, the Town Hall declares that a portion of the drug forfeiture revenues be re-directed to the New Mexico healthcare system. Additionally, a significant percentage of "Sin Tax" revenue should be diverted to the healthcare system. New Mexico and the federal government should provide tax incentives for the financing of healthcare. Additional funding can be realized by eliminating inefficient, ineffective and/or duplicative services. The Town Hall recommends there be a top to bottom reallocation of healthcare dollars including encouraging the use of county indigent funds to access federal matching funds. The Town Hall further declares that there must be an elimination of the gross receipts tax on all healthcare services, providers, and goods and that this funding stream for city, county and state government be held harmless by replacing it in a revenue neutral manner. Additionally, for the purpose of providing basic health insurance for all New Mexicans, New Mexico should adopt a sliding fee scale to reduce the gap in the financial ability to acquire insurance for the uninsured working poor, with the difference between the employee contribution and total cost being paid by a combination of employee payments, government, insurance providers, and charitable contributions. Financing healthcare in New Mexico will be critically improved by creating geographic parity of Medicare funding and bringing New Mexico to an equal national payment level under Medicare+ choice funding formulas. State government and our Congressional delegation should coordinate with other organizations to aggressively pursue achieving parity levels of Medicare reimbursement. **Further, the Town Hall recommends:**

- Healthcare is a substantial part of the New Mexico economy; therefore, it is recommended that the concept of "buy New Mexico" must be encouraged and incentivized regarding healthcare delivery
- Attract and retain healthcare providers (doctors, dentists, nurses and behavioral healthcare professionals) to rural and underserved areas through obligational commitments in the form of loan repayments and tax abatement incentives
- Recruitment and retention efforts must be tailored to satisfy local needs
- Seek alternatives to gross receipts tax on medical services
- Create New Mexico specific standards of healthcare shortages that consider financial barriers and health indicators significant to the population in the state
- Improve the conditions of the impoverished including the coverage for indigent, uninsured and other Medicaid clients
- Improve conditions of the impoverished by partnering with the U.S. Department of Agriculture to feed the 18% of New Mexicans identified as hungry
- Transportation modes appropriate to community and its geographical location must be expanded or newly developed
- Healthcare services and/or facilities should be available within a half of an hour or forty miles where feasible
- Investment in mobile healthcare delivery, telemedicine, and Internet communications should be increased where feasible, necessary, and appropriate
- Reduce unnecessary variation in the population's use of high-cost institutional and specialist services to lowest appropriate levels consistent with quality care
- Rigorously re-examine the mission and capacity of institutions to reduce duplication of programs to better match current requirements and available resources
- The Governor and the Legislature will change existing tax policy to provide tax incentives in the form of tax credits and deductions for individuals and small businesses to provide health insurance coverage to their employees as well as coverage to the self-employed
- Facilitate risk sharing across the healthcare system
- The State of New Mexico will initiate applications seeking cost neutral federal funding from the Federal Healthcare Financing Administration to expand health insurance coverage for uninsured adults through the purchase of family coverage, by adding the parents of children currently enrolled in Medicaid

RECOMMENDED PHYSICAL CHANGES

- Create collaboration between the public and private sector
- A long-term goal is to consolidate the administration and financing of the delivery of state health care programs under one agency to avoid duplication, assure consistent policy, increase cost savings and improve service; as a first step, incorporate Medicaid and children's behavioral health and substance abuse into the Department of Health
- Support and enhance local collaboration and coordination happening as a result of the formation of local and state endorsed community health councils
- Maintain and enhance the rural hospital infrastructure and emergency transportation system
- Redistribute healthcare providers to deliver the needed healthcare in rural areas.
- Create an infrastructure for telecommunications and an accessible statewide network which will support use of the internet, sharing of health information, secured patient data, and telemedicine/telehealth
- Expand home-based and community-based services, especially in rural and underserved areas
- Encourage and facilitate the spread of consumer oriented electronic information systems such as information "211" exchanges and study its effectiveness for rural application
- Establishment of student mentoring efforts by using existing teachers, parents, other students and community resources.

**For a complete Town Hall Report or a Town Hall Implementation Team presentation, contact
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