

**New Mexico Human Services Department  
Message from Cabinet Secretary-Designate Katie Falls  
On  
A Status Update on Medicaid Coverage Concept  
February 2, 2010**

The New Mexico Human Services Department (HSD) recently concluded several public meetings or “listening sessions” that were held in September and again in December to hear feedback from New Mexicans about specific cost-containment and Medicaid coverage ideas. To date, public meetings have been held in Albuquerque, Santa Fe, Española, Las Vegas, Farmington, Las Cruces, Roswell, and Taos in an attempt to obtain feedback from citizens living in every quadrant of New Mexico. In addition, a formal tribal consultation was held in December to solicit feedback and input from tribal leaders, providers and members of the public concerning the impact of Medicaid cost-containment and potential changes on the state’s Native American populations. Based on the input we received during these meetings, we have made some initial decisions that we want to share with you in this update.

Of utmost concern to people was the proposal regarding the *Medicaid Service Plan* on page 4 of the Medicaid Coverage Concept Draft Paper, specifically that only mandatory populations and mandatory services would be included in the Medicaid Service Plan. **HSD is no longer considering that the MSP would only provide mandatory benefits and serve only mandatory populations in the Medicaid Service Plan.** There are critical optional services that we know must be part of the benefit package. For example, pharmacy, behavioral health services, physical and occupational therapy are all important services that, while optional under the federal rules, are considered to be critical services that must be part of New Mexico’s Medicaid benefit package. These are just a few examples of important “optional” services and certainly not the only ones that will be included in the benefit package.

People were also concerned that some people might lose their eligibility for Medicaid if our intention was to only serve “mandatory populations.” Our intent is to maintain eligibility for Medicaid as it is currently established. For higher level income individuals we are looking at a variety of options, including: limited benefit package such as the one available through the State Coverage Insurance (SCI) program, cost-sharing that could include premiums or co-pays, and additional “buy-in” packages that individuals or employers could purchase.

An advisory team consisting of advocates, providers, health experts and others is being formed to provide input into the options being considered. In addition, HSD will be seeking your input throughout the process by providing updates such as this one on HSD’s website and asking for your feedback.

Thanks you for your comments and concerns, as your suggestions to the Department have already impacted our planning and I know will continue to do so as we move forward. Thank you also for your concern for the health of New Mexicans, particularly those who are most vulnerable and in need of many health services.