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## **Federal Government Approves NH's Medicaid Care Management Plan**

CONCORD – Gov. John Lynch today announced that the federal Centers for Medicaid & Medicare Services has approved New Hampshire's plan to implement Medicaid managed care across the state. Medicaid is the federal-state health insurance plan for some of the state's most vulnerable citizens, including children, seniors and people with disabilities.

New Hampshire Medicaid's current system is a fee-for-service model, which means providers are reimbursed for each service. Under a managed care approach, the state Department of Health and Human Services will work with three Managed Care Organizations (MCOs), who will be responsible for coordinating all health care services for enrollees through a network of providers. Nearly every other state has implemented some form of a managed care system.

A managed care system aims to improve services, quality and efficiencies, and strengthen the entire Medicaid program going forward.

The Executive Council voted in May to approve contracts with three MCOs to implement the first phase of the program, which will cover healthcare services for existing Medicaid beneficiaries, with a few exceptions. The Legislature voted to implement managed care for Medicaid and included potential savings in the current state budget. DHHS submitted the Medicaid state plan amendment to the federal government in March 2012.

Federal approval of New Hampshire's Medicaid state plan amendment for the Medicaid Care Management Program is an important milestone in implementing Medicaid managed care in New Hampshire. DHHS is continuing to work with the Centers for Medicaid & Medicare to complete program implementation in the coming months.

“In our health care system, our goal should be to move away from the fee for service system and instead focus on better coordinated care and preventative care. This will help to control costs and improve the quality of services,” Gov. Lynch said.

“I commend Commissioner Toumpas, Medicaid Director Kathleen Dunn and the many employees of the Department of Health and Human Services who devoted their

considerable efforts over many months to work with the federal government on this important program.”

“The Medicaid Care Management Program is an approach to delivering and financing health care that is aimed at both improving the quality of care and reducing costs. We have been very thoughtful in our approach and have engaged our stakeholders throughout this process,” DHHS Commissioner Nicholas Toumpas said. “This important decision by the federal government allows New Hampshire to move to a model that will allow future sustainability of a program that so many of our citizens rely upon.”

The approval letter from the Centers for Medicaid & Medicare is attached.

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