



# THE MUNICIPAL REPORTER

VOL. 2011-6

Published by the New Mexico Municipal League

June, 2011

## NMML NOMINATING PROCEDURE

The following is a timeline for the New Mexico Municipal League's election of Officers and Directors. The nomination process begins in June and culminates with the election to be held at the League's Annual Business Meeting during the League's 54<sup>th</sup> Annual Conference to be held in Roswell, New Mexico August 30 – September 2, 2011.

The following NMML Officer positions are open for nomination and election:

- **PRESIDENT-ELECT**
- **VICE-PRESIDENT**
- **TREASURER**

The following Board of Director positions are up for election this year:

- **THREE DIRECTORS-AT-LARGE** (Two-Year Term)

The following is the timeline for actions and dates pertaining to the nominating procedure for NMML Officers and Directors:

- JUNE 30<sup>TH</sup>** Letter of nomination or letter declaring candidacy for office or at-large directorship must be received at the NMML Office.
- JULY 1<sup>ST</sup>** In absence of any declaration of candidacy for a particular office or at-large directorship, the League President shall appoint a Nominating Committee and written notice shall be given to all member municipalities.
- JULY 5<sup>TH</sup>** A Report of Declared Candidates shall be sent by NMML to all members.
- JULY 29<sup>TH</sup>** When necessary, the Nominating Committee meets to recommend a candidate for any undeclared office or at-large directorship.
- AUGUST 3<sup>RD</sup>** Nominating Committee Report mailed to member municipalities, if Nominating Committee meets.
- SEPTEMBER 1<sup>ST</sup>** Election of officers and at-large directors. Nominations from the floor at the Annual Business Meeting at the NMML Annual Conference may be made by any certified voting delegate in attendance for any office or directorship to be filled.

**NOTE:** For specific details of the Nominating Procedure, please refer to the NMML By-Laws available on the NMML's website at [www.nmml.org](http://www.nmml.org).

Any official of a member municipality in good standing may nominate any elected official or any elected official may declare his or her candidacy for any office or directorship to be filled. **All declared candidates will be placed on the ballot for election at the Annual Business Meeting.**

## Working With Census Data Workshop Scheduled for July 28 in Santa Fe

Santa Fe County and the Santa Fe Public Schools, in partnership with the U.S. Census Bureau, Denver Region, will sponsor a Community/Neighborhood Analysis with Census Data Workshop on Thursday, July 28, 2011 at the Santa Fe Public Schools Building at 1300 Camino Sierra Vista in Santa Fe. The workshop will be from 9 a.m. until Noon.

In order to help make sense of the new products, releases and tools resulting from the 2010 Census, the Census Bureau's Partnership and Data Services team is offering a computer lab training exclusively for staff who are involved with budget analysis, economic/community development, neighborhood services, policy, grant writing, public safety, emergency management, planning and city/county staff development.

Participants will learn how to navigate the new American FactFinder (data search tool), the American Community Survey and the 2010 Census and understand economic data available through census.gov.

Seating is limited and computers will be provided. Registration is limited to the first 30 participants. To register, contact Hvtce Miller at (505) 986-6276 or [hmillier@santafecounty.org](mailto:hmillier@santafecounty.org), or Amy Summa at [asumma@sfps.info](mailto:asumma@sfps.info).



Public Finance Specialists with  
over 70 years of combined  
experience serving New Mexico's  
Municipal Finance needs.

**Paul Cassidy**  
Managing Director

**Erik Harrigan**  
Vice President

**Kevin Powers**  
Director

**Loretta Brush**  
Associate Vice-President

**Rose Perea**  
Administrative Assistant

6301 Uptown Blvd. NE, Suite 110  
Albuquerque, NM 87110

Phone: 505.872.5999 • 877.412.8162  
Fax: 505.872.5979

[www.rbccm.com/municipalfinance](http://www.rbccm.com/municipalfinance)

This advertisement is for informational purposes only.  
© Registered trademark of Royal Bank of Canada. Used under  
license. RBC Capital Markets is a registered trademark of Royal  
Bank of Canada. © Copyright 2010. All rights reserved.

New Mexico Municipal League  
P.O. Box 846  
Santa Fe, New Mexico 87504-0846  
(505) 982-5573  
(505) 984-1392 fax  
[www.nmml.org](http://www.nmml.org)

### PRESIDENT

Barb Wiard, Mayor Pro Tem – Taos Ski Valley

### PRESIDENT-ELECT

Matt White, Mayor - Eunice

### VICE PRESIDENT

Mary Homan, Trustee – Los Ranchos de Albuquerque

### TREASURER

Gloria Chavez, Mayor – Tijeras

### IMMEDIATE PAST PRESIDENT

Dolores Connor, Councilor – Las Cruces

### PAST PRESIDENT

Eddie A. Trujillo, Judge - Las Vegas

### BOARD OF DIRECTORS

Robert Boone, Police Chief – Rio Rancho  
*President, New Mexico Association of Chiefs of Police*

Philip Burch, Mayor - Artesia

Joseph Calderon, Commissioner - Hobbs

Linda Calhoun, Mayor – Red River

Jack Chosvig, Mayor - Clayton

Ed Cole, Commissioner – Alamogordo

Angelina Cordova, Clerk/Treasurer - Logan

Darren Cordova, Mayor – Taos

Danny Cruz, Mayor - Springer

Timothy Dodge, Manager – Las Vegas

*President, New Mexico City Management Association*

Linda Enis, Councilor - Deming

Rey Garduño, Councilor - Albuquerque

Steve Henderson, Mayor Pro Tem – Roswell

Gordy Hicks, Councilor – Socorro

Gayle Jones, MMC, Clerk/Administrator – Bosque Farms

*President, New Mexico Clerks & Finance Officers Association*

Melissa Miller-Byrnes, Judge – Las Cruces

*President, New Mexico Municipal Judges Association*

Alfonso Ortiz, Jr., Mayor – Las Vegas

Lynne Raner, Councilor – Bloomfield

David Venable, Mayor - Cloudcroft

Editor ..... William F. Fulginiti  
Managing Editor ..... Roger Makin

# Managed Care Explained: Why a Medicaid Innovation is Spreading

By Christine Vestal, Stateline Staff Writer

One of the most controversial state health initiatives this year is a plan in Florida to cut Medicaid costs by dramatically expanding the use of managed care. Florida lawmakers voted to move all Medicaid enrollees in the state — more than 3 million people who are poor, elderly or disabled — to commercial managed care programs.

Florida is not alone. At least a dozen other states are considering expanding managed care programs this year. That growth comes atop expansions in 20 states last year and 13 states the year before. Although most health care experts say managed care can improve care while lowering Medicaid costs, consumer advocates say states should proceed with caution.

Why do so many states want to put more Medicaid patients into managed care programs? What has been the states' experience with managed care so far? Here's a primer on how Medicaid managed care works and why so many states are turning to it now.

## What is Medicaid managed care?

First, here is what managed care is not: a traditional fee-for-service plan. That model, in which the state pays doctors and hospitals directly for each service they provide, remains prevalent in many state Medicaid programs. Critics of the fee-for-service model say it results in haphazard care for patients and allows providers to drive up costs by ordering unnecessary tests and treatments.

Under managed care, states sign contracts with “managed care organizations,” or MCOs, that provide medical services through their own networks of doctors and hospitals. The state pays the MCO a fixed annual fee for each Medicaid patient. And the MCO takes responsibility for overseeing each person's care. The MCO's goal is to keep patients as healthy as possible by encouraging them to get regular check-ups and inoculations while eliminating unnecessary procedures. This model of managed care is sometimes called “comprehensive care,” or because of the fixed per-person cost, “capitated care.”

In rural areas where coverage of doctors and hospitals can be spotty, states have been using another type of managed care called “primary care case management.” In this model, states pay doctors a monthly stipend for coordinating the care of Medicaid patients.

## Is managed care new?

No. Private employee health plans began moving to this model in the 1970s with the rise of health maintenance organizations, or HMOs. State Medicaid programs began making the switch in 1990. Then in 1997, Congress passed a law making it easier for states to get federal permission to put Medicaid recipients under managed care. The momentum has continued since, as the steadily increasing cost of providing Medicaid has put pressure on states to find ways to save money.

## How much are states using managed care now?

According to the Henry J. Kaiser Family Foundation, states have enrolled 23 million people — about 40 percent of all Medicaid beneficiaries — with MCOs. Another 13 million, or 22 percent, are enrolled in primary care case management programs.

That's a much lower adoption rate than you find in the private sector — 98 percent of Americans who receive health insurance coverage through their employer are enrolled in some form of managed care, according to Kaiser. But Medicaid presents a more challenging population, with a disproportionate number of Medicaid enrollees who suffer from chronic illnesses, mental or physical disabilities and a growing number of frail elderly patients in nursing homes.

States started using managed care with Medicaid patients that are easier to treat: children, pregnant women and young parents. Elders and adults with severe disabilities have mostly remained under traditional fee-for service Medicaid plans. That is beginning to change. In fact, many of the expansions states are making now with Medicaid managed care are aimed at these smaller populations who are much costlier to care for.

The states currently using managed care the most include Hawaii (97 percent of Medicaid patients enrolled), Tennessee (94 percent) and Arizona (90 percent). Fifteen mostly rural states, including Alabama, Iowa and Maine, use no managed care at all. Among populous states, Illinois uses the least (8 percent).

## Why are states expanding managed care?

By contracting out, states can leave the complicated job of delivering and financing health care to experts. Like any other form of privatization, the idea is that private providers will do a better job than states can do on their own.

But the big driver at the moment is the fiscal crisis nearly all states are experiencing. Medicaid costs are growing so fast that the program has eclipsed K-12 education as the number one item states spend money on. There's almost no way states can close massive budget gaps without squeezing big savings out of Medicaid. Managed care's fixed costs allow states to know for sure that their Medicaid bill will be no higher than what they've budgeted.

*(Continued on page 6)*

## New Mexico State Forester Announces Community Assistance Grants Recipients

New Mexico State Forester Tony Delfin has announced the inaugural recipients of the New Mexico Community Assistance Grant Program. The recipients include the City of Rio Rancho, the University of New Mexico, Rocky Mountain Youth Corps and Tierra y Montes Soil and Water Conservation District. The total amount of the grants is \$61,320.


The following is a breakdown of the grants:

- City of Rio Rancho – Rio Rancho Tree Stewards: Urban Forest Enhancement Program/Staff Certification and Training - \$8,520
- University of New Mexico: UNM Campus Tree Inventory and Master Plan/Community Workshops - \$11,300
- Rocky Mountain Youth Corps: Analysis of Town of Taos Community Forests - \$16,500
- Tierra y Montes Soil and Water Conservation District: City of Las Vegas Forest Remediation and Arborist Training - \$25,000

The Community Assistance Program is administered by the New Mexico State Forestry Division's Urban and Community Forest Program. The Forestry Division anticipates the Community Assistance Program to solicit and award grants annually to support community forest projects and efforts throughout New Mexico.

"Supporting community forestry efforts across the state has become one of State Forestry's highest priorities," Delfin said. "By making programs like the Community Forestry Assistance Grant Program available, we hope to encourage the development of strong urban and community forestry programs throughout New Mexico."


For more information, contact Lance Davisson, New Mexico Community Forestry Program Manager at (505) 476-3332 or lance.davisson@state.nm.us.




*How can*  
**PAPERLESS  
WORK FOR YOU?**

- Quicken response to citizen requests
- Reduce impact on your budget
- Eliminate missing documents
- Decrease paper dependency and 'go green'

Sign up for a **FREE Webinar** today!  
[GeneralCode.com/paperless](http://GeneralCode.com/paperless)

  
Authorized Reseller

  
Information made civil.

800-836-8834 | [GeneralCode.com](http://GeneralCode.com)



**LARKIN GROUP**LLC

8500 Menaul Boulevard NE, Suite A-440  
Albuquerque, New Mexico 87112  
Phone: 505-275-7500  
Fax: 505-275-0748  
[info@larkinm.com](mailto:info@larkinm.com)

**CONSULTING ENGINEERS AND SURVEYORS**

AES



Animas  
Environmental  
Services

Environmental Engineering and Consulting  
Certified Drinking Water Sampling Technicians

505-564-2281 • [www.animasenvironmental.com](http://www.animasenvironmental.com)

Trusted

Construction  
www.hdrinc.com  
I-40/Coors





ONE COMPANY | Many Solutions<sup>SM</sup>



**George K. Baum & Company**  
INVESTMENT BANKERS SINCE 1928

New Mexico's Partner in Public Finance

John D. Archuleta, Senior Vice President & Manager  
A.L. Clemmons, Ph.D., Senior Vice President  
Mark Valenzuela, Vice President  
Pauline Romero, Executive Assistant  
Phone: 505.872.2320 • 800.446.5998

Member SIPC [www.sipc.org](http://www.sipc.org) • Member FINRA [www.finra.org](http://www.finra.org)

## Youth Conservation Corps Seeks Requests for Proposals from Governmental Units

The New Mexico Youth Conservation Corps Commission requests proposals from local units of government, state agencies, federal agencies, non-profit organizations, (those exempt from federal income tax as described in Section 501 (c) of the United States Internal Revenue Code), or federally-recognized Native American tribes to sponsor projects authorized by the New Mexico Youth Conservation Corps Act, NMSA 1978, §§ 9-5B-1 through 9-5B-11. Deadline for submission is August 4, 2011.

The Commission has approximately \$3.9 million to distribute among all approved projects and plans to enter into multiple contracts as a result of this Request for Proposals (RFP). Copies of the RFP may be accessed at the following website: <http://www.emnrd.state.nm.us/YCC> or obtained from Wendy Kent or Kristine Vigil, New Mexico Youth Conservation Corps, 141 E. De Vargas Street, Santa Fe, New Mexico, 87501; telephone (505) 827-1437/1438.


The YCC Application is in a web based format and may be found on the website: <http://www.emnrd.state.nm.us/YCC>. Successful applicants may be required to obtain signatures from partners or property owners. Potential applicants should not wait to the last minute to complete their web-based electronic application, or they may be unable to obtain the required partner or property-owner signatures by the August 4, 2011 application deadline.

Projects must be completed in six months or less. Corps members shall be between the ages of 14 to 25 and generally be involved in projects in New Mexico that:

- preserve, maintain and enhance natural resources by protecting air, fish, forest land, water and wildlife;
- rehabilitate and improve cultural, historical and agricultural resources by helping to maintain and improve botanical gardens, historic sites, libraries, museums, parks, parkways, refuges, trails, zoos and other recreational and natural areas;
- benefit recreational areas and parks by improving their use and access;
- assist with emergency operations, including fires, floods, and rescue of lost or injured persons;
- beautify, improve and restore urban areas;
- renovate community facilities including those for the elderly or indigent;
- reinforce the "Keep New Mexico Beautiful" campaign; or
- provide disaster relief, increase energy conservation and recycling, improve fire prevention, beautify New Mexico highways, upgrade public lands and facilities, revitalize urban areas and further goals of community renewal, protection and enhancement of natural resources.

Applications must conform to the prescribed "Request for Proposals" format in order to be considered for funding. Applicants must submit their application online, as well as provide one original document with original signatures and dates and nine copies to the YCC office, 141 East De Vargas Street, Santa Fe, New Mexico, 87501, no later than 4 p.m. MDT on Thursday, August 4, 2011.

Questions regarding this RFP should be addressed to: Wendy Kent or Kristine Vigil, New Mexico Youth Conservation Corps, 141 E. De Vargas Street, Santa Fe, New Mexico, 87501; telephone (505) 827-1437/1438.



**Scientists & Engineers**

**Souder, Miller & Associates**

◆ Water	Albuquerque	Santa Fe	Las Cruces
◆ Wastewater	299-0942	473-9211	647-0799
◆ Drainage			
◆ Transportation	Farmington	Roswell	
◆ Surveying	325-7535	624-2400	
◆ Solid Waste			
◆ Environmental	www.soudermiller.com		

**MOLZENCORBIN**  
ENGINEERS | ARCHITECTS | PLANNERS

Serving New Mexico's Municipalities Since 1960

2701 Miles Road SE Albuquerque, NM 87106  
505.242.5700  
marketing@molzencorbin.com



**The Mercer Group, Inc.**  
Consultants To Management

- Organization and Management Studies • Executive Search
- Compensation and Classification Studies • Privatization
- Strategic Planning • Utility Studies

551 W. Cordova Road #726 • Santa Fe, New Mexico 87505  
505.466.9500 • Fax 505.466.1274  
email: mercer@mindspring.com

Pinpointing Workable Solutions from 18 Offices Nationwide

**ENGINEERS INC**

Consulting Engineers

"Serving our Communities with Quality and Integrity"

<b>Silver City</b> 301 W. College Ave. Suite 1 88061 (575) 538-5395	<b>Tucumcari</b> 102 E. Main 88401 (575) 461-0181	<b>Las Cruces</b> 106 E. Idaho Suite F 88005 (575) 524-2007
---	--	---

## POSITIONS AVAILABLE

To check the municipal job opportunities click on

<http://nmml.org/classifieds/positions-available/>

---

### Managed Care . . . continued from page 3

#### **Is the federal health care overhaul a factor?**

Yes. The law prevents states from slashing their Medicaid rolls. So expanding managed care is one of the few options states have to make a big dent in their Medicaid costs. At the same time, states are preparing to cover 16 million more people through Medicaid starting in 2014 when key provisions of the law kick into place. So they are trying to find more cost-effective ways of serving more people.

The Affordable Care Act also offers financial incentives for states to offer primary care case management in rural areas. Under the law, the federal government will pay 90 percent of the costs for so-called “health homes,” a type of this approach that is specifically designed to care for people with chronic health conditions.

#### **Why is managed care controversial?**

For as long as managed care has been around, some have complained that it does more to hold down costs than it does to provide quality health care. Critics say MCOs — at least the for-profit ones (some are nonprofits) — have an incentive to offer skimpy services and deny procedures in order to boost profits. Health care providers also complain about low reimbursement fees and excessive amounts of paperwork.

The people who run Medicaid programs in the states generally support the use of managed care to improve service and control costs, according to Matt Salo, executive director of the National Association of Medicaid Directors. But state lawmakers — sensitive to the complaints of consumers and the medical community — have been mixed in their support of the plans.

#### **Is there a down side for states?**

Some states have had trouble getting health care providers to participate in managed care, particularly in rural areas. Another challenge for states is setting so-called “capitation rates.” Those per-person fees need to be generous enough that MCOs can attract doctors and hospitals to participate, but not so high that states end up losing money on the deal. States also have had problems with MCOs that fail to live up to their contracts or choose not to renew. During a five-county pilot program in Florida — a program that Florida is now building upon with its new law expanding managed care — several MCOs opted to not continue their contracts, requiring Medicaid patients to find new doctors.

Patient advocates generally oppose the states' recent move to managed care for disabled and elderly people. They say the change could disrupt services to this vulnerable population and the complex care they need does not lend itself to easy cost cutting.

#### **Are all Medicaid managed care plans the same?**

No. States have taken a variety of approaches to managed care. One way states vary is by the type of benefits they include under managed care contracts. States often exclude prescription drugs, for example, because states get special rebates that have not been available to MCOs. But under the Affordable Care Act, drug companies must make those same discounts available to health groups that contract with states.

Some states carve out mental health, drug and alcohol rehabilitation, dental and vision coverage under managed care. Other states, however, include in managed care all of the services that they traditionally provide under Medicaid.

Another big difference is whether managed care is mandatory or optional. Many states give Medicaid recipients a choice of one or more managed care plans, plus a traditional fee-for-service option. As states expand managed care, a growing number are making it mandatory. Finally, some states offer managed care in only certain parts of the state, although most expand the arrangement to the entire state once it has proven successful.

#### **Do managed care plans really save money for states?**

The evidence generally suggests yes — although the experience varies widely by state. A study by The Lewin Group, a health care consultancy, shows that states that have tried some form of managed care have saved between 0.5 percent and 20 percent from their anticipated costs. The group's research also shows that managed care savings were biggest when applied to disabled populations. In Arizona, for example, 60 percent of its managed care savings over an 8-year period came from this high-cost group of patients.

Not all studies are so favorable, however. A Georgetown University Health Policy Institute study of Florida's five-county pilot program concluded that it “yielded little in the way of concrete evidence of either efficiencies or cost reductions.” Nevertheless, Florida is counting on rolling out the same program statewide to save the state budget more than \$1 billion per year.

— Contact Christine Vestal at [cvestal@stateline.org](mailto:cvestal@stateline.org)

**SPECIALISTS IN CLASSIFICATION,  
JOB EVALUATION AND COMPENSATION**



**PUBLIC  
SECTOR  
PERSONNEL  
CONSULTANTS**

7 Avenida Vista Grande  
#B7-148  
Santa Fe, NM 87505

1-888-522-7772 • [www.compensationconsulting.com](http://www.compensationconsulting.com)  
Offices in various major cities

planning  
designing &  
for tomorrow,  
**TODAY**

**WILSON  
& COMPANY**  
ENGINEERS & ARCHITECTS  
[www.wilsonco.com](http://www.wilsonco.com)

**Albuquerque**

4900 Lang Ave. NE  
Albuquerque, NM 87109  
Phone: 505-348-4000  
Fax: 505-348-4055

**Rio Rancho**

2600 The American Rd. SE Suite 100  
Rio Rancho, NM 87124  
Phone: 505-898-8021  
Fax: 505-898-8501

Rail • Transportation • Water/Wastewater • Facilities Architecture Engineering  
Survey/Geospatial/Remote Sensing • Infrastructure/Development/Stormwater Management