

Introduction: Maine Department of Health and Human Services

Prepared for the
128th Legislative Session
January 2017
Mary Mayhew, Commissioner



*Department of Health
and Human Services*

*Maine People Living
Safe, Healthy and Productive Lives*

Paul R. LePage, Governor

Mary C. Mayhew, Commissioner

DHHS Program Office Overview

Office of MaineCare Services: Oversees MaineCare, the State's Medicaid program

Office for Family Independence: Oversees eligibility for Maine's welfare programs

Office of Child and Family Services: Oversees child welfare and other family focused programs

Maine Center for Disease Control and Prevention: Oversees a variety of health inspection and licensing programs in addition to public health infrastructure and emergencies

Office of Aging and Disability Services: Oversees services to our elderly, disabled and incapacitated Mainers

Office of Substance Abuse and Mental Health Services: Oversees mental health and substance abuse treatment and intervention services

The Department of Health and Human Services

A snapshot of our work (annual):

- Receives approximately **50,000 reports of suspected child abuse and neglect**, and provides care and shelter through Foster Families for **1,900 Maine children**.
- Processes more than **10 million health care claims**, totaling more than \$2.5 billion.
- Receives nearly **800,000 calls** and process more than **60,000 applications for benefits**.
- Manages more than **800 separate contracts** for services.
- Received **2,798 welfare fraud complaints** resulting in the referral of 174 criminal cases to the AG's office and various District Attorneys.
- Collects more than **\$100 million in child support** for Maine families.
- Licenses, registers, certifies or investigates nearly **20,000 health care providers and places of business**.

DHHS Strategic & Operational Focus

- ✓ Value-based purchasing
- ✓ Data-focused Management
- ✓ Performance-based contracting
- ✓ Integrated service delivery
- ✓ Data analytics
- ✓ Business/information technology
- ✓ Workforce development
- ✓ Process improvement initiatives/Business Workflow
- ✓ Strategic goals and performance measures

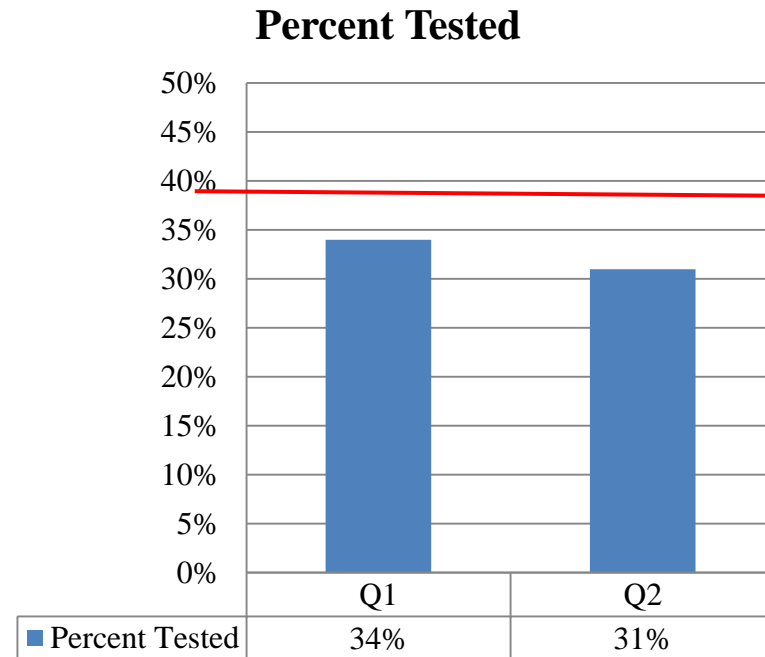
Samples: How We are Measuring Success

OCFS Strategic priorities

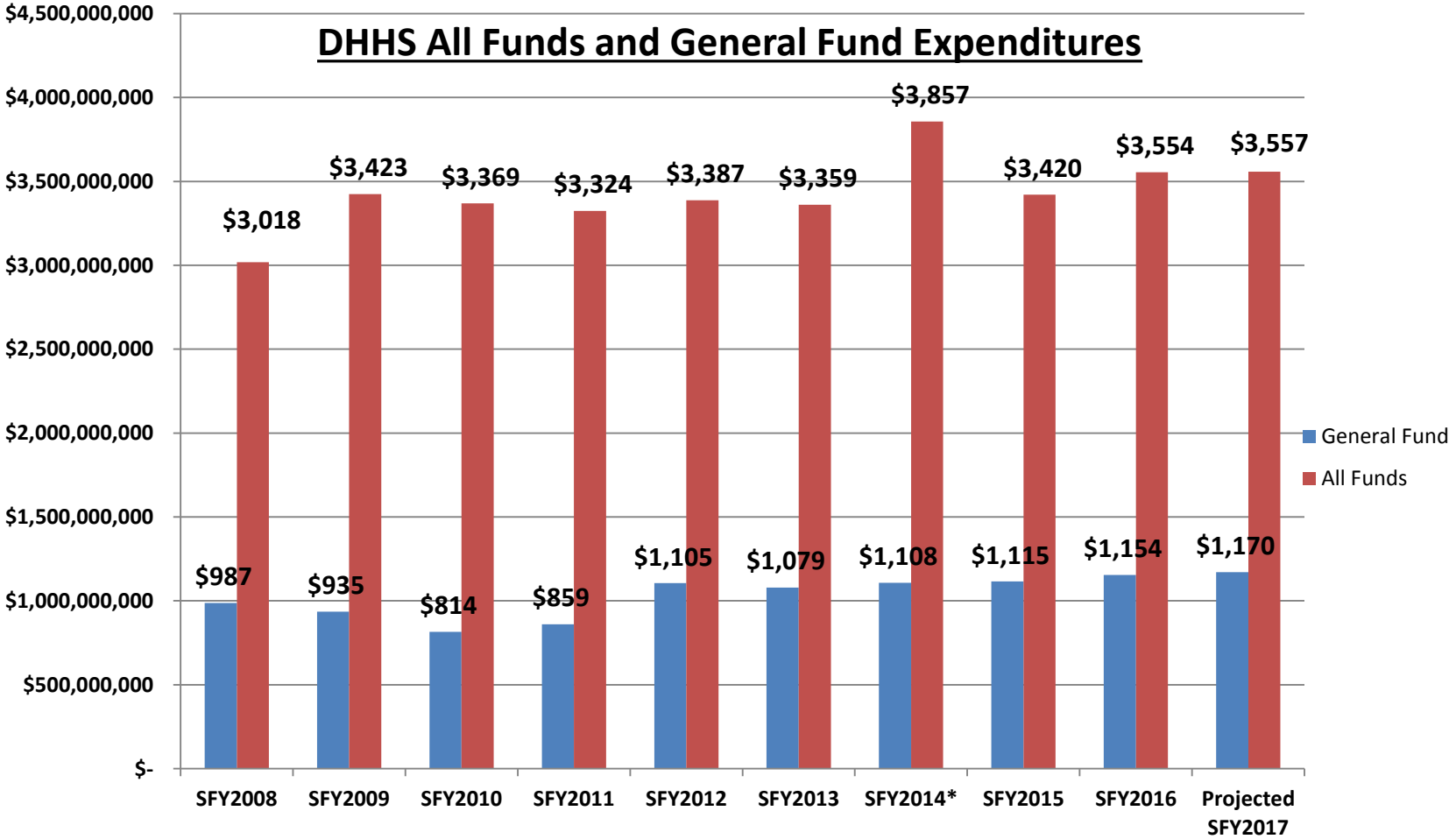
- Decrease repeat maltreatment rate to or below federal rate of 9.1%. (Year-end 9.5%)
- Safely reduce number of children in care by 10% or to 1,771. (Year-end 1,950)
- Reduce number of inappropriate extended days in acute settings (Emergency Department) by 10%.
- Increase the proportion of families referred to prevention and the validity of referrals to Child Protective Services.

OMS Strategic Goal (*just one*):

By the end of 2016, 40% of adult Stage B members prescribed anti-psychotic drugs will have had at least one glucose Hba1c test during the reporting period.



DHHS All Funds & General Fund

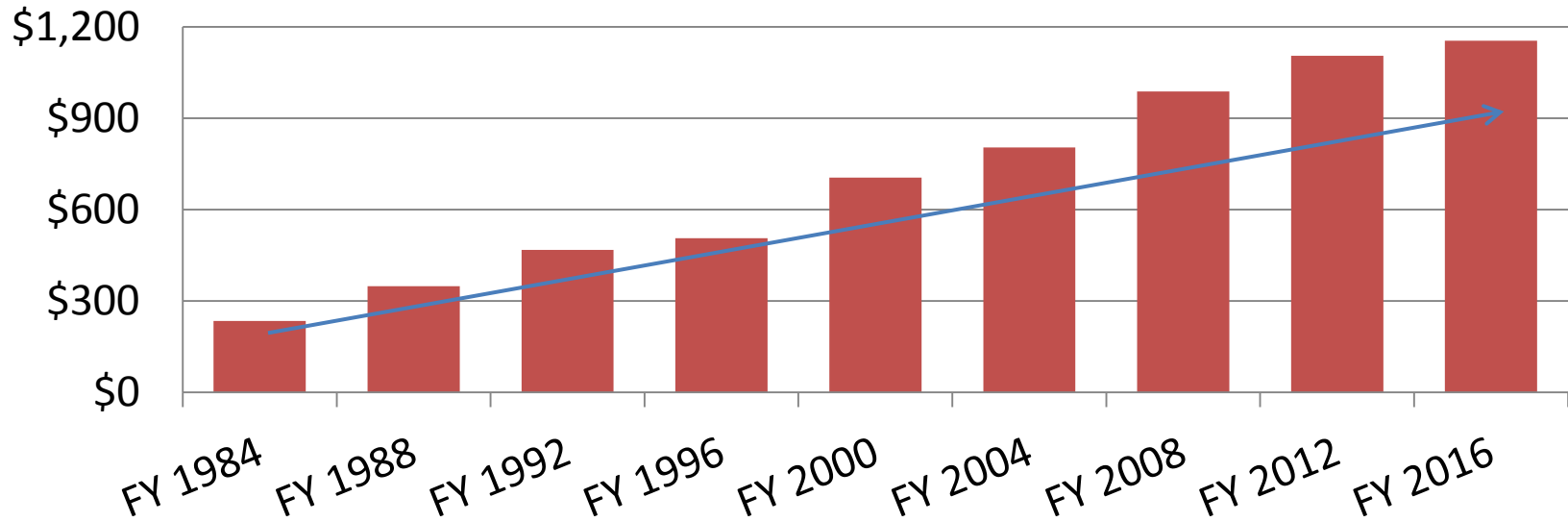


DHHS GF Budget and Context

DHHS General Fund Budget

- **DHHS has a budget of approximately \$3.6 billion—\$1.15 billion of that total is state General Fund (GF) spending.**
- In FY 2016, DHHS accounted for 35% of Maine's GF spending.
- Historically, that figure was 25% to 30% of our GF.

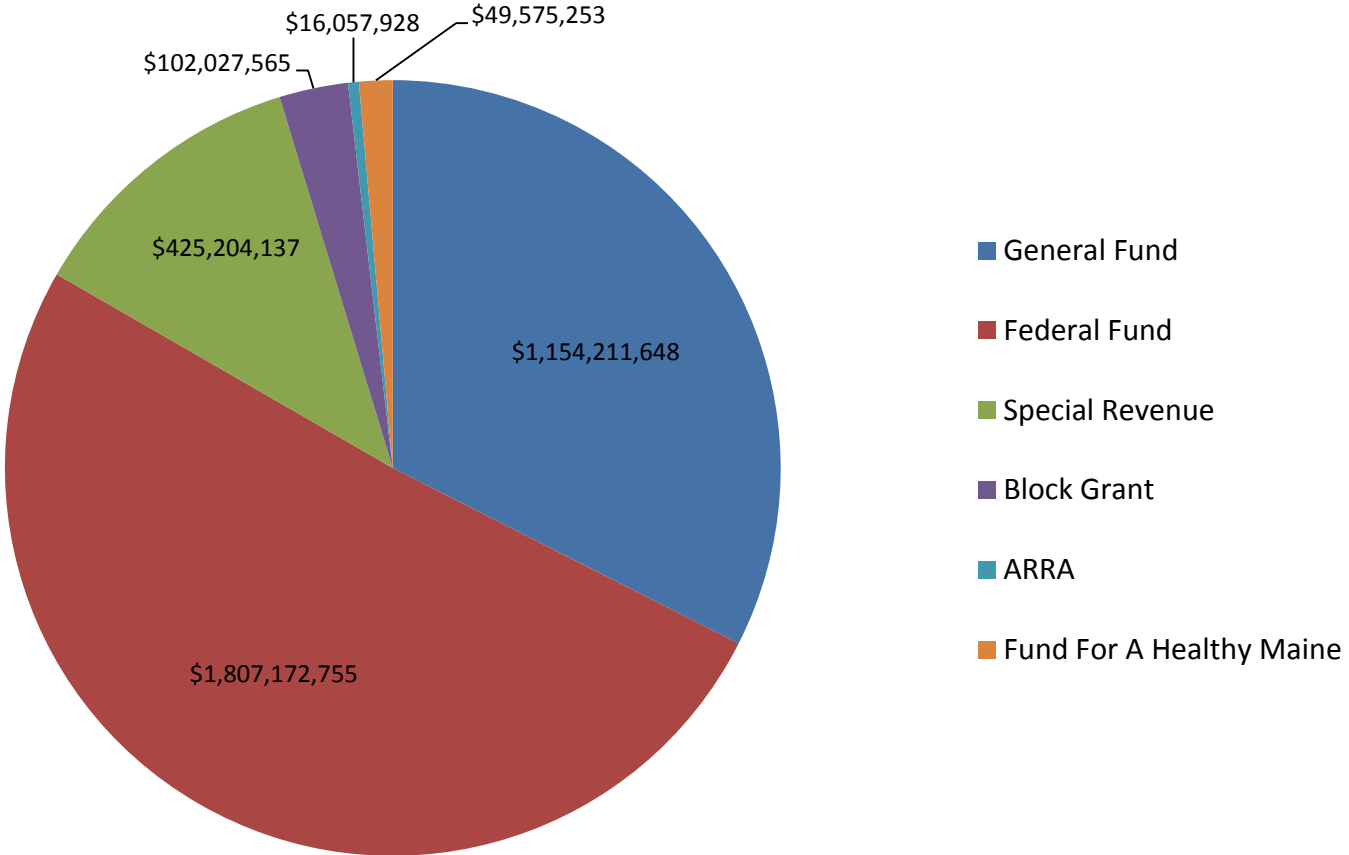
DHHS GF Spending



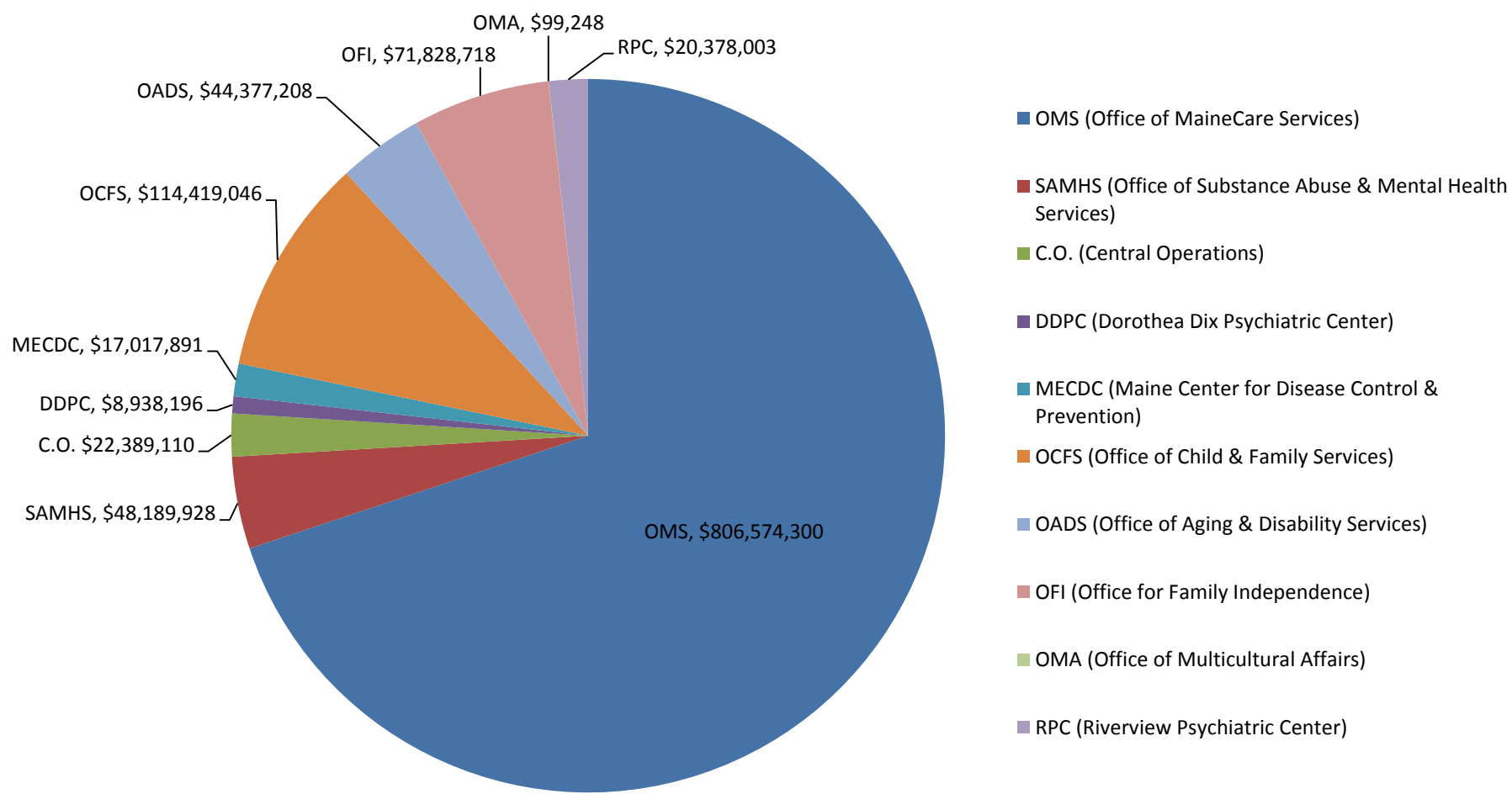
DHHS Expenditures by Fund

Total Expenditures for SFY 2016

General Fund (010)	Federal Fund (013)	Special Revenue (014)	Block Grant (015)	Bond Fund (018)	ARRA (020)	Fund For A Healthy Maine (024)	Total Expenditures
\$1,154,211,648	\$1,807,172,755	\$425,204,137	\$102,027,565	\$0.00	\$16,057,928	\$49,575,253	\$3,554,249,286

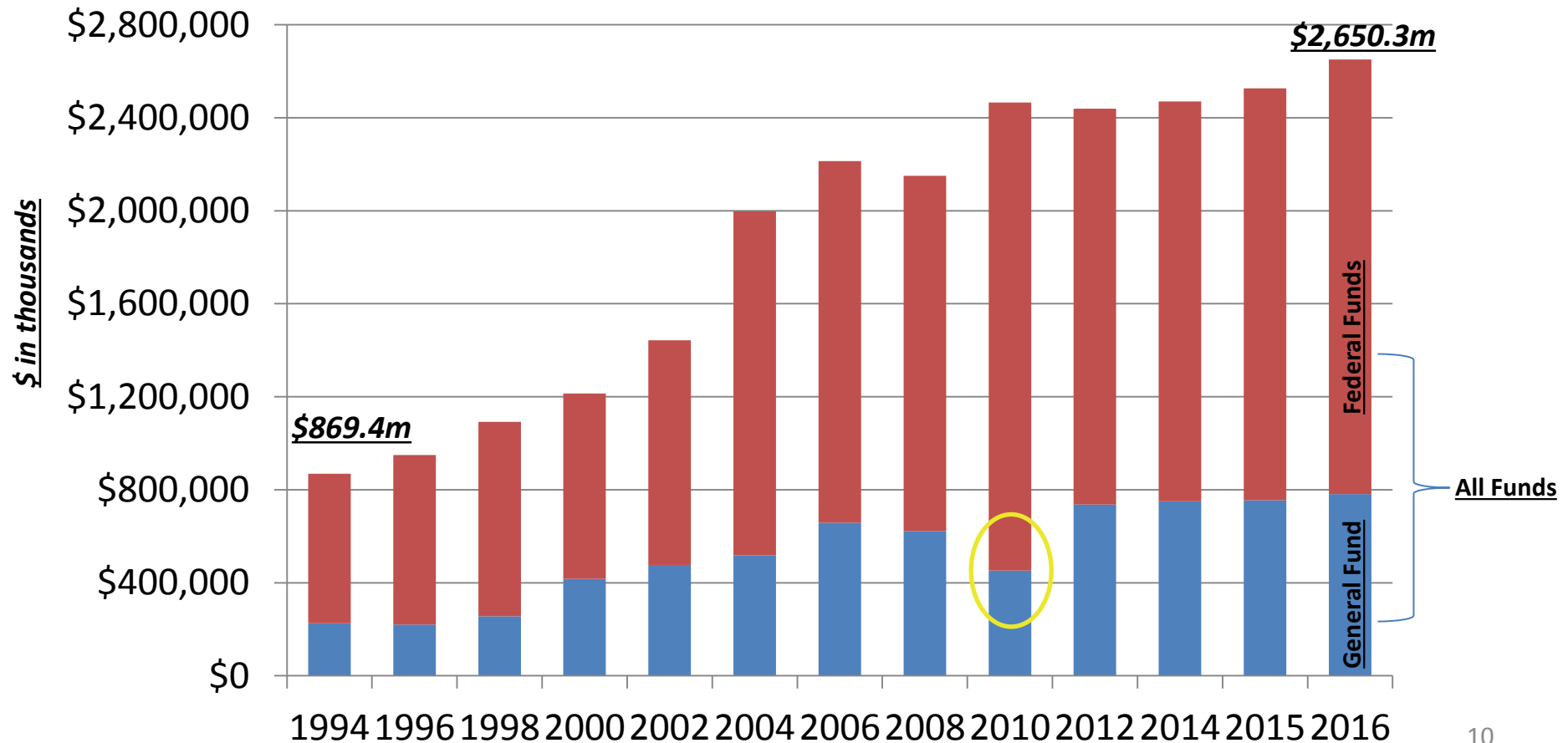


DHHS General Fund by Office



Medicaid Spending in Maine: 1994 – 2016

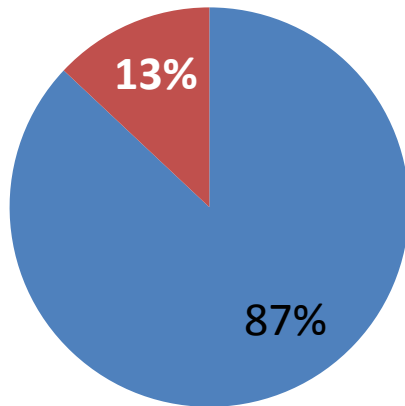
- **MaineCare is a \$2.65 billion program that accounts for more than one-third of all state spending and approximately one-quarter of Maine's General Fund.**
- The program has grown significantly over the past several decades—more than tripling since 1994—and has been the leading driver of state budget growth.



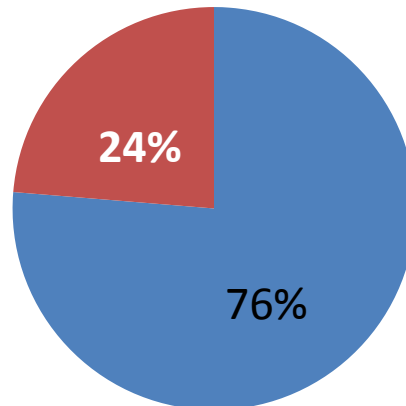
MaineCare: Crowding Out Other Spending

- The amount of Maine taxpayer dollars needed to support Medicaid spending has increased significantly in recent years, crowding out other core state priorities.
- MaineCare did not account for a double-digit percentage of Maine's annual General Fund spending until 1994. In 1986, MaineCare spending comprised 8% of the General Fund.

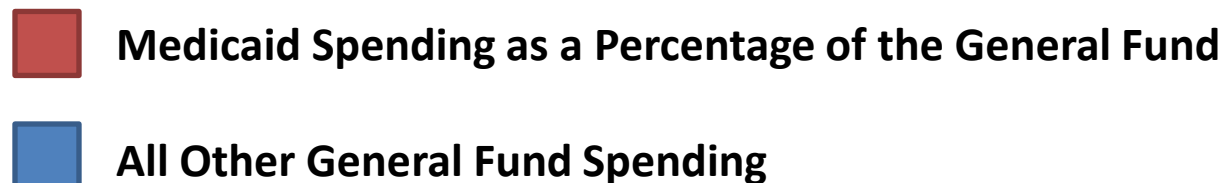
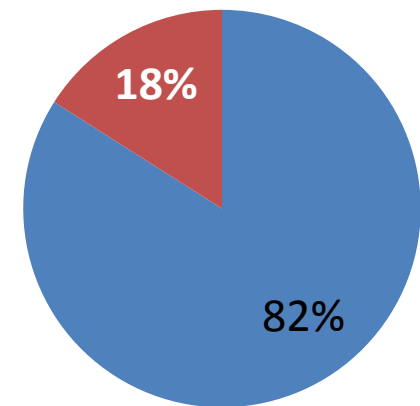
MaineCare - 1998



MaineCare - 2016



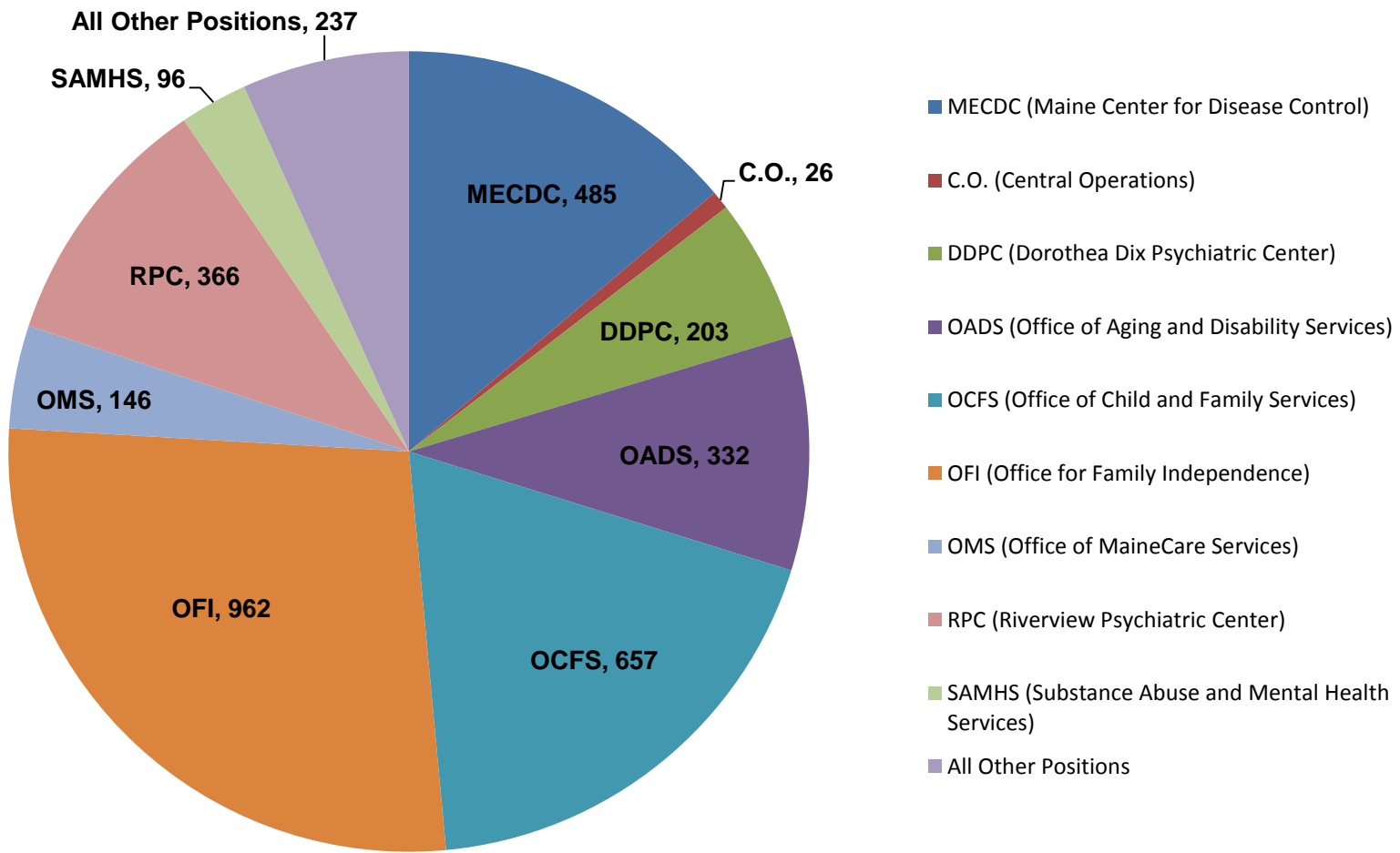
National Average



Source: National Average derived from the Kaiser Family Foundation's "State Health Facts;" <http://kff.org/other/state-indicator/distribution-of-general-fund-spending>.

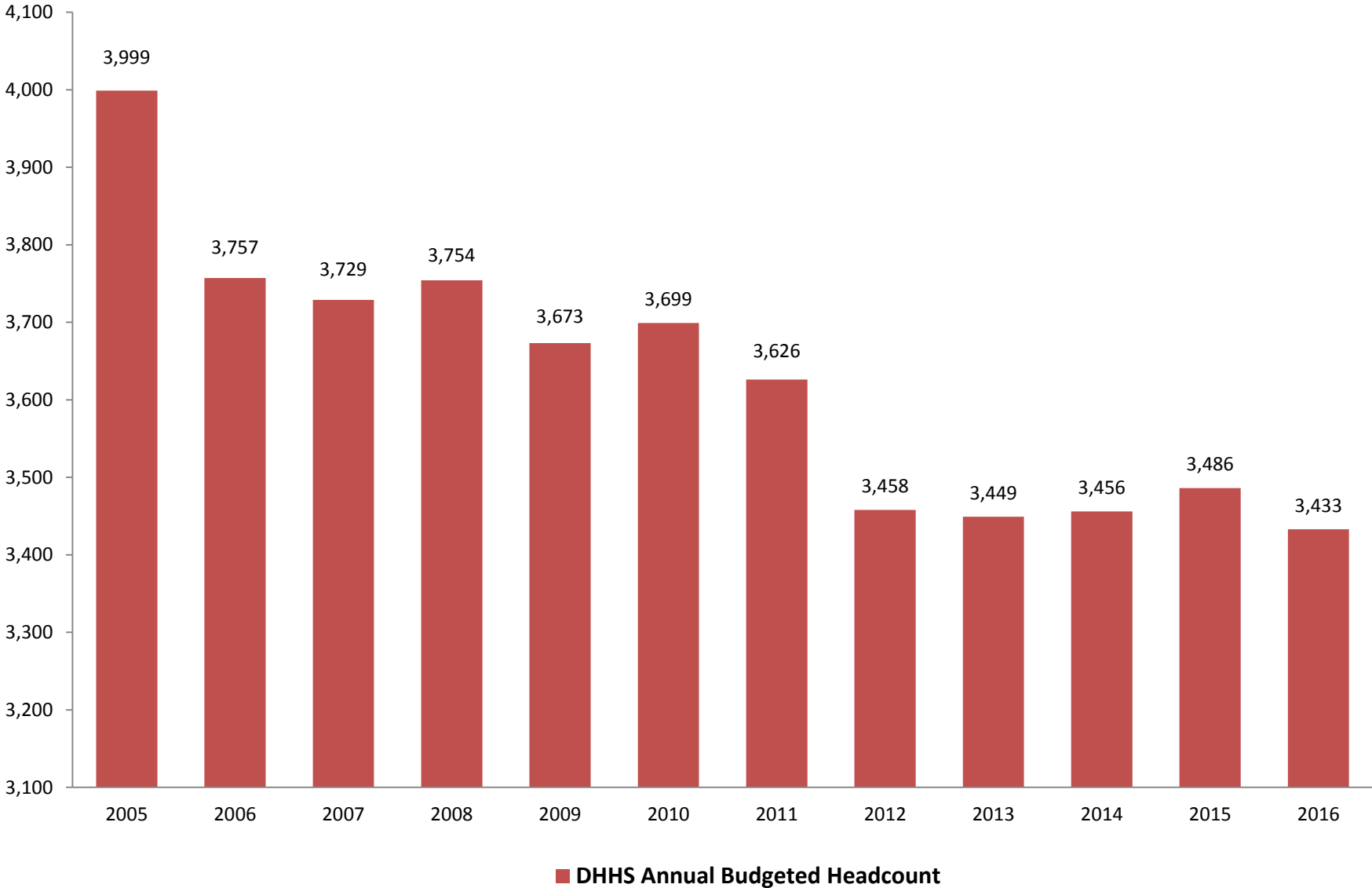
DHHS Staffing: Hospitals & Major Office/Division

SFY Ending June 2016



Note: Position numbers include, Legislative headcount, Limited Period and Seasonal/Intermittent positions.

DHHS Staffing: Historical Trends



Investing in Our Most Vulnerable

Nursing Facilities – Since 2011, reimbursement to nursing facilities has increased by **\$90 million, or 47%**.

- 2011 Reimbursement: \$197 million
- 2016 Reimbursement: \$291 million

Nursing Facility Spending
(Actual--All Funds)



2011
less than
\$30 million
on home
health



2017
nearly \$50
million on
home
health

Home Health Services – Since 2011, reimbursement to home health agencies has increased by \$20 million, or 60%, ensuring adequate rates for home health agencies to continue providing essential services to Maine’s elderly.

- 2011 Total reimbursement: \$29 million.
- 2017 Projected reimbursement: \$47 million.

Investing in Our Most Vulnerable

Developmental Disabilities – Since 2011, reimbursement for services to Mainers with developmental disabilities has increased by nearly **\$100 million, a 35% increase – serving an additional 1,050 of Maine’s most vulnerable.**

- 2017 Projected Reimbursement: \$376 million; 5,178 members served by Section 21 and 29.
- 2011 Reimbursement: \$278 million; 4,128 members served by Section 21 and 29.



Homemaker Services – These basic housekeeping services for our elderly are often vital in helping them remain independent and in their own homes. At its peak, the waitlist for these services surpassed 1,700. **Today, all slots for this service have been funded** and the only existing waitlist for this service (about 200) is a result of provider capacity.

Investing in Primary Care

Primary Care Rates – After a temporary 2 year rate increase for primary care doctors paid for by the federal government expired, Maine DHHS prioritized this increased reimbursement in our budget proposal in order to encourage primary care physicians to treat MaineCare members. **\$8 million per year** was dedicated to these rates helping to ensure that MaineCare members have access to essential, preventative health care services.



Health Homes – Additionally, this Administration has significantly invested in a 21st Century primary care model, to support more effective care management of MaineCare members with chronic diseases which reduces expensive use of the healthcare system, such as emergency rooms. DHHS is dedicating more than **\$20 million per year** to this effort of improving care and outcomes for MaineCare members.

Paying our Debt and Paying on Time – By focusing on disciplined financial management and driving key efficiencies, DHHS has made each of these investments while at the same time achieving fiscal stability. Unlike the annual \$50 to \$100 million shortfalls experienced by other administrations, ***Maine DHHS has stabilized its budget and balanced its books.*** In 2011, the LePage Administration successfully advocated for **\$250 million to ensure MaineCare paid its bills to hospitals on time and stopped the accumulation of unpaid bills to hospitals.** Additionally, the Administration repaid \$750 million in debt to Maine’s hospitals, a key priority from day-one of the LePage Administration.

