

§ 20191. Establishment of the Commonwealth Medicaid Agency.

A Commonwealth Medicaid Agency is hereby established in the Commonwealth government in the Office of the Governor.

Source: PL 21-28, § 2 (May 22, 2020).

Commission Comment: In addition to severability and savings clause provisions, PL 21-28 included the following Findings and Purpose and Repeal sections:

Section 1. Findings and Purpose. Medicaid is a federal and state/territory program that helps with medical costs for some people with limited income and resources. The Legislature recognizes that the Medicaid program of the Commonwealth of the Northern Mariana Islands was originally established as a program under the authority of the Department of Public Health and Environmental Services (DPHES) in 1978. Chapter 140-30 of the Administrative Code was originally adopted under the authority of the DPHES in 1988. With the passage of PL 16-51 in 2009, the Medicaid program was transferred to the Commonwealth Healthcare Corporation (CHCC). In 2011, the Centers for Medicare and Medicaid Services (CMS) directed the separation of the Medicaid program from the CHCC to prevent conflicts of interest. In 2011, the Governor issued Executive Order 2011-06 to transfer the Medicaid program to the Office of the Governor. The Medicaid Agency was never formally recognized, established, and organized and the Legislature finds that there is a need to establish the Commonwealth Medicaid Agency and incorporate Chapter 140-30 of the CNMI Administrative Code in statute.

The Legislature further finds that the U.S. Congress may require that the Commonwealth Medicaid program to submit data to the “Transformed Medicaid Statistical Information System” and establish a Medicaid Fraud Control Unit as a condition to the increased funding for the Medicaid program. To achieve this objective, the Medicaid Agency may need to fully implement a “Medicaid Management Information System” as all other states and the U.S. territories of Puerto Rico and the Virgin Islands have already accomplished.

In addition, as part of the Medicaid Enterprise Systems, the Legislature finds that the Commonwealth of the Northern Mariana Islands (CNMI) needs, as many states have established, a Medicaid medical claims and clinical data warehouse to enable the monitoring and analysis of health care costs; improve the evaluation, coordination, and monitoring of the quality of care; assess population health conditions; support health information exchange for clinical care for beneficiaries; conduct utilization reviews; identify healthcare disparities; inform policymakers and the Medicaid program of comparative cost and quality of healthcare services of other payers and providers; support the planning and evaluation of health care operations and care; and conduct waste, fraud and abuse investigations. As part of the Medicaid Enterprise Systems, the Legislature further

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finds that information regarding the healthcare services and other personal health care information must be available to beneficiaries so that the best health care decisions can be made for themselves and their families.

For the Commonwealth, the Legislature is aware of the magnitude of the challenge, and the costs and capacity building that is required to fully implement and operate the suite of Medicaid Enterprise Systems.

Accordingly, the purposes of this legislation are to: (a) recognize, establish, and organize the Medicaid Agency as an agency in the Executive Branch of the CNMI; (b) direct the agency to plan, design, implement, and operate Medicaid Enterprise Systems that includes, among others, the ability to efficiently and effectively process claims for Medicaid services and submit data to the T-MSIS or replacement system as may be required; (c) establish a claims and clinical data warehouse, and promote health information exchange; and, (d) provide a community health record system that would enable beneficiaries to see their medical information.

Section 3. Repeal. Chapter 140-30 of the Commonwealth Administrative Code is repealed.

The Commission changed “Chapter” to “Article” pursuant to 1 CMC § 3806(d) and numbered this article and all sections of this article pursuant to 1 CMC § 3806(a).