



Lessons from the Field: One Medicaid Director's Perspective

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New Medicaid Directors – Welcome and Congratulations

- You are taking on this new position during a very exciting time.
 - Bad news – there is no manual or silver bullet that ensures success as a Medicaid Director.
 - Good news – you are not the first nor will you be the last Medicaid Director in your state. The job can be done!
- My goal today – provide a few tips on how to survive and thrive as a Medicaid Director.
 - Remember this is coming from a guy that sat in your seats only three years ago. I don't have all the answers.



First Steps

- Get organized, stay organized and build an organization geared for success
 - Implement and maintain a strong project management system
 - Determine priority projects
 - limit your focus (to the degree possible) on the “big things”
 - Be strategic about your schedule.
 - Limit meeting times and avoid unnecessary meetings.



First Steps

- Learn your Organization and your Team
 - Don't reorganize on Day One.
 - Give yourself six months to learn how the place works.
 - Figure out who the workhorses are.
 - Understand the organization's history - reorganizations, budget cuts, layoffs, successes, failures.
 - Make sure you have a very good Administrative Assistant.
 - If you have a Deputy, make sure he or she is on your team.



Build YOUR Team

- Recruit, retain and promote talented people.
 - Building your team is your most important responsibility.
 - Give your talented people opportunities to shine.
 - Include lower level staff members in high profile and interesting projects.
 - Ask your management team to help you identify rising stars.
 - If necessary, move non-team players.
 - Look for inexpensive or free ways to provide professional development.
 - Staff will come back motivated and with higher skills.
 - Utilize consultants where possible.



Your Political Environment

- Understand your policy and political environment.
 - Maintain good relations with your Secretary's Office, Governor's Office and state legislature.
 - Try to say "Yes" as often as you can so that you have the credibility to say "No" when necessary.
 - If you become known as "Doctor No" you are in real trouble.
 - Develop proposals that are "politically doable."
 - Be respectful of elected officials, even when it is very hard.
 - Remember, no one elected you and we live in a democracy!



Build External Relationships

- Build relationships with outside stakeholders.
 - Regular stakeholder conference calls and advisory committees give you a chance to build support outside state government.
 - Get used to lobbyists.
 - Never tell them anything you don't want repeated.
 - Don't socialize with them unless you knew them before you became MA Director. They don't really want to be your friend.



Budget Deficits

- How do I cut the budget and survive?
 - First, make the case internally for the need to make cuts both within the department and within the Executive Branch.
 - Be open to ideas from staff at all levels of the organization.
 - Listen to ideas from other state agencies, especially the state budget office.
 - You and your management team will not be aware of all the cost-saving opportunities.



Budget Deficit Initiatives

- Make the case externally by creating a process for seeking input on how to make Medicaid a more efficient and effective program.
 - Describe the budget pressures.
 - Bad budget times create good opportunities.
 - Be open to ideas from outside state government and create a process for gathering those ideas.
 - Always make a policy case for any budget reduction.
 - We created the Medicaid Rate Reform Project to identify ways to lower MA spending by \$600 million.



Budget Deficit Initiative - Rate Reform

- Medicaid cuts should be more about reform than about lowering costs.
- Give stakeholders an opportunity to critique proposed changes when they are in draft form.
 - This will strengthen your proposals and increase stakeholder buy-in.
 - This is not always possible, but convince your boss of the benefits.



Rate Reform Package

- Always include a couple of small, controversial items in your package.
 - Items will generate a lot of resistance and push back, which will distract from the rest of the package.
 - Allows you to cave to pressure without it costing too much.
 - Allows you to look reasonable. Legislators will feel like they got their pound of flesh.



Rate Reform Package

- Try to spread the pain.
 - You need to maintain access to a large number of services.
 - Do not go after one provider-type too hard.
 - On the other hand, avoid across the board rate cuts if possible.
 - Not all services are of equal importance and your policy rationale goes out the window.
- Remember, this is a balancing act.



Finally, Have Fun!

- You have the best health policy job in America.
- National reform will make your job even more interesting.
- I suspect you will miss the job when it's over.



Questions

