



HEALTH CARE  
AUTHORITY



## NMMS COUNCIL MEETING

ALANNA DANCIS, CHIEF MEDICAL OFFICER, MEDICAL ASSISTANCE DIVISION

*INVESTING FOR TOMORROW, DELIVERING TODAY.*

## MISSION

*We ensure New Mexicans attain their highest level of health by providing whole-person, cost-effective, accessible, and high-quality health care and safety-net services.*



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## VISION

*Every New Mexican has access to affordable health care coverage through a coordinated and seamless health care system.*

## GOALS



**LEVERAGE** purchasing power and partnerships to create innovative policies and models of comprehensive health care coverage that improve the health and well-being of New Mexicans and the workforce.



**BUILD** the best team in state government by supporting employees' continuous growth and wellness.



**ACHIEVE** health equity by addressing poverty, discrimination, and lack of resources, building a New Mexico where everyone thrives.



**IMPLEMENT** innovative technology and data-driven decision-making to provide unparalleled, convenient access to services and information.

# TURQUOISE CARE

# TURQUOISE CARE HEALTH PLANS



# TURQUOISE CARE STARTS JULY 1

## Open Enrollment closes May 31

Enrollees can use chat on the [Turquoise Care Web Page](#), call, or return the yellow envelope in mail to select one of the 4 Medicaid Health Plan options:

- BlueCross BlueShield
- Molina Health Care
- Presbyterian
- United Healthcare

*Western Sky Community Care exits as an MCO.*

## Turquoise Care Roadshows (3/27 – 4/30)

Medicaid staff traveled the state to hold 24 community education events in:

- |               |                   |                    |              |
|---------------|-------------------|--------------------|--------------|
| - Alamogordo  | - Albuquerque (2) | - Bernalillo       | - Carlsbad   |
| - Clovis      | - Deming          | - Farmington       | - Dulce      |
| - Gallup      | - Grants          | - Hobbs            | - Las Cruces |
| - Las Vegas   | - Los Lunas       | - Nambe Pueblo     | - Raton      |
| - Rio Rancho  | - Roswell         | - Santa Fe         | - Shiprock   |
| - Silver City | - Taos Pueblo     | - Zuni Reservation |              |

## Some recent media coverage

[KKOB: Interview with Dana Flannery](#)

[KQRE: Medicaid open enrollment period happening now in New Mexico](#)

## FLYER

**HUMAN SERVICES DEPARTMENT**

**It's Your Choice! Choose Your MCO Today.**

**Medicaid Open Enrollment: April 1–May 31, 2024**  
Choose the managed care organization (MCO) that best fits your needs! MCOs are insurance companies that provide health care services to Medicaid customers.

**Choose your MCO!**

BlueCross BlueShield  
of New Mexico

MOLINA  
HEALTHCARE

PRESBYTERIAN

United  
Healthcare

**Why choosing your MCO is important:**

- ✓ To make sure your current doctors are covered
- ✓ To make sure your health clinics and facilities are in network
- ✓ To get the right value-added services for you and your family

» Compare MCOs at [hsd.state.nm.us/turquoise-care/](https://hsd.state.nm.us/turquoise-care/)

Scan the code and choose your Turquoise Care health plan today!

If you do not choose an MCO during open enrollment, you will be automatically assigned to one. Native Americans can enroll in Turquoise Care (managed care) or use Fee-For-Service Medicaid. Children in state custody are automatically assigned to Presbyterian Health Plan. Guardians of Native American children in state custody can choose an MCO for the child or use Fee-For-Service Medicaid.

**Centennial Care is changing to Turquoise Care!**  
Learn more at [hsd.state.nm.us/turquoise-care/](https://hsd.state.nm.us/turquoise-care/)

**TURQUOISE CARE**

## SOCIAL MEDIA

**HUMAN SERVICES DEPARTMENT**

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Scan the code and choose your Turquoise Care health plan today!

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**TURQUOISE CARE**

**Inscripción abierta de Medicaid: del 1.º de abril al 31 de mayo de 2024**

Aprende más en [hsd.state.nm.us/turquoise-care/](https://hsd.state.nm.us/turquoise-care/)



# NEW TURQUOISE CARE BENEFITS



Continuous Medicaid eligibility for children up to age 6



Expanded Access to supportive housing



Addition of chiropractic services



Additional availability for members to join Community Benefit program



Home visiting help for new mothers



Community Health Workers added as Medicaid providers





Enhanced rates for providers with additional behavioral health training and expertise





# MCO CONTRACT IMPROVEMENTS

## Centennial Care 2.0 vs Turquoise Care

Area of Accountability		
<b>Provider Reimbursement Requirements</b>	<ul style="list-style-type: none"> <li>Limited specificity on how providers should be reimbursed</li> </ul>	<ul style="list-style-type: none"> <li>Required reimbursement <b>at or above the approved Medicaid fee schedule</b></li> </ul>
<b>Performance Penalties</b>	<ul style="list-style-type: none"> <li>Failure to meet Performance Measures = 2% of annual capitation.</li> <li>Performance measures based on regional averages.</li> <li>Failure to meet Delivery System Improvement Performance Targets = penalty of <b>1.5%</b> of annual capitation.</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet Performance Measure targets = <b>3% of annual capitation</b></li> <li>Targets based on <b>national</b> averages.</li> <li>Failure to meet Delivery System Improvement Performance Targets = <b>penalty of 2% of annual capitation.</b></li> </ul>
<b>Minimum Medical Loss Ratio</b>	<ul style="list-style-type: none"> <li>Medical Loss Ratio of <b>88%</b></li> </ul>	<ul style="list-style-type: none"> <li>Medical Loss Ratio of <b>90%</b> (MLR = the portion of capitation payments that are spent on clinical services and quality improvement. Federal requirement is 85%.)</li> </ul>
<b>Community Reinvestment</b>	<ul style="list-style-type: none"> <li>Minimal requirements</li> </ul>	<ul style="list-style-type: none"> <li>MCOs must contribute <b>5%</b> of after-tax underwriting margin (profit) to <b>BH-focused community reinvestments</b></li> </ul>
<b>Care Coordination</b>	<ul style="list-style-type: none"> <li>Emphasis on care coordination performed by the MCO</li> <li>Care Coordination levels primarily defined by medical complexity or functional impairment</li> </ul>	<ul style="list-style-type: none"> <li>Emphasis on <b>care coordination delivered by community-based individuals and entities</b></li> <li>Care Coordination levels defined by <b>high cost/high need, medical complexity or population vulnerability</b> (i.e., pregnant women, justice-involved, CARA)</li> <li>Additional reporting including emphasis on vulnerable populations and member outcomes</li> </ul>

# MCO CONTRACT IMPROVEMENTS

## Centennial Care 2.0 vs Turquoise Care

Area of Accountability		
<b>Provider Network &amp; Access to Care Requirements</b>	<ul style="list-style-type: none"> <li>• Specific only to defined providers and services</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasis on improving access to community-based models of care (Certified Community Behavioral Health Clinics, High-Fidelity Wraparound BH)</li> <li>• Time and distance standards</li> <li>• Appointment standards for primary care, dental care, BH, urgent primary and BH care, and maternity care</li> <li>• New requirements for provider training</li> <li>• New requirements to ensure accuracy of provider directory information</li> <li>• Increased accessibility requirements: Non-emergency medical transportation, distance to 24/7 pharmacies, PCP choice</li> <li>• Secret shopper evaluations of member access</li> </ul>
<b>Children in State Custody</b>	<ul style="list-style-type: none"> <li>• Accountability spread across all MCOs</li> </ul>	<ul style="list-style-type: none"> <li>• Single MCO for Children in State Custody (Presbyterian)</li> </ul>



MEDICAID RATE INCREASES

# \$2.5B IN MEDICAID INCREASES SINCE 2019

## 2019 & 2020

- Increased reimbursement rates for Evaluation & Management (E&M) and outpatient BH codes to 90% of Medicare; **increased rates for FQHCs and hospitals**
- Reversed 2016 reductions to dental reimbursement
- Increased dispensing fees paid to community pharmacies
- Increased rates for Personal Care Services and Assisted Living Facilities
- Added new transitional care and chronic care management coverage
- Added topical fluoride varnish benefits for children
- Added supportive housing services to Centennial Care
- Added transportation to pharmacy for justice-involved members upon release

## 2022

- Payment for pasteurized human donor milk for high-risk infants
- Increased reimbursement rates for select Public Duty Nursing and Home Health services.
- Continuous eligibility for pregnant women for one year postpartum

## January 1, 2023

- Coverage for prenatal genetic screening for cystic fibrosis, spinal muscular atrophy, and cell-free DNA for trisomy
- Expanded access to orthodontia services
- Added coverage of silver diamine fluoride
- Added mobile crisis response services
- Implemented enhanced BH services and five new evidence-based practices for BH
- Added payment rate for ventilator wing at Rehabilitation Center of ABQ

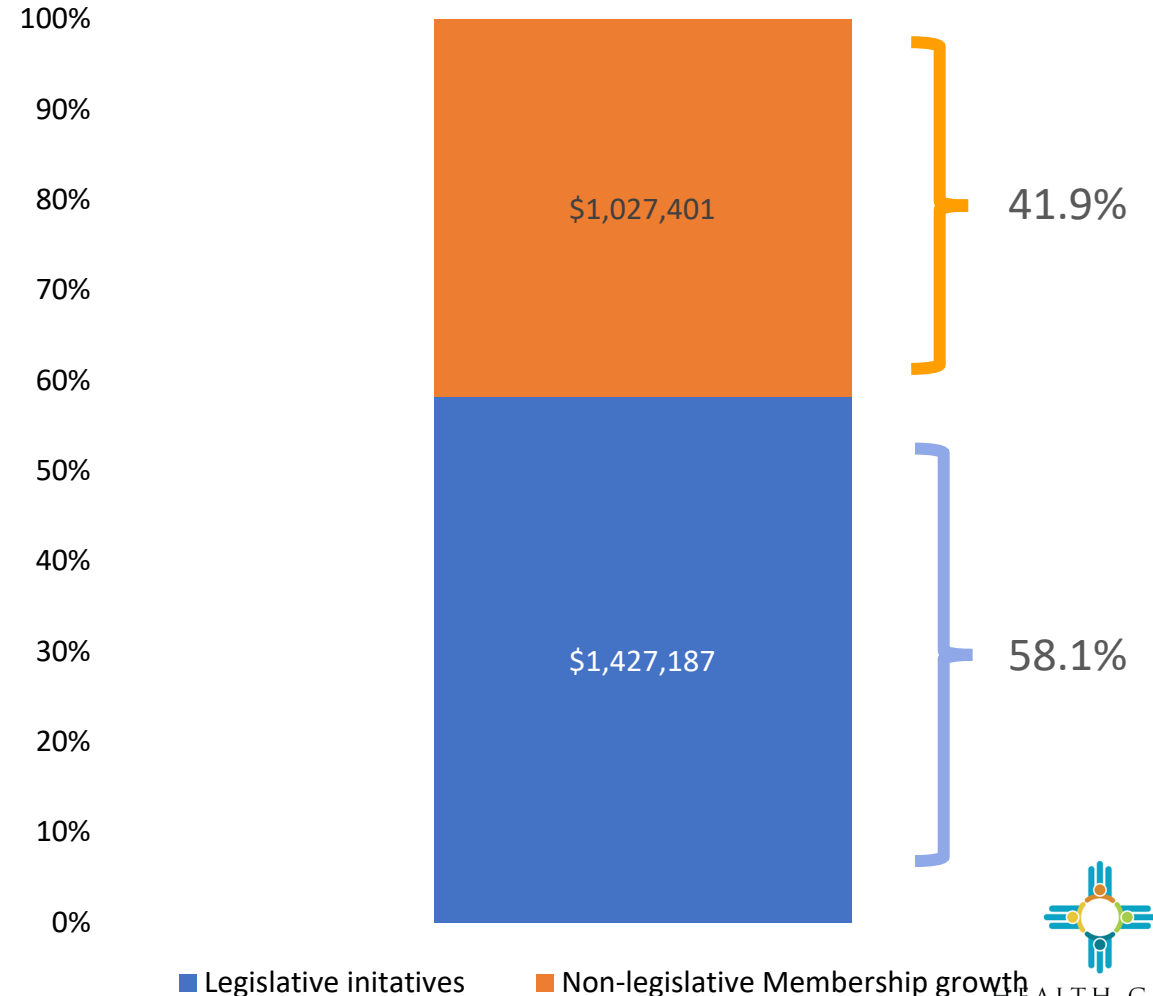
## July 1, 2023

- Increased reimbursement rates for maternal and child health, primary care, and BH from 90% to a minimum of 120% of Medicare**
- Raised reimbursement rates to a minimum of 100% of Medicare for acute hospital services and other specified professional services
- Added coverage for services provided by Community Health Workers
- Raised reimbursement for DD Waiver services

## January 1, 2024

- Added four new home visiting models
- Continuous eligibility for children age 0-6
- Expansion of supportive housing to serve more people
- Expansion of Community Benefit slots
- Increase to the Environmental Modification benefit and transition services
- Legally-Responsible Individuals as caregivers
- Chiropractic coverage benefit (awaiting federal approval)

## NM Medicaid Spending Increase Factors (Legislative & Non-Legislative), Costs in Thousands, 2019 to 2023



# FY25 RATE INCREASES & EXPANSIONS

Increase/Expansion Item	Effective Date
Doulas and Lactation Counselor services	July 2024
Raise professional dispensing fee community pharmacies	July 2024
DD Waiver rate increase	July 2024
Rate increase for FQHCs	October 2024
Increase reimbursement rates for primary care, behavioral health and maternal child health to 150% of Medicare	January 2025
Maintain existing reimbursement rates at or above 100% of Medicare rates	January 2025
Uniform percentage increase for Phase III providers (codes without a Medicare equivalent)	January 2025
\$1M GF to provider rate differentials for rural preceptors	January 2025
Over \$11M GF for additional directed payments to 20 smallest hospitals	January 2025
New Medicaid 1115 waiver services: Justice-involved pre-release services; medical respite for homeless individuals; home-delivered meals for pregnant members and Community Benefit members; supportive housing provider expansion	TBD based on negotiations with federal regulators



# MEDICAID BUDGET PROJECTION FY25: HB2 EXPANSION ITEMS

<b>EXPANSION ITEMS FY25</b>	<b>GF</b>	<b>Total Computable</b>
1 Rate Increase: Maternal/Child Health	\$5,000,000	\$18,070,112
2 Rate Increase: Birthing Duolas/Lactation Counsellor Svc	\$5,800,000	\$20,961,330
3 Rate Increase: Medicaid Home Visiting	\$1,500,000	\$5,421,034
4 Rate Increase: In process of setting-up MOU w/ ECECD	\$12,000,000	\$43,368,269
5 Salary adjustment Grad Med Residents (GME?)	\$3,400,000	\$12,287,676
6 PCG rate study	\$11,821,000	\$42,721,359
<b>SUM</b>	<b>\$39,521,000</b>	<b>\$142,829,780</b>

<b>PROVIDER RATE INCREASES FY25</b>	<b>GF</b>	<b>Total Computable</b>
7 Rate Increase: Primary Care/Maternal Health	\$28,144,800	\$129,042,877
8 Rate Increase: up to 6% Rural Primary Care Clinics/FQHCs	\$2,000,000	\$9,169,927
9 Rate Increase: maintain rates 100% Medicare (or equivalent)	\$26,000,000	\$119,209,047
10 Rate Increase: provider rate differentials rural preceptors	\$1,000,000	\$4,584,963
11 Dir. Pmt. 20 smallest rural hospitals, wrk force contingent	\$11,250,000	\$51,580,838
12 Rate Increases: BH Providers	\$5,120,100	\$23,475,471
13 Rate Increases: Bilingual differential	\$500,000	\$2,292,481
14 Primary Care VBP	\$6,916,337	\$25,874,812
15 Rate Increase: Phase 3 providers to 100% Medicare, Suppl. rate Enhancements	\$14,854,085	\$53,765,579
16 Behavioral health opioid crisis recovery fund, navigators and epidemic	\$7,339,000	\$26,564,112
<b>SUM</b>	<b>\$103,124,322</b>	<b>\$445,560,107</b>



# FY25 RATE INCREASES & EXPANSIONS

Implementing new rates and expansions takes at least 12 months:

1. Design/methodology development
2. Public and tribal notice
3. Advance publication of fee schedules
4. Negotiation of federal approval
5. IT system changes (both HCA and MCO)
6. Revision of capitation payments
7. Direction to MCOs and providers
8. MCOs may need to renegotiate provider contracts
9. Retroactive increases require rate reprocessing
10. Reporting by MCOs to verify completion
11. Audit MCOs on back-end and refresh provider rates analysis



# LEGISLATIVE SESSION 2025





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Q&A

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