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Letter of Direction #86-1

Date: August 8, 2022
To: Centennial Care 2.0 Managed Care Organizations
From: Nicole Comeaux, Director, Medical Assistance Division 
Subject: MCO Reimbursement for out-of-state Treatment Foster Care (TFC)
Repeal & Replace LOD #86
Title: Out-of-state Treatment Foster Care

This Letter of Direction (LOD) repeals and replaces LOD #86. The purpose of this LOD is to provide information on the change to NMAC and provide clarification on the Managed Care Organizations' (MCO) responsibilities regarding payment for Therapeutic/Treatment Foster Care (TFC) out-of-state.

The New Mexico Human Services Department, Medical Assistance Division (HSD/MAD) change in Specialized Behavioral Health Provider Enrollment and Reimbursement, New Mexico Administrative Code (NMAC) 8.321.2.37.A Eligible Agencies for Treatment Foster Care I and II, is effective immediately through Supplement Number 22-09. To view the Supplement please visit the following link: https://www.hsd.state.nm.us/providers/registers_and_supplements/.

Current Language:

- A. **Eligible agencies:** In addition to the requirements of Subsections A and B of 8.321.2.9 NMAC, in order to be eligible to be reimbursed for providing TFC services to an eligible recipient, the agency must be a CYFD certified TFC agency and be licensed as a child placement agency by CYFD protective services.

New Language:

- A. **Eligible agencies:** In addition to the requirements of Subsections A and B of 8.321.2.9 NMAC, in order to be eligible to be reimbursed for providing TFC services to an eligible recipient, the agency must be a CYFD-certified TFC agency and licensed as a child placement agency by CYFD protective services. In lieu of New Mexico CYFD licensure and certification, an out-of-state TFC agency must have equivalent accreditation and be licensed in its own state as a TFC agency.

Federal Medicaid law, 42 C.F.R. § 431.52(b), requires the provision of and payment for, covered services out-of-state when they are unavailable in-state.

This LOD will sunset once the NMAC has been updated.