



HEALTH CARE  
AUTHORITY



Michelle Lujan Grisham, Governor  
Kari Armijo, Secretary  
Dana Flannery, Medicaid Director

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**Letter of Direction #26**

**Date:** October 18, 2024

**To:** Turquoise Care Managed Care Organizations

**From:** Dana Flannery, Director, Medical Assistance Division   
Nick Boukas, Director Behavioral Health Services Division 

**Subject:** EOB Exception for Behavioral Health Services and Providers

**Title:** EOB Exception for BH Services and BH Providers

The purpose of this Letter of Direction (LOD) is to provide guidance and directives to the Turquoise Care Managed Care Organizations (MCOs) regarding Explanation of Benefit (EOB) exceptions for behavioral health services and providers.

The New Mexico Medicaid program is the payer of last resort (NMAC 8.302.3.9). MCOs are generally directed to require a denial of benefits, documented by an EOB, when a Medicaid recipient also has Medicare coverage before paying claims for a covered Medicaid service.

However, there are behavioral health services that are not covered by Medicare or may be rendered by a provider type that is not eligible for Medicare coverage. In these instances, Medicare does not issue a denial, and requiring a Medicaid recipient to obtain one may lead to delays or denials, thereby preventing the recipient from obtaining necessary services. Turquoise Care MCO contracts (Section 4.19.11.5) require the MCOs to not withhold payment for services provided to a member if third-party liability cannot be determined or if payment will not be available within a reasonable time, defined as beyond 120 calendar days from the date of receipt.

Therefore, the MCO(s) shall not require proof of denial (EOB) from Medicare of a behavioral health service that is covered by New Mexico Medicaid, when the service is one that is not customarily covered by Medicare. **The table below includes a list such services; however, the MCOs are responsible for monitoring and identifying potential covered services.**

Behavioral Health Codes Which Do Not Require a Medicare EOB							
G0175	G0176	G0410	G0411	G0493	G0515	G9001	G9003
H0010	H0015	H0017	H0018	H0019	H0031	H0033	H0038
H0039	H0049	H0050	H2000	H2010	H2011	H2012	H2014
H2015	H2017	H2022	H2030	H2033	S0220	S0221	S0280
S5110	S5145	T1001	T1005	T1007	T1016	T1026	97151
97152	97153	97154	97155	97156	97157	97158	0373T

MCOs shall also not require an EOB from Medicare for H0020, unless the client has been verified to be dually eligible for Medicaid and Medicare.

- The MCO(s) shall not require proof of denial (EOB) from Medicare of a behavioral health service that is covered by New Mexico Medicaid and rendered by a Medicaid enrolled practitioner, when that provider type is not eligible for reimbursement by Medicare. Those behavioral health practitioner provider types that are *not* eligible for reimbursement by Medicare include Medicaid behavioral health practitioner provider types *except* for the following: Licensed physician
- Licensed physician assistant
- Licensed psychologist
- Licensed certified nurse practitioner
- Licensed clinical nurse practitioner
- Licensed clinical social worker
- Licensed independent social worker
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MCOs may require an EOB when services are delivered by the seven provider types listed above.

Scenario 1: Under the Treat First clinical model, a variety of outpatient therapies may be provided before a formal diagnostic evaluation is completed. The services themselves are covered by Medicare, but Medicare will only reimburse when the services are provided by certain provider types (e.g. psychologist or clinical social worker). In New Mexico, these services may be provided by other practitioners such as licensed professional clinical counselors. In this instance, the MCO may not require an EOB denying coverage by Medicare prior to paying the claim.

Scenario 2: Intensive Outpatient Program (IOP) (H0015) is a non-covered benefit through Medicare or Medicare Advantage Plans but is covered by New Mexico Medicaid. The MCO may not require an EOB denying coverage by Medicare prior to paying the claim.

This LOD will sunset upon inclusion in the Managed Care Policy Manual.