

# Turquoise Care: CY2024 – CY2028

## Section I: Introduction and Goals

Building upon the strong foundation created by Centennial Care, the State of New Mexico (the State) will continue to transform the Medicaid program through enhancements to existing programs and implementation of new initiatives. To signify the transformation, the new program will operate under a new name: Turquoise Care (TC).

### HSD Mission and Goals

Turquoise Care’s vision and goals are predicated on the State’s overall mission and goals for providing health and human services to New Mexicans. Figure 1 provides the mission and goals for the New Mexico Human Services Department (HSD)—the state agency that provides services and benefits for New Mexicans through Medicaid, as well as several other programs.

**Figure 1.**



The State is deeply committed to incorporating principles of evidence-based governance, using data to drive decision making to achieve optimal results aligned to strategic priorities. As stewards of federal and state tax dollars, the State has a responsibility to use data in the delivery and monitoring of high-quality health and human services programs and to be transparent about and held accountable to its performance. As illustrated in Figure 2 below, Medicaid is a significant component of the State’s modern and responsive social safety net for New Mexicans.

**Figure 2.**

**HSD's Programs have had the following social impact:**

**539,623,210 meals** provided to New Mexicans through Supplemental Nutrition Assistance Program (SNAP) over the last 12 months



**10,920 families** provided shelter and necessities through Temporary Assistance for Needy Families (TANF) in June 2022



**972,952 individuals** provided the ability to visit a doctor, afford medication and immunizations through Medicaid in June 2022



**\$127.75\*** per month on average through child support to help kids be happy and healthy over the last 12 months



**51,904 homes** heated and cooled for New Mexico families through Low Income Energy Assistance Program (LIEAP) in Federal Fiscal Year 2022



**212,823** New Mexico adults supported by Behavioral Health programs and services\*\* from January-December 2021



Our vision is that every New Mexico Medicaid member has high-quality, well-integrated, person-centered care to achieve their personally defined health and wellness goals.

To move closer to our vision, we propose to operate a data-driven Medicaid program that measures quality based on population health outcomes. To support this vision, the Turquoise Care waiver is constructed around three goals:

- 1. Build a New Mexico health care delivery system where every Medicaid member has a dedicated health care team that is accessible for both preventive and emergency care that supports the whole person - their physical, behavioral, and social drivers of health.**

Medical and non-medical providers must work in teams to improve members' health and wellbeing. The relationship between a member and their primary care provider or clinic and the team within that clinic serve as the foundation of patient-centered goals and wellness. Primary care is the only medical resource where the evidence supports that adding more of the resource leads to better patient outcomes. Referrals to medical and non-medical services should flow from that relationship and the support it provides.

Placing primary care at the center of Medicaid is consistent with state priorities. In 2021, House Bill 67 enacted the Primary Care Council, which is charged with “revolutionizing primary care.” The Council aims to create a multi-payer alternative primary care payment model in the State that is designed to move health care financing away from fee-for-service (FFS) and into a payment structure that reduces the total cost of care while improving patient outcomes and supporting the health care workforce. Finding ways to reimburse and support robust primary care teams is a key component of New Mexico’s Medicaid program and this demonstration waiver.

**2. Strengthen the New Mexico health care delivery system through the expansion and implementation of innovative payment reforms and value-based initiatives.**

Turquoise Care will continue to advance payment reform and value-based care through the next evolution of managed care. This continuous maturation of the managed care system will allow for new focus areas to emerge for 2024 and beyond. With managed care central to New Mexico’s Medicaid delivery system and a key driver of health outcomes, strength and support for providers is essential to ensure all members from rural and frontier, to urban counties are able to receive quality care. This demonstration and additional support through the enhanced managed care contracting requirements will expand access and support rural and frontier hospitals and other providers.

**3. Identify groups that have been historically and intentionally disenfranchised and address health disparities through strategic program changes to enable an equitable chance at living healthy lives.**

Five populations were selected as target populations given their experiences with societal inequities, disproportionately high demand for health supports and services, and disparities they have experienced within the state of New Mexico. These five populations are:

- a. Prenatal, postpartum, and members parenting children, including children in state custody (CISC);
- b. Seniors and members with LTSS needs;
- c. Members with behavioral health conditions;
- d. Native American members; and
- e. Justice-involved individuals.

As such, all of the initiatives proposed for Turquoise Care will support these populations to ensure they receive equitable care.

## Section II: Historical Information on Centennial Care 2.0

Fundamentally, the vision for Centennial Care 2.0 is that every New Mexico Medicaid member has high-quality, coordinated, and person-centered care to achieve their health and wellness goals. New Mexico employs a member and provider centric philosophies and is working to better support historically underserved populations whilst pursuing efficiencies in cost and quality of care through value-based purchasing (VBP), care coordination, and investments in providers and community-based care.

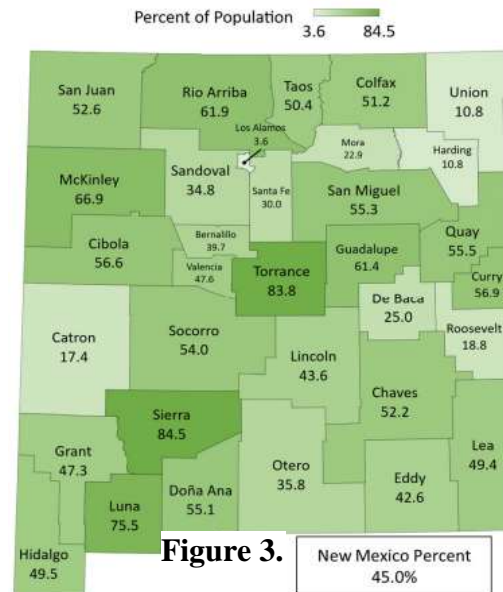
Over the last four years, the State has leveraged Centennial Care to transform care for Medicaid members by focusing on the following goals:

- Assuring that Medicaid members in the program receive the right amount of care, delivered at the right time, and in the right setting;
- Ensuring that the care and services being provided are measured in terms of their quality and not solely by quantity;
- Slowing the growth rate of costs or “bending the cost curve” over time without inappropriate reductions in benefits, eligibility, or provider rates; and Streamlining and modernizing the Medicaid program.

### Opportunities and Challenges: Key Background Data

#### Medicaid Enrollment

As of June 2022, <sup>2</sup> representing 46% of the state’s<sup>3, 4</sup>. Figure 3 to the right depicts the state’s Medicaid enrollment percentage<sup>5</sup>. Of note, the state’s three largest counties by population (which represent 49.9% of the <sup>6</sup> population), Bernalillo, Doña Ana, and Santa Fe, have Medicaid enrollment per county of 39.7%, 55.1%, and 30.0%, respectively—all of which exceed the national enrollment of 27.7%. In light of this, the demonstration renewal holds tremendous opportunities to improve security and promote independence of New Mexico’s most historically underserved citizens.



#### Select Demographic and Socioeconomic Data

Societal inequities related to poverty, education, demographics (e.g., race/ethnicity, gender, sex, age, and disability status), food insecurity, and environmental factors are key drivers of population health. New Mexico’s demographics and socioeconomic status present unique challenges for state health programs and the Medicaid delivery system in particular. According to the 2020 Census, New Mexico is one of six majority-minority states with the largest

<sup>2</sup> <https://www.hsd.state.nm.us/wp-content/uploads/June-By-Managed-Care-Organization-Fee-for-Service-1.pdf>

<sup>3</sup> CMS (2022). Medicaid & CHIP Monthly Applications, Eligibility Determinations, and Enrollment Reports (April 2022).

<sup>4</sup> US Census Bureau (2020). American Community Survey – 1 Year Estimates.

<sup>5</sup> New Mexico (2022). New Mexico Health & Human Services Data Book, Volume 3 2022.2. Retrieved from: <https://www.hsd.state.nm.us/wp-content/uploads/Data-Book-2022-FINAL-Spring-2022.pdf>.

<sup>6</sup> [https://www.newmexico-demographics.com/counties\\_by\\_population](https://www.newmexico-demographics.com/counties_by_population)

proportion of Hispanics and Latinos in the nation (49.3%) and the third largest percentage of Native Americans among the United States (10.6%). In terms of age, New Mexico ranks twelfth among states for the proportion of the population aged 65 and older (18.2%). From 2010 to 2020, the State had the lowest population growth rate (2.8%) in the western United States and the eleventh lowest nationally. The State has also has the third highest poverty rate (18.6%) in the nation, which is 8.1 percentage points higher than the national rate of 10.5%.<sup>7</sup> Educationally, the State has the fourth lowest percentage of adults aged 25 and over with a high school diploma or higher (85.9%) and, according to the US Department of Education, the lowest proportion of fourth grade students proficient in reading comprehension (23.7%) across the nation. In addition, 17.2% of New Mexicans experience severe housing problems, which is the thirteenth highest percentage in the country. New Mexico also has the nation's second highest crime rate per 100,000 population (832 per 100,000 population), well exceeding the national average of 379 per 100,000.<sup>8</sup>

#### Population Health Data: Core Outcomes and Influences

Systemic barriers affecting the preceding demographic and socioeconomic factors compromise health status, behaviors, and core outcomes. New Mexico has the seventh highest premature death rate among states at 9,789 years of potential life lost before age 75 per 100,000 population. Compared to the nation, New Mexico ranks fortieth, forty-sixth, and forty-third in the nation for vegetable consumption percentage among adults (6.6%), new chlamydia rates per 100,000, ranked from lowest to highest (681.2 per 100,000), and teen births per 10,000 (24.4 per 10,000), respectively. In addition, 70.8% of adults have a dedicated health care provider, which is the fifth lowest among all states.<sup>7</sup>

#### Behavioral Health in New Mexico: An Exacerbated Crisis

The Coronavirus Disease 2019 (COVID-19) public health emergency (PHE) intensified demand for a behavioral health system already in crisis across the nation—severely straining an already limited workforce. In New Mexico, the effect is even more pronounced as the percent of need for mental health professionals met is 16.6% compared to the national average of 28.1%.<sup>9</sup> The result is the manifestation of unmet need, worsening behavioral health status, and increases in despair and unhealthy coping mechanisms. In fact, the state has the fourth highest rate of deaths by suicide in the nation at 24.7 per 100,000 population (for reference, the overall United States death by suicide rate is 14.5 per 100,000). Relative to substance use and deaths due to drug injury per 100,000, New Mexico has the eleventh highest rate among states at 29.5 per 100,000. The state also has a greater percentage of adults with moderate (61.2%) and severe mental illness (40.4%) not receiving treatment in comparison to the US average (53.5% and 35.0%, respectively).<sup>7</sup>

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<sup>7</sup> US Census Bureau (2020). 2020 Decennial Census

<sup>8</sup> United Health Foundation (2022). America's Health Rankings. Retrieved from: <https://www.americashealthrankings.org/explore/annual/state/NM>

<sup>9</sup> US Health Resources and Services Administration (2022). Designated Health Professional Shortage Areas Statistics – As of June 30, 2022.

## Section III: Transformation to Turquoise Care

### 1. Key Populations

New Mexico has among the highest degree of Social Vulnerability in the country.<sup>10</sup> An evidence-based measure used by the Center for Disease Control (CDC), social vulnerability refers to the potential negative effects on communities caused by external stresses on human health (e.g., disasters or disease outbreaks). Reducing social vulnerability can decrease both human suffering and economic loss.

In light of New Mexico's unique profile, several traditionally underserved population groups experience health and socioeconomic disparities in addition to having greater health care related needs. The following data points illuminate the needs of five select populations as identified in Goal #3 above and allude to the need for comprehensive planning and a commensurate response:

#### *Members with behavioral health conditions*

- Among all states, New Mexico has the ninth highest prevalence of mental illness.<sup>11</sup>
- As stated above, New Mexico has the fourth highest rate of deaths by suicide per 100,000 population in the country.<sup>12</sup>
- New Mexico is forty-seventh among states and DC in terms of youth mental health per Mental Health America.<sup>13</sup>
- Compared to the median (66%), New Mexico has a lower rate for follow-up after hospitalization for mental illness for children ages 6 to 17 (53%).<sup>5</sup>

#### *Pregnant/parenting members and young children*

- New Mexico ranks forty-ninth out of 50 states and District of Columbia on 16 key Maternal Child Health indicators.
- Among all states, New Mexico has the third highest percentage of children and youth experiencing adverse childhood experiences at 22.3% (the national average is 14.8%).<sup>14</sup>
- Out of all infants born in New Mexico, 9.3% are considered low birthweight—tenth highest in the country.<sup>15</sup>
- The state has the sixth lowest percentage of children receiving recommended doses of the combined seven-vaccine series by age 35 months.<sup>16</sup>
- New Mexico has the fifth highest low birthweight racial disparity in the nation.<sup>17</sup>

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<sup>10</sup> <https://svi.cdc.gov/map.html>

<sup>11</sup> [https://mhanational.org/issues/2022/ranking-states#prevalence\\_mi](https://mhanational.org/issues/2022/ranking-states#prevalence_mi)

<sup>12</sup> <https://www.cdc.gov/nchs/pressroom/sosmap/suicide-mortality/suicide.htm>

<sup>13</sup> Mental Health America (2022). Youth Ranking 2022. Retrieved from: <https://mhanational.org/issues/2022/mental-health-america-youth-data>

<sup>14</sup> United Health Foundation (2022). America's Health Rankings – Adverse Childhood Experiences. Retrieved from:

[https://www.americashealthrankings.org/explore/annual/measure/ACEs\\_8/state/NM](https://www.americashealthrankings.org/explore/annual/measure/ACEs_8/state/NM)

<sup>15</sup> United Health Foundation (2022). America's Health Rankings – Low Birthweight. Retrieved from:

<https://www.americashealthrankings.org/explore/annual/measure/birthweight/state/NM>

<sup>16</sup> United Health Foundation (2022). America's Health Rankings – Childhood Immunizations. Retrieved from:

[https://www.americashealthrankings.org/explore/annual/measure/immunize\\_b/state/NM](https://www.americashealthrankings.org/explore/annual/measure/immunize_b/state/NM)

<sup>17</sup> United Health Foundation (2022). America's Health Rankings – Low Birthweight Racial Disparity. Retrieved from:

[https://www.americashealthrankings.org/explore/annual/measure/disparity\\_lbwb/state/NM](https://www.americashealthrankings.org/explore/annual/measure/disparity_lbwb/state/NM)

### *Older adults and members with long-term services and supports (LTSS) needs*

- New Mexico has the third highest rate of poverty in the United States for adults aged 65 and older.<sup>19</sup>
- New Mexico is ranked 7<sup>th</sup> in the nation for adults with disabilities as of 2020.<sup>19</sup>
- According to projections, New Mexico will have the second highest proportion of adults aged 65 and older in the country at 26.5% by 2030.<sup>18</sup>
- In 2020, there were 43,000 New Mexicans residents aged 65 and older living with Alzheimer's Disease.<sup>19</sup>

### *Native Americans*

- Between 2015 and 2019, 40% of Native American children were living in poverty.<sup>20</sup>
- As of 2021, only 2% of behavioral health providers in New Mexico are Indigenous.<sup>21</sup>
- New Mexico has approximately 228,400 Native American citizens, representing 10.9% of the State's population, which is the third highest Native American population in the state when compared to the Nation<sup>22</sup>
- The COVID-19 PHE impacted Native Americans at a disproportionate rate. In 2020, Native Americans accounted for 57% of the State's COVID-19 cases.<sup>23</sup>

### *Justice Involved Members*

- 80% of individuals released from prison each year have a substance use disorder, mental health condition, or chronic physical health condition.
- New Mexico has the thirteenth highest imprisonment rate in the county at 316 per 100,000 residents.<sup>24</sup>
- New Mexico has the twelfth highest racial disparity in incarceration rates across the nation at 1.8 per 100,000.<sup>21</sup>
- New Mexico's three-year recidivism rate was 54% in FY19 and FY20 with substance use as one of the main drivers for return to prison after release.<sup>25</sup>

## **2. Acknowledgement of Housing and Residential Support Needs for Children, Youth, and Adults**

Like many states, New Mexico is striving to address residential treatment capacity issues for children, youth, and adults with complex behavioral health needs. For the past several years, HSD has been working with sister agencies to improve the continuum of care for children and adolescents with complex behavioral health needs, working to place and support these children in home and community-based settings wherever possible. However, regardless of reimbursement options, there remains a lack of capacity for adolescents in particular, creating a higher likelihood of youth being sent out of state or becoming homeless. HSD is committed to coming up with solutions for this complex issue with expert guidance from providers,

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<sup>18</sup> <https://www.hsd.state.nm.us/2022-data-book/>

<sup>19</sup> [https://www.alz.org/newmexico/helping\\_you/facts\\_and\\_figures](https://www.alz.org/newmexico/helping_you/facts_and_figures)

<sup>20</sup> US Census Bureau (2020). American Community Survey – 1-Year Estimates, 2019.

<sup>21</sup> [https://www.iad.state.nm.us/wp-content/uploads/2021/05/NMIAD\\_NBIL\\_FINAL\\_REPORT.pdf](https://www.iad.state.nm.us/wp-content/uploads/2021/05/NMIAD_NBIL_FINAL_REPORT.pdf)

<sup>22</sup> <https://www.iad.state.nm.us/about-us/history/#:~:text=New%20Mexico's%20Twenty%2DThree%20Tribes,of%20the%20state's%20entire%20population.>

<sup>23</sup> <https://www.kff.org/coronavirus-covid-19/issue-brief/covid-19-presents-significant-risks-for-american-indian-and-alaska-native-people/>

<sup>24</sup> <https://www.sentencingproject.org/the-facts/#map>

<sup>25</sup> <https://nmlegis.gov/handouts/LHHS%20092821%20Item%206%20RSONM%20MAT.pdf>

families, behavioral health advocates, and other key partners to address these residential capacity needs for children and youth. Again, HSD is committed to working toward solutions for this population, in consultation and partnership with providers, families, enrollees, advocates, and others with guidance and solutions to offer on this issue. HSD hopes to use this feedback to propose solutions to CMS through the 1115 waiver amendment process or other relevant authority once strategies are developed.

### **3. Acknowledgement of Medicaid Transportation Access Challenges**

New Mexico's Medicaid non-emergency medical transportation (NEMT) program continues to face challenges maintaining a sufficient transportation network due to provider shortages, particularly in rural areas where there are fewer drivers and vehicles have to travel longer distances for trips to medical services. Like many states, New Mexico is also experiencing shortages of specialty vehicles required for members with complex needs. Nationwide, Medicaid programs are exploring options to expand provider networks through non-traditional NEMT providers such as transportation network companies (e.g., Uber and Lyft), partner with other publicly-funded transportation programs, incentive targeted outcomes, leverage technology to improve the member and provider experience, and develop specialized approaches to transportation for members with complex health conditions.<sup>26</sup> HSD is committed to working with stakeholders, including our MCO partners and contracted transportation brokers, to develop solutions that result in member access to safe, reliable and accountable transportation to Medicaid services. We will assess the need for future 1115 waiver authority or other relevant authorities, as needed, to further these strategies.

### **4. Overview of Resources Used for Turquoise Care Initiatives**

Turquoise Care will leverage the following resources to transform New Mexico's Medicaid Program:

#### 1115 Waiver Application

*According to CMS, "Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to approve experimental, pilot, or demonstration projects that are found by the Secretary to be likely to assist in promoting the objectives of the Medicaid program. The purpose of these demonstrations, which give states additional flexibility to design and improve their programs, is to demonstrate and evaluate state-specific policy approaches to better serving Medicaid populations."<sup>27</sup>*

The 1115 waiver in New Mexico is one key component of the overall vision for a person-centered Medicaid delivery system that strives to improve overall population health. There is a full list of important initiatives to be realized both within the 1115 renewal that are core components in support of TC's overall vision. The 1115 waiver renewal will help the State obtain the necessary authorizations to carry out key parts of this vision. All 1115 waiver proposals are considered draft and are subject to CMS review and negotiation.

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<sup>26</sup> Medicaid's Non-Emergency Medical Transportation Benefit: Stakeholder Perspectives on Trends, Challenges, and Innovations Health Management Associates for MACPAC, August 2021 [https://www.healthmanagement.com/wp-content/uploads/HMA\\_NEMT\\_Report\\_MACPAC\\_Aug-21.pdf](https://www.healthmanagement.com/wp-content/uploads/HMA_NEMT_Report_MACPAC_Aug-21.pdf)

<sup>27</sup> <https://www.medicaid.gov/medicaid/section-1115-demonstrations/about-section-1115-demonstrations/index.html>



For additional information on the 1115 waiver proposals, please see the 1115 Application here: <https://www.hsd.state.nm.us/medicaid-1115-waiver-renewal/>.

### State Plan Amendments

*According to CMS, “A Medicaid and CHIP state plan is an agreement between a state and the Federal government describing how that state administers its Medicaid and CHIP programs. It gives an assurance that a state will abide by Federal rules and may claim Federal matching funds for its program activities. The state plan sets out groups of individuals to be covered, services to be provided, methodologies for providers to be reimbursed and the administrative activities that are underway in the state.*

*When a state is planning to make a change to its program policies or operational approach, states send state plan amendments (SPAs) to the Centers for Medicare & Medicaid Services (CMS) for review and approval. States also submit SPAs to request permissible program changes, make corrections, or update their Medicaid or CHIP state plan with new information.”<sup>28</sup>*

To supplement the 1115 waiver initiatives, New Mexico will continue to enhance the State Plan through SPAs to make changes to existing state plan features and add new initiatives.

### Managed Care Delivery System

The managed care delivery system in New Mexico has continued to evolve since its original implementation of Centennial Care. In Centennial Care 2.0, the focus moved to the strengthening of important foundational elements, including VBP arrangements, care coordination, member engagement, and behavioral health and LTSS system improvements. By contracting with MCOs to provide physical health, behavioral health, and long-term care services, the State has improved the health care delivery system to an integrated model that better meet the needs of the whole person. The continuous maturation of the managed care system will allow for new focus areas to emerge for 2024 and beyond. While the Centennial Care program already has robust monitoring in place for managed care plans, this evolution will include increased MCO accountability, enhanced monitoring, additional contract penalties and new sanctions to strengthen the State’s oversight, and maximizing regulatory authority to ensure MCOs provide high quality care and improve member outcomes. Because managed care is so central to New Mexico’s Medicaid delivery system and a key driver of health outcomes, this continued push for quality, transparency, and outcomes is essential to the success of TC.

## **5. Continuing and New Initiatives**

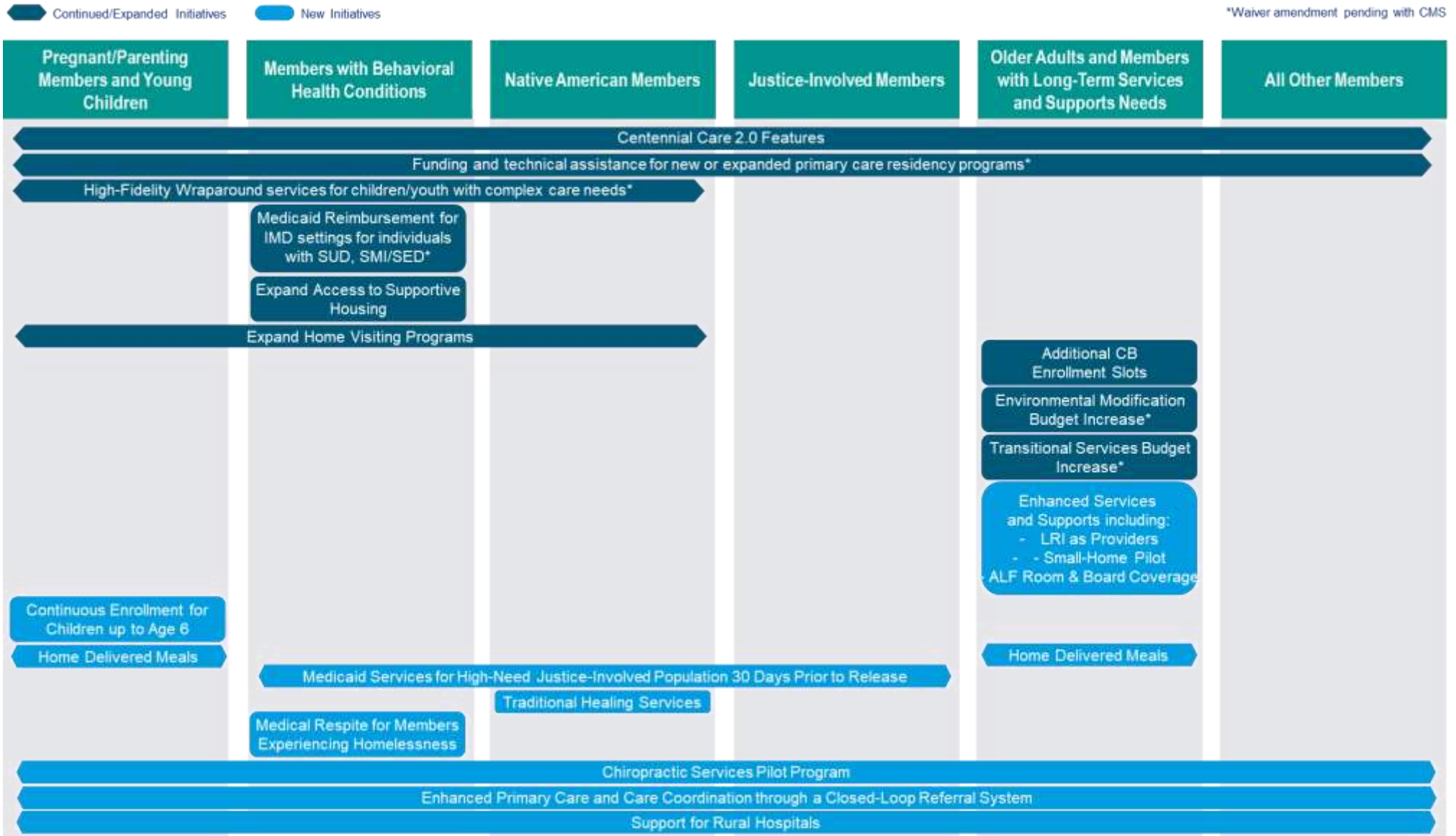
The State, in collaboration with stakeholders and partners, has worked to design a comprehensive suite of programs and initiatives that align with the TC vision, goals, and target populations. The State intends to utilize multiple authorities and modify MCO responsibilities through the MCO contracts to strengthen existing successful programs while

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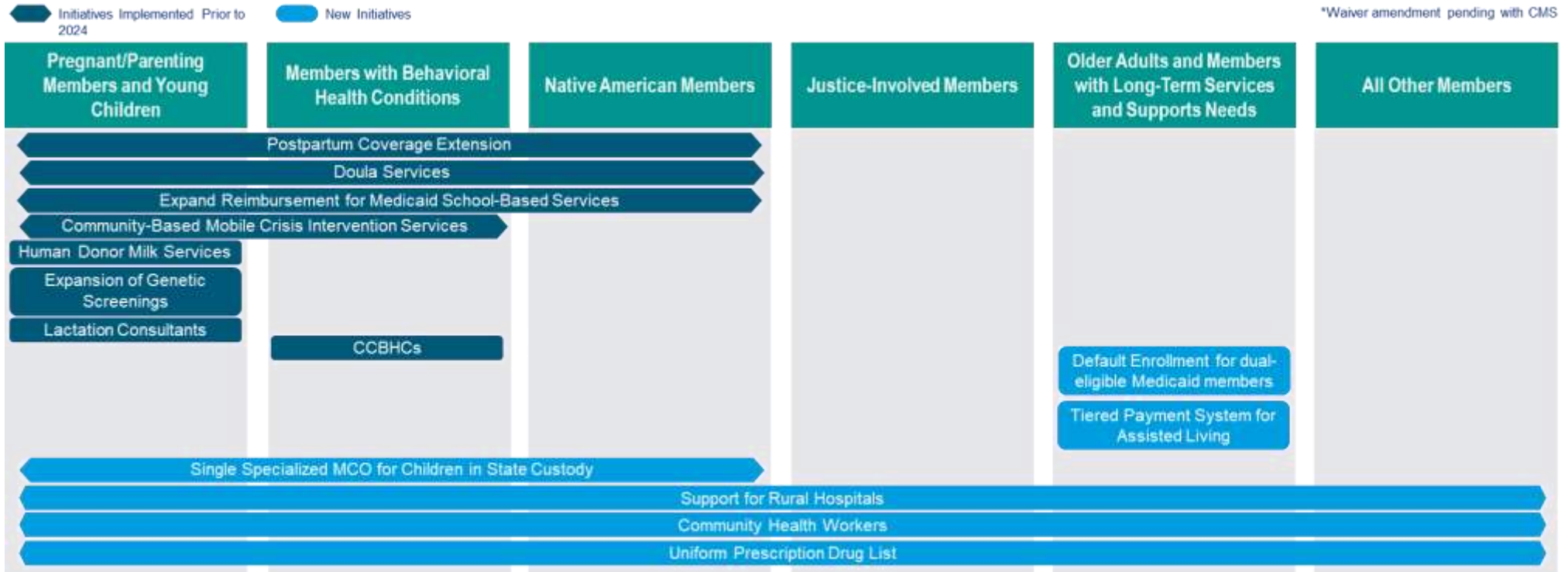
<sup>28</sup> <https://www.medicare.gov/medicaid/medicaid-state-plan-amendments/index.html>

adding new initiatives that align with the State's goals for TC. The chart below summarizes the initiatives that will be implemented to support TC, align with the State's goals, and focus on better care and access for the State's target populations.

**Figure 4. 1115 Initiatives**



**Figure 5. All Other Initiatives**



The following State Plan, managed care, and TC 1115 initiatives are being pursued as part of New Mexico's person-centered strategy for the future of Medicaid in 2024 and beyond. The summaries below are grouped by the targeted key population, but as noted in the chart above, these proposed initiatives are expected to benefit multiple populations.

#### **4. Pregnant and Parenting Members and Young Children**

##### **1. Postpartum Coverage Extension (SPA)**

Through a SPA, the State has implemented the American Rescue Plan Act of 2021 option to provide 12 months of continuous postpartum coverage to pregnant individuals enrolled in Medicaid which is limited to a five-year period. Extending postpartum coverage to 12 months is expected to provide additional treatment for members experiencing perinatal depression and reduce pregnancy related deaths by minimizing coverage disruptions.<sup>29</sup> Based on a recommendation from New Mexico's Maternal Mortality Committee, the extended postpartum coverage was implemented in April 2022.

##### **2. Lactation Consultants (SPA)**

The State intends to add additional benefits for pregnant and postpartum members by pursuing a SPA to expand lactation counseling services. This expansion will increase the number of Medicaid-eligible providers who can provide lactation counseling services within a hospital setting after birth as well as community-based lactation services. The targeted implementation for this service will be January 2024.

##### **3. Doula Services (SPA)**

To improve outcomes and support new parents and families with culturally specific antepartum, intrapartum, and postpartum services, the State has pursued a SPA to add Doula coverages as a state plan benefit. This expansion will include coverage for prenatal services, attendance at birth, and postpartum services and is expected to improve birth outcomes by lowering the likelihood of low-birth-weight babies, lower the expectancy for birth parents or babies to experience birth complications, and increase the likelihood of initiating breastfeeding.<sup>30</sup> The targeted implementation date for this service will be prior to January 1, 2024.

##### **4. Human Donor Milk Services (SPA)**

The State intends to add additional benefits for postpartum members, providing Human Donor Milk coverage through inpatient services by modifying the existing reimbursement methodology and outpatient services by pursuing a SPA. The use of Human Donor Milk is recommended for infant feeding to reduce morbidity and mortality in premature and low-birth-weight infants. The targeted implementation date for this service will be prior to January 1, 2024.

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<sup>29</sup> <https://www.kff.org/womens-health-policy/issue-brief/expanding-postpartum-medicaid-coverage/>

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<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3647727/#:~:text=Expectant%20mothers%20matched%20with%20a,more%20likely%20to%20initiate%20breastfeeding.>

**5. Expansion of Genetic Screenings (NMAC Update)**

The State will be revising the New Mexico Administrative Code to remove restrictions on prenatal genetic screenings in 2023.

**6. Expand Reimbursement for Medicaid School-Based Services Program (SPA)**

Healthy children and youth have a better chance of achieving academic, social, and personal success. Because of their position in the daily lives of children, youth, and their families, New Mexico schools are poised to offer unique advantages and opportunities that can help families access health information, medical and behavioral health services, and facts about Medicaid enrollment. The State is expanding services provided by school districts and Local Education Agencies under its Medicaid School-Based Services Program as follows: allowing school-based providers in rural and underserved areas access to an increased pool of eligible practitioners which can bill for services such as audiology services, occupational, physical, and speech therapies, and mental health services; allow participating schools to seek reimbursement for covered services that are provided outside an Individualized Education Plan or an Individualized Family Service Plan; reduce the administrative burden for schools by aligning billing services and school-based administrative claiming payment systems; ensure that school-based providers are regularly reviewing the eligible recipient’s plan of care to establish the ongoing medical need for services; and allow schools to seek reimbursement for covered services that are provided under a 504 Plan, Individual Health Care Plan, or other care plan. The expanded reimbursement for Medicaid school-based services was implemented on July 1, 2022.

**7. Single Specialized MCO for Children in State Custody (MCO Contract)**

The State intends to require enrollment for non-Native American Children in State Custody (CISC) into a single MCO with experience in managing and delivering services to CISC. Enrollment in the single specialized MCO will be optional for Native American children in state or tribal custody. The State, through the contract with the single MCO serving this population, will establish specific standards and monitoring expectations designed to meet the unique and complex needs of CISC, such as key personnel with expertise in working with children in custody, specific training for MCO staff and providers, stakeholder engagement, intensive care coordination expectations,



**Figure 6<sup>11</sup>**  
*As of SFY 2021*

quality metrics and performance improvement activities, and State monitoring and oversight mechanisms.

Additional details regarding the single MCO requirements will be available in the release of the Medicaid MCO Request for Proposals.

#### **8. Provide Continuous Enrollment for Children up to Age 6 (1115 Demonstration Proposal)**

In 2020, there were 170,435 children aged 0-6 in New Mexico, comprising 36.1% of all children less than 18 in the State.<sup>31</sup> Caring for the health needs of children is critically important to addressing health disparities early in life. New Mexico intends to request authorization through the 1115 waiver to keep children enrolled through their sixth birthday, beginning either at birth or when they first enroll. This coverage expansion will help children access supports through the many programs and services offered through Medicaid in New Mexico, and help families thrive.

#### **9. Expanded Centennial Home Visiting Program (1115 Demonstration Proposal)**

To maximize the reach and benefit of the existing Centennial Home Visiting (CHV) program, the State intends to add four additional evidence-based programs to the current offerings. The CHV program will continue the existing two CMS-approved evidence-based early childhood home visiting delivery models – Nurse-Family Partnership and Parents as Teachers. The State proposes to add four additional evidenced based models that allow enrollment during the postpartum period: Child First, Healthy Families America, Family Connects and Safe Care – Augmented.

#### **10. Targeted Support for Rural Hospitals with a Focus on Obstetrics and Healthy Pregnancies (Directed Payments and 1115 Demonstration Proposal)**

HSD is requesting expenditure authority for payment flexibility to support rural hospitals, with an additional focus on obstetric care and other services that support parents with infants or young children. This request has two parts: 1) Stabilize the rural hospital system through investments and 2) transform the rural health systems to support continued access in rural communities through sustainable models and innovative reimbursement strategies that recognize the resources required of rural providers. In addition, New Mexico is considering an amendment to support implementation of mobile health clinics for obstetric care, to increase access for pregnant members.

### **5. Members with Behavioral Health Conditions**

#### **1. Community-Based Mobile Crisis Intervention Services (SPA)**

The State intends to add an additional state plan benefit for members with behavioral health issues by expanding Mobile Crisis services. The State intends to develop 988 Call Centers and expand reimbursement to include Mobile Crisis Teams, Mobile Response Teams for Children, Mobile Crisis Team Follow-ups, Stabilization Services for Children and Families, On-call Behavioral Health Crisis Receiving

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<sup>31</sup> <https://datacenter.kidscount.org/data/#USA/1/0/char/0>

Centers, and implementation of the Separate Pathways Model. Mobile Crisis units are expected to enhance care for beneficiaries in crisis, without law enforcement involvement. The State is also continuing to explore options for transportation related to mobile crisis. Mobile Crisis service infrastructure was implemented in July 2022 and will continue to be expanded upon throughout 2023.

**2. Certified Community Behavioral Health Clinics (CCBHC) (SPA)**

The State intends to add an additional benefit for members with behavioral health issues by pursuing a SPA to operationalize CCBHCs. CCBHCs are expected to promote and improve the integration of physical health and behavioral health. The targeted implementation date for the pilot program will be January 2023 in select regions with expansion to all regions by July 2023.

**3. Medical Respite for Members Experiencing Homelessness (1115 Demonstration Proposal)**

HSD is seeking expenditure authority for medical respite for members experiencing homelessness after discharge from the hospital. The State proposes a medical respite pilot in Albuquerque, New Mexico, operated by Healthcare for the Homeless, an FQHC in the process of constructing a medical respite unit. The payment delivery system is proposed through managed care with an adjustment to their capitated rate. Proposed services include care coordination, medical care on site, personal care services, and 24-hour staffing.

**4. Expanded Access to Supportive Housing (1115 Demonstration Proposal)**

Homelessness continues to be a growing problem in New Mexico, and many individuals experiencing homelessness have behavioral health needs that create barriers to obtaining and maintaining safe and stable housing. The state intends to continue providing pre-tenancy and tenancy support services to individuals who are part of the Linkages Supportive Housing Program, and to increase the capacity of this program to serve additional members.

**6. Seniors and Members with Long-Term Services and Supports Needs**

**1. Default Enrollment for dual-eligible Medicaid members (MCO Contract)**

To promote and support coordinated care for members, HSD is currently working with CMS' Integrated Care Resource Center on default enrollment for existing Medicaid Members who become eligible for Medicare. Default enrollment will provide members an opportunity to automatically enroll in the same MCO for both Medicare and Medicaid services. As required by CMS, members will have the opportunity to opt out of default enrollment. HSD believes that the default enrollment will result in improved integrated care, better health outcomes, improved satisfaction, and a reduction in costs.



## **2. Add Home- and Community-Based Waiver (HCBW) Slots (1115 Demonstration Proposal)**

The State has committed to using American Rescue Plan 9817 Spending Plan funding to eliminate the waitlist for the 1915(c) Developmental Disabilities Waiver and Mi Via Waiver over a three-year period. Under the State’s Appendix K: Emergency Preparedness and Response and COVID-19 Addendum, the State increased the number HCBW slots to approve allocations for 4,207 persons on the Department of Health (DOH) waiting list. Separately, the State is requesting additional waiver slots for its CB program with the goal of eliminating the CB wait list by the end of 2028.

## **3. Enhanced Services and Supports for Members in Need of Long-Term Care (1115 Demonstration Proposal)**

In order to modernize the LTSS system in a person-centered and community-focused way, the State is proposing several initiatives. First, the State intends to continue the authorization granted during the COVID-19 pandemic to allow legally responsible individuals to render personal care services. Additionally, a new three-pronged approach to LTSS in assisted living and nursing facilities will be piloted and implemented through the 1115 renewal and managed care contracts. These three approaches are:

- Medicaid reimbursement for room and board in assisted living facilities (ALFs) to divert nursing facility admissions;
- Waiver investments in “small home” assisted living and nursing facility pilots; and
- A tiered payment system for assisted living based on the specific needs of members receiving care and practitioner’s skill level.

## **4. Community Benefit Environmental Modifications and Transitional Services Benefit Limit Increase (1115 Demonstration Proposal)**

The State is seeking to increase CB limit dollar amounts for environmental modifications and Community Transition Services to provide additional resources for meeting member needs in the community.

## **5. Home-Delivered Meals Pilot Programs (1115 Demonstration Proposal)**

Nutrition is a core social driver of health. The State intends to support home delivered meal programs and activities for two targeted populations: CB members who are facing food insecurity that jeopardizes the member’s ability to remain in a community-based setting and pregnant members with gestational diabetes.

## **7. Members Involved with the Justice System**

### **1. Medicaid Services for High-Need Justice-Involved Populations 30 Days Before Release (1115 Demonstration Proposal)**

Expanding on the State’s previous efforts to support the justice-involved population, New Mexico is proposing to provide active Medicaid coverage and a targeted set of

benefits 30 days prior to exiting incarceration for a defined high-needs population. This population includes incarcerated persons in State prisons, local jails, youth correctional facilities, DOH forensic unit State hospitals, tribal holding facilities, or tribal jails with high needs, such as SMI, SED, or SUD.

## **8. Native American Members**

### **1. Traditional Healing Services for Native Americans (1115 Demonstration Proposal)**

The State intends to continue to support and expand culturally competent traditional healing services for Native American members. These healing ceremonies and approaches are often personal and private in nature, therefore, HSD is proposing to provide a member-directed budget of \$500 per Native American member per year to be put toward these services.

## **9. Primary Care and Care Coordination**

### **1. Addition of a Community-Benefit Closed-Loop Referral System (1115 Demonstration Proposal)**

The State intends to establish a closed loop referral system technology-enabled workflow that provides a real-time view of the status of the patient, while exchanging data amongst the care team, assigning tasks, and reporting on outcomes. A closed-loop referral is one that successfully secures the right resources for patients at the right time, ensuring that the patients' needs are met. This platform would enhance, expand, and strengthen care coordination for HCBS members and those with behavioral health needs by allowing for a resource directory of services as well as enabling care teams to know if the service was received and the results of the intervention, following a referral. The State has received approval through the American Rescue Plan Act spending plan and the target implementation date is January 2024.

### **2. Community Health Workers (SPA)**

To promote greater use of CHWs, New Mexico will pursue a SPA under its preventive services benefit to provide coverage and reimbursement for CHW services across the managed care and FFS delivery systems. The SPA will align with current CHW structures and efforts in the State to help define qualifications and roles, including leveraging the State certification for CHWs under the NMDOH Office of Community Health Workers and the MCO's experiences in utilizing CHWs. Further, the SPA will set forth defined services eligible to be provided under the recommendation of a licensed provider, such as community outreach, care coordination, beneficiary and family/caregiver support and education, health promotion and coaching, and culturally appropriate enabling services. The SPA will also establish a payment methodology for CHW reimbursement.

### **3. Value-Based Purchasing Arrangements (MCO Contract)**

Expanding on the State's existing VBP arrangement, the State's VBP arrangement will focus on effective population health management over volume of delivered services. All VBP arrangements must align with the requirements defined by New Mexico's Primary Care Council and be grounded in whole-person care.

## **10. Other Key Initiatives**

### **1. Uniform Prescription Drug List (MCO Contract)**

In order to support the cost-effective use of prescription drugs and improve the member and provider experience, New Mexico will move to a single preferred drug list (PDL) in Medicaid. This will allow the State and its' contracted MCOs to provide open access to drugs prescribed from this preferred list, which will be developed to include medically appropriate and cost effective drugs. By doing this, the State aims to provide administrative simplification through consistent prescription drug policy across the FFS and managed care delivery systems. The process of identifying the need for and requesting prior authorization will be easier for prescribers participating in the State's Medicaid pharmacy program. The implementation of a single preferred drug list also represents a shift to value-based drug purchasing for the State, since the single PDL will be developed to blend clinical quality and cost containment to achieve better health outcomes.

Additionally, this approach will help to streamline continuity of care for members who switch plans and also allow for a better foundation for data collection and population health.

### **2. Chiropractic Services Pilot (1115 Demonstration Proposal)**

The State is proposing a chiropractic services pilot to cover the full range of services allowed under the New Mexico Chiropractic Physicians Practice Act, with an annual benefit limit of \$2,000. This pilot program is intended to improve quality, access, and cost-effectiveness of needed chiropractic services for eligible members with a defined set of conditions.

### **3. Continued Support for Previously Submitted 1115 Waiver Amendments**

HSD is seeking to transfer three main components of pending waiver amendments under the current 1115 demonstration to be sustained over the next five-year renewal period. These waiver amendments were submitted to support individuals with mental health conditions in need of residential treatment, enhanced services for children and youth, and support for additional health care workforce to provide access to essential services. This includes the following:

- Medicaid reimbursement for IMD settings for individuals with SMI/SED;
- High-fidelity Wraparound (HFW) services for children and youth with complex care needs; and
- Funding and technical assistance for new and/or expanded primary care residency programs.

## **Section IV: Next Steps**

To prepare for the implementation of Turquoise Care, HSD will:

1. Submit the 1115 Waiver Application to CMS.
  - A. The 1115 Waiver Application was released for public comment on September 6, 2022. The Public Comment period will end on October 31, 2022.
  - B. The final 1115 Waiver Application will be submitted to CMS by the end of December 2022.
2. Re-procure MCOs in the first half of 2023.
  - A. The Medicaid MCO RFP is anticipated to be released on September 30, 2022.
  - B. MCOs will be selected and contracts will be awarded during the first half of 2023.
3. Continue submission of SPAs as highlighted throughout this vision document.
4. Continue engaging stakeholders to understand how to better serve New Mexicans.