

NMAC

Transmittal Form

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Volume: Issue: Publication date: Number of pages: (ALD Use Only) Sequence No.

Issuing agency name and address: Agency DFA code:

Contact person's name: Phone number: E-mail address:

Type of rule action: New ☐ Amendment ☐ Repeal ☒ Emergency ☐ Renumber ☐ (ALD Use) Recent filing date:

Title number: Title name:

Chapter number: Chapter name:

Part number: Part name:

Amendment description (If filing an amendment):

Amendment's NMAC citation (If filing an amendment):

Are there any materials incorporated by reference? Yes ☐ No ☒ Please list attachments or Internet sites if applicable.

If materials are attached, has copyright permission been received? Yes ☐ No ☐ Public domain ☐

Specific statutory or other authority authorizing rulemaking:

Notice date(s): Hearing date(s): Rule adoption date: Rule effective date:

Concise Explanatory Statement For Rulemaking Adoption:

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Findings required for rulemaking adoption:

Findings MUST include:

- Reasons for adopting rule, including any findings otherwise required by law of the agency, and a summary of any independent analysis done by the agency;
- Reasons for any change between the published proposed rule and the final rule; and
- Reasons for not accepting substantive arguments made through public comment.

A public hearing was held on March 12, 2026, to receive public comments on this proposed NMAC. No comments were received regarding the proposed changes. The NMAC is being implemented as proposed.

Issuing authority (If delegated, authority letter must be on file with ALD):

Name:

Kari Armijo

Check if authority has been delegated

☐

Title:

Secretary

Signature: (BLACK ink only OR Digital Signature)

Date signed:

DocuSigned by:
Kari Armijo
1BA9FB5EAD00499

8/4/2026

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STATE OF NEW MEXICO
The New Mexico Health Care Authority approved the repeal of 8.350.4 NMAC, Reconsideration of Utilization Review, Reconsideration of Audit Settlements (filed 12/16/2002) and replaced it with 8.350.4 NMAC, Reconsideration of Utilization Review, Reconsideration of Audit Settlements (adopted on August 25, 2026), effective September 1, 2026.

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8/4/2026

TITLE 8 SOCIAL SERVICES
CHAPTER 350 RECONSIDERATION OF UTILIZATION REVIEW
PART 4 RECONSIDERATION OF AUDIT SETTLEMENTS

8.350.4.1 ISSUING AGENCY: New Mexico health care authority (HCA).
[8.350.4.1 NMAC - Rp, 9/1/2026]

8.350.4.2 SCOPE: The rule applies to the general public.
[8.350.4.2 NMAC - Rp, 9/1/2026]

8.350.4.3 STATUTORY AUTHORITY: The New Mexico medicaid program is administered pursuant to regulations promulgated by the federal department of health and human services under Title XIX of the Social Security Act, as amended and by the state health care authority pursuant to state statute. See NMSA 1978 Section 27-2-12 et. seq. (Repl. Pamp. 1991). Section 9-8-1 et seq. NMSA 1978 establishes the health care authority (HCA) as a single, unified department to administer laws and exercise functions relating to health care facility licensure and health care purchasing and regulation.
[8.350.4.3 NMAC - Rp, 9/1/2026]

8.350.4.4 DURATION: Permanent.
[8.350.4.4 NMAC - Rp, 9/1/2026]

8.350.4.5 EFFECTIVE DATE: September 1, 2026, unless a later date is cited at the end of a section.
[8.350.4.5 NMAC - Rp, 9/1/2026]

8.350.4.6 OBJECTIVE: The objective of these regulations is to provide policies for the service portion of the New Mexico medicaid program. These policies describe eligible providers, covered services, noncovered services, utilization review, and provider reimbursement.
[8.350.4.6 NMAC - Rp, 9/1/2026]

8.350.4.7 DEFINITIONS: [RESERVED]

8.350.4.8 MISSION STATEMENT: We ensure that New Mexicans attain their highest level of health by providing whole-person, cost-effective, accessible, and high-quality health care and safety-net services.
[8.350.4.8 NMAC - Rp, 9/1/2026]

8.350.4.9 RECONSIDERATION OF AUDIT SETTLEMENTS:

A. General reconsideration process: Medicaid providers who disagree with an audit settlement can submit a written request for a reconsideration to the New Mexico medical assistance division (MAD) within 30 calendar days of the date on the notice of final settlement. The written request may be submitted by facsimile or by U.S. mail but not by electronic mail. The written request must be received by MAD no later than the thirtieth day from the date of the notice. Filing of a request for reconsideration does not affect the imposition of the final settlement.

(1) **Information included in the request:** The written request for reconsideration must identify each point on which the provider takes an issue with the audit agent and include all documentation, citations of authority, and arguments on which the request is based. Any point or issue not raised in the original request for reconsideration may not be raised later and will not be considered in the final decision of the reconsideration.

(2) **Audit agent response:** The written request and supporting materials is forwarded to the audit agent for reconsideration. The audit agent must file a response with MAD within 30 calendar days of the receipt of the request and supporting material from MAD.

(3) **Submission of additional material:** MAD forwards the audit agent's response to the provider. Additional material from the audit agent or the provider must be received by MAD within 15 calendar days of the date the response was forwarded to the provider. Any additional information, the request for reconsideration and supporting documentation, and the audit agent's response constitute final submittal. The packet containing the final submittal is provided to the MAD deputy director for final submittal by the responsible bureau for program reimbursement.

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(4) **Decision by MAD:** The deputy director may call on all information and call on all expertise they believe is necessary to decide the issue. The deputy director makes a determination and submits a written copy of their findings to each party within 45 calendar days of the date of final submittal to the MAD director. The decision may be sent to the parties by facsimile or U.S. mail. The provider may appeal an adverse decision on the request for reconsideration to the New Mexico health care authority's hearings bureau pursuant to the 8.353.2 NMAC. The MAD director or designee shall make the decision on the recommendation from the hearing officer.

B. Specific reconsideration process for nursing facility, intermediate care facility for individuals with intellectual disabilities providers: The reconsideration process for audit settlement varies for the aforementioned providers. See 8.312.3 NMAC, *Cost Related Reimbursement for Nursing Facilities*, and 8.313.3 NMAC, *Cost Related Reimbursement of ICF/IID Facilities* for specific information.
[8.350.4.9 NMAC - Rp, 9/1/2026]

HISTORY OF 8.350.4 NMAC: [RESERVED]

History of Repealed Material: 8.350.4 NMAC - Reconsideration Of Audit Settlements filed 12/16/2002 Repealed effective 9.1.2026.

Other: 8.350.4 NMAC - Reconsideration Of Audit Settlements filed 12/16/2002 Replaced by Reconsideration Of Audit Settlements effective 9/1/2026.