



**Michelle Lujan Grisham, Governor**  
Kari Armijo, Secretary  
Alanna Dancis, Acting Medicaid Director

### **Letter of Direction #74**

**Date:** May 17, 2026

**To:** Turquoise Care Managed Care Organizations

**From:** Alanna Dancis, Acting Director, Medical Assistance Division *Alanna Dancis*

**Subject:** Retraction of Prior Guidance Regarding Auto-Assignment Algorithm Quality Metrics and Retro Eligibility

**Title:** Retraction of Auto-Assignment Quality Metrics Guidance and Retro Eligibility

Dear Turquoise Care MCOs:

This letter serves to formally retract portions of the guidance issued on December 30, 2024, by former Medical Assistance Division Director, Dana Flannery entitled “Updated Auto Assignment Algorithm and Eligibility for Auto Assignment.”

As outlined in the December 30, 2024, memorandum, the Health Care Authority (HCA), pursuant to Turquoise Care Contract Sections 4.2.5.4 and 4.2.5.3.4, provided notice to the Turquoise Care Managed Care Organizations (MCOs) regarding updated auto-assignment default logic and the future incorporation of quality metrics into the auto-assignment algorithm beginning January 1, 2026. The memorandum further stated that HCA would announce the auto-assignment algorithm applicable for the period July 1, 2025, through December 31, 2025, and included a 12-month notice of the quality measures, methodology, and targets intended to impact future auto-assignment default logic.

After further review and consideration, HCA has determined that it will not move forward with implementation of the quality metrics methodology and related algorithm changes described in the December 30, 2024, memorandum. This retraction does not otherwise alter existing Turquoise Care contractual requirements, member choice protections, family alignment processes, re-enrollment requirements, or other currently applicable auto-assignment procedures unless separately communicated by HCA.

Additionally, HCA is making a change starting Monday, July 13, 2026, to section 4.2.5.3.1 of the MCO contract that references previous enrollment with an MCO. The current language allows for up to a three-month reenrollment period when a member loses coverage and comes back onto Medicaid. HCA is amending the contract to limit the reenrollment period from three months to one month. The updated section 4.2.5.3.1 language will be the following:

"If a Recipient was previously enrolled with a Turquoise Care MCO and loses eligibility for a period of one (1) month or less, the Recipient will be reenrolled with that Turquoise Care MCO."

This LOD will sunset when direction is provided in one or more of the following: Turquoise Care Managed Care Services Agreement, Managed Care Policy Manual, NMAC, Systems Manual, or BHSD Billing and Systems Manual. The LOD may also sunset upon HCA notification or completion of the Turquoise Care Program.