HEALTH CARE AUTHORITY

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

Letter of Direction #75

Date: **July 13, 2026**

To: **Turquoise Care Managed Care Organizations (MCO)**

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

Subject: **Roles and Responsibilities for MCO Care Coordinators and HCA's Lead on the New Mexico (NM) Comprehensive Addiction Recovery Act CARA Program.**

Title: **MCO Care Coordinators Responsibilities vs CARA Navigator Responsibilities.**

This Letter of Direction (LOD) provides guidance regarding changes to Turquoise Care contract requirements and the Managed Care Policy Manual regarding MCO Care Coordination expectations for CARA members, following HCA decisions and updated oversight of the CARA Program effective July 1, 2026, as required by Senate Bill 42 (2025). This Letter of Direction will also provide guidance related to the Governor's Directive on substance exposed children, and birthing facilities' requirements to report to State Center Intake (SCI) at CYFD. This LOD will also speak to continuation of the MCOs continuation of contracts in place for delegated Care Coordinators in the five state facilities with Neonatal Intensive Care Units and explain the agreed upon process for transition of member care coordination from MCOs to the CARA Navigation program.

Effective July 1, 2026, infants and birthing parents in the CARA Navigation Program will receive Care Coordination services from the CARA Navigation Program. Assessments contractually required of the MCO Care Coordination departments will no longer be conducted by the MCO Care Coordinator because an equivalent will be conducted by the CARA Navigator. HCA requires that MCO Care Coordinators will be accessible and timely in assisting with requests from CARA Navigators as they arise or as a need to implement a standing process is determined by HCA. When the MCO creates audit universes for required oversight activities, it will modify its process so that members receiving care coordination through the CARA Navigation program are not included.

This LOD is structured to review current language in the Contract and Managed Care Policy manual and provide any change or update that is different from the existing language. Any section from the Turquoise Contract or policy and procedure manual language not addressed in this LOD should remain in place as written. The layout or organization of this LOD will be a table format showing expectations of the MCO in the left column of the table compared to the contractual or

policy manual language in place prior to the LOD in the right column of the table. There will also be additional guidance provided that does not specifically refer to current contractual language but is being shared in this LOD to provide clarity and transparency between HCA and the MCO.

Contract language in this LOD is taken from the current Turquoise Care Managed Care Services Agreement CA 5.

Contract Section 4.4.4.5.2	
Expectation after July 1, 2026	Contract language prior to LOD
For all Member who are identified through the HRA as requiring a CNA, the contractor shall complete a CNA within (30) Calendar Days of the HRA unless the Member is in full Delegation Model, The Just Health Transition of Care (TOC) population and/ or the Treat First model of care. Members in the CARA Population will not need an HRA from the MCO Care Coordinator as it will be the responsibility of the CARA Navigator within the CARA Navigation Program.	For all Members who are identified through the HRA as requiring a CNA, the CONTRACTOR shall complete the CNA within thirty (30) Calendar Days of the HRA unless the Member is in the Full Delegation Model, the JUST Health Transition of Care (TOC) population, the CARA population, and/or in the Treat First model of care.
Contract Section 4.4.4.5.3 regarding section 4.4.4.5.5 and 4.4.4.5.5.20	
Expectation after July 1, 2026	Contract language prior to LOD
HCA instructs the MCO to assign CCL2 to all CARA infants and mothers for the duration of time that they are a part of the CARA Navigation Program. Upon transition back to MCO Care Coordination at graduation from the CARA program, the MCO will perform necessary evaluation to update the Care Coordination leveling for the members. As MCOs gain access to the Corazon System, a defined process will be required for the MCO care coordination department to regularly monitor it. When a POSC is entered, the MCO should update its own records to reflect a CCL2 level and keep that level in place for both the infant and the birthing person until they graduate from the CARA Program. During the transition planning process for graduation, the MCO will receive the information needed to assist in determining whether the care coordination level can be adjusted but will also need to complete a change in health situation HRA once	4.4.4.5.3: The CONTRACTOR shall perform the CNA in-person at the Member's primary residence unless the Member is homeless or in a Transition Home; the Member is part of the justice-involved population preparing for release; or the Member is newborn in an inpatient setting. The in-person visit may occur at another location only with HCA prior written approval. For Members who reside in a NF, rather than conduct a CNA, the 96 PSC 24-630-8000-029 97 CONTRACTOR shall ensure the Minimum Data Set (MDS) is completed and shall collect supplemental information related to Behavioral Health needs and the Member's interest in receiving HCBS. 4.4.4.5.5: For Members meeting one (1) of the indicators below, the CONTRACTOR shall conduct a CNA, utilizing motivational interviewing techniques and HCA's standardized CNA, to determine whether the Member should be assigned to CCL1 or

transitioned back to MCO Care Coordination. When a baby and mother are enrolled in different Medicaid Managed Care Organizations (MCOs), and either the mother or the baby is enrolled in an MCO and is also receiving CARA Navigation services, the MCO must list that person at Care Coordination Level 2 (CCL2) in their system for as long as they are receiving CARA services.	CCL2: 4.4.4.5.5.20: Comprehensive Addiction and Recovery Act (CARA) Members
Contract Section 4.4.9.5 and 4.4.9.5.9	
Expectation after July 1, 2026	Contract language prior to LOD
4.4.9.5.9 is removed as the MCO is not required to provide population focused Care Coordination for CARA Members. Care Coordination for CARA Members will be the responsibility of the CARA Navigation Program. HCA does expect the MCO Care Coordination department to be available and assist when contacted by the CARA Navigator where a need has been identified that must be done through collaboration with the MCO Care Coordinator.	4.4.9.5: The CONTRACTOR shall employ or contract with dedicated care coordinators and supervisors with relevant expertise to meet the needs for each population listed below. The dedicated number of care coordinators for each population must be commensurate with the proportion of the CONTRACTOR's enrollment size for each of these populations. 4.4.9.5.9: CARA Members
Contract Section 4.4.9.6.2	
Expectation after July 1, 2026	Contract language prior to LOD
4.4.9.6.2: CARA requires that all infants born exposed to substances have a comprehensive plan of safe care created by the hospital discharge team and that utilization of supportive services by the mothers and infant are tracked by the CARA Navigation Program. The success of the CARA program relies heavily on intensive care coordination. CARA Members (mother and infant) are being pulled out of the maternal and child health targeted population, and the CONTRACTOR is removed from care coordination responsibilities for CARA Members while in the CARA Program. HCA does have the expectation that the MCO Care Coordination departments will assist in a timely manner when barriers to services are identified by the CARA Navigation Program and the involvement of the MCO Care	4.4.9.6.2: CARA requires that all infants born exposed to substances have a comprehensive plan of care created by the hospital discharge team and that utilization of supportive services by mothers and infant are tracked by the CONTRACTOR. The success of the CARA program relies heavily on intensive care coordination. CARA Members are part of the maternal and child health targeted population, and as such, the CONTRACTOR shall ensure that all care coordination activities for CARA Members are provided through its CONTRACTOR Driven Model.

Coordination Department will be necessary to remove identified barriers and connect the member to the identified service.	
Contract Section 4.4.6.3	
Expectation after July 1, 2026	Contract language prior to LOD
The contractor must maintain a written plan outlining its process for supporting the CARA Navigation Program. HCA expects that the MCO will make a copy of the mentioned written plan to HCA CARA team by the end of September 2026 acceptance of the written plan will be at HCA's discretion. A plan for monitoring and overseeing Delegated Care Coordination and services for CARA Members is no longer required. Delegation of Care Coordination, as it relates to the CARA population only, is no longer needed, as the CARA Navigation program will be performing those Care Coordination services.	The CONTRACTOR shall develop a written plan for monitoring and overseeing delegated care coordination and the services provided to CARA Members subject to HCA approval to ensure compliance with the following program requirements:
Contract Section 4.4.9.6.3.1	
Expectation after July 1, 2026	Contract language prior to LOD
HCA's expectations regarding the "treat first" model remain unchanged. Any actions the CONTRACTOR can take to support the CARA Navigation Program in following this model should continue. The MCO Care Coordination departments are expected to maintain the "treat first" approach for CARA populations, which promotes immediate relationship-building while historical assessment and treatment planning information is gathered in collaboration with CARA Navigation Program.	Use of the "treat first" model of care. The CONTRACTOR shall ensure that no medically necessary services are withheld or delayed awaiting completion of the CNA.
Contract Section 4.4.9.6.3.2	
Expectation after July 1, 2026	Contract language prior to LOD
MCO Care Coordinators are removed from requirements to interact with the CARA mother and the guardian of the infant (if they are different people) related to the completion of initial assessments as this will be the responsibility of the CARA Navigator. Within this program, the Navigator is responsible for completing the activities equal to the Health	Contact is made with the CARA mother and the guardian of the infants (if they are different people) and the HRA is completed within twenty-four (24) hours of discharge from the hospital. The CONTRACTOR shall ensure that, whenever possible, completion of the HRA and the first contact with the family shall be made in the hospital.

Risk Assessment (HRA), Comprehensive Needs Assessment (CNA), and Comprehensive Care Plan (CCP). The CARA Navigator Assessment serves as the equivalent to all three (HRA, CNA, and CCP). While the mother and infant are participating in the CARA Navigation Program, the MCO will not be responsible for the HRA, CNA, or CCP requirements otherwise defined in the Turquoise Care Contract and Managed Care Policy Manual, as these functions are fulfilled through the CARA Navigator Assessment.	
Contract Sections 4.4.9.6.3.3 to 4.4.9.6.3.7	
Expectation after July 1, 2026	Contract language prior to LOD
Details in Turquoise contract sections 4.4.9.6.3.3through 4.4.9.6.3.7 are removed as they will be managed by the CARA Navigation program navigators.	4.4.9.6.3.3 CNAs are performed in person and completed within seven days of first contact. 4.4.9.6.3.4 Three attempts to contact mother are made within the first 48 hours of discharge. The CONTRACTOR shall ensure that if the care coordinator is unable to reach the mother and the baby is in the mother's custody, the care coordinator contacts the CARA navigation team to relay contact limitations and seek other options for member contact. 4.4.9.6.3.5 Care coordinators serving CARA Members regularly meet with CARA Member-assigned pediatricians, hospitals, and home visiting agencies in their community to discuss communication challenges and processes. 4.4.9.6.3.6 Care coordinators serving CARA Members complete a transition plan to the CARA navigation team within 60 days prior to the Member's graduation from the CARA program (at the one-year mark) to ensure continuity of care for the Member. 4.4.9.6.3.7 The CARA Member and mother shall be assigned the same care coordinator.

Contract Sections 4.4.9.6.4	
Expectation after July 1, 2026	Contract language prior to LOD
The CONTRACTOR will no longer be required to send or make copies of the POSC available to the infant's PCP (pediatrician, midwife, family medicine MD, etc.) as this will be the responsibility of the CARA Navigator within the CARA Navigation program.	The CONTRACTOR shall submit the plan of care created by the hospital, the HRA, and the CNA to the infant's PCP (pediatrician, midwife, family medicine MD, etc.) within 14 days of discharge from the hospital.
Contract Sections 4.4.9.6.5 and subsections 4.4.9.6.5.1 to 4.4.9.6.5.5	
Expectation after July 1, 2026	Contract language prior to LOD
Regarding reporting requirements from the MCO to HCA, the data collected via the HCA CARA system will replace the need for most of this information to be provided by the MCO. The reporting requirements will be removed as the CARA system's capabilities become implemented. The MCO will be expected to continue current expectations as written while the HCA CARA system is developed. HCA provide authorization to cease reporting requirements when the HCA CARA system is in place to take over. This authorization to cease will be communicated through the deliverables process. Details relating to Report 71 are being discussed within HCA and details resulting will be shared with the MCO as they become available. Unless instructed otherwise the MCO should continue to complete Report 71 timely through CY26 Q2, submission for CY26 Q3 and beyond will be on hold however the MCO should continue to provide data if another way to track and monitor is not yet available. Based on the system developed and its capabilities, if HCA determines that data will need to continue to come from the MCO, the MCO will be expected to provide that data as instructed by HCA. The MCO shall comply with HCA changes to CARA reporting requirements and understand ad-hoc reports may be required as needed by the MCO as situations and requirements arise. Moving forward, the CARA Program will be	4.4.9.6.5 At a minimum the CONTRACTOR shall report the following to HCA: 4.4.9.6.5.1 The CONTRACTOR's Member count of CARA Members. 110 PSC 24-630-8000-029 111 4.4.9.6.5.2 The number of plans of care sent by the CONTRACTOR to infant's PCPs relative to total count of CARA Members. 4.4.9.6.5.3 The number of mothers of CARA Members who have utilized behavioral health and substance use treatment services. 4.4.9.6.5.4 The number of other Community Based Organization (CBO) services accessed by the mother or guardian of the infant. 4.4.9.6.5.5 The number of women who have maintained custody of their CARA Member children for the duration of the first year.

implementing prenatal Plans of Safe Care (POSC) for the pregnant individual and when a POSC is initiated, that should be the time at which the MCO care coordinator will step back, and the CARA Navigator will step forward as the primary contact for care coordination services.	

This Letter of Direction will sunset upon inclusion of the Medicaid Managed Care Services Agreement and upon inclusion of the MCO Policy Manual.