

STATE OF NEW MEXICO  
**HEALTH CARE AUTHORITY**  
PROFESSIONAL SERVICES CONTRACT  
AMENDMENT No. 1

THIS AMENDMENT No. 1 to Professional Services Contract (PSC) 25-630-8000-0036 is made and entered into by and between the State of New Mexico **Health Care Authority**, hereinafter referred to as the “HCA,” and the **Health Services Advisory Group Inc.**, hereinafter referred to as the “Contractor”.

The purpose of this Amendment is to revise Exhibit A and increase the compensation for FY25 from the original amount of \$107,244 by \$9,907.00 for a total of \$117,151. The cost adjustment of \$9,907 is to be incorporated to compensate for a new activity in the current contract which is required by CMS in the amended 1115 Turquoise Care STCs (October 2024) for the traditional health care practices evaluation.

**UNLESS OTHERWISE SET OUT BELOW, ALL OTHER PROVISIONS OF THE ABOVE REFERENCED AGREEMENT REMAIN IN FULL EFFECT AND IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THAT AGREEMENT ARE AMENDED AS FOLLOWS:**

Section 1, Scope of Work, is amended to read as follows:

**1. Scope of Work.**

The Contractor shall perform all services detailed in Exhibit A, Scope of Work, attached to this Agreement and incorporated herein by reference.

Section 2, Compensation, is amended to read as follows:

**2. Compensation.**

A. The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed one million four hundred sixty thousand six hundred ninety-nine dollars (\$1,460,699.00), including gross receipts tax. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the HCA when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess of the total compensation amount being provided.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed one hundred seventeen thousand one hundred fifty-one dollars (\$117,151) including gross receipts tax, if applicable, for FY25.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed fifty-seven thousand nine hundred fifty-one dollars (\$57,951) including gross receipts tax, if applicable, for FY26.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed one hundred one thousand nine hundred twenty-nine dollars (\$101,929) including gross receipts tax, if applicable, for FY27.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed three hundred sixty-four thousand thirty-seven dollars (\$364,037) including gross receipts tax, if applicable, for FY28.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed one hundred ninety-three thousand eight hundred seventy-five dollars (\$193,875) including gross receipts tax, if applicable, for FY29.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed two hundred thirteen thousand and fifteen dollars (\$213,015) including gross receipts tax, if applicable, for FY30.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed three hundred fifty-nine thousand one hundred ninety-nine dollars (\$359,199) including gross receipts tax, if applicable, for FY31.

The HCA shall pay to the Contractor in full payment for services satisfactorily performed such compensation not to exceed fifty-three thousand five hundred forty-two dollars (\$53,542) including gross receipts tax, if applicable, for FY32.

Exhibit A, Amended Scope of Work, Compensation is added attached hereto and referenced in this amendment.

**All other sections of PSC 25-630-8000-0036, as amended, remain unchanged.**

**The remainder of this page intentionally left blank**

**IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the Health Care Authority.**

By: DocuSigned by:  
Dana Flannery  
57172D1EE9E744D...  
HCA Cabinet Secretary  
Date: 3/6/2025

By: DocuSigned by:  
Mark Reynolds  
6241C19C1E01414...  
HCA Office of General Counsel  
Date: 3/5/2025

By: DocuSigned by:  
Carolee A. Graham  
FB15A98045214DA...  
HCA Chief Financial Officer  
Date: 3/5/2025

By: DocuSigned by:  
Mary Ellen Dalton  
5A6EBD2BF28E43D...  
Contractor  
Date: 3/5/2025

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

**BTIN: 03-056846-00-3**

By: DocuSigned by:  
AnnMarie Lucero  
A1E23200AE974AA...  
Taxation and Revenue Department  
Date: 3/6/2025

**Exhibit A**  
**Scope Of Work**  
**Independent Evaluator Services Contract**

**Document:** Scope of Work for the Procurement of an Independent Evaluator/Assessor

**Program:** Medicaid Section 1115 Waiver Demonstration Evaluation [Turquoise Care]

**Effective Dates:** September 16, 2024, through end of SFY 32

**Owner:** New Mexico Health Care Authority, Medical Assistance Division, Quality Bureau

**Contact:** Katherine Leyba, Bureau Chief; Amy Salazar, Deputy Bureau Chief; Bianca Lloyd-Martinez, Contract Manager

The Social Security Act (SSA) requires an evaluation of New Mexico's 1115 Demonstration Waiver, Turquoise Care. The Centers for Medicare and Medicaid Services (CMS), Special Terms and Conditions (STCs) for Turquoise Care, requires the State to contract with an independent party to conduct an evaluation of the demonstration to ensure that the necessary data is collected at the level of detail needed to research the approved hypotheses.

The independent evaluator must be free of any conflict of interest and will remain free from any such conflicts during the contract term. The evaluator will not provide services to any MCO, or health care providers doing business in New Mexico under the Medicaid program and will not provide direct services to individuals in HCA administered programs within the scope of the evaluation contract. The independent evaluator will possess the following qualifications:

- Experience working with federal programs and/or demonstration waivers;
- Experience with evaluating effectiveness of complex, multi-partnered programs;
- Familiarity with CMS federal standards and policy for program evaluation;
- Familiarity with nationally recognized data sources;
- Analytical skills and experience with statistical testing methods.

Per the STCs, the independent evaluator must agree to conduct the demonstration evaluation in an independent manner in accord with the CMS approved Evaluation Design Plan, and is required to have at a minimum the following key personnel designated to conduct the evaluation activities:

- Engagement Leader;
- Lead Evaluator;
- Project Manager; and
- Statistician.

The Evaluation Design Plan is the roadmap for conducting the evaluation. The roadmap begins with the stated goals for the demonstration followed by the measurable evaluation questions and quantifiable hypotheses, all to support a determination of the extent to which the demonstration has achieved its goals. When conducting analyses and developing the evaluation reports, every effort should be made to follow the approved methodology of the approved Evaluation Design Plan.

**HCA Deliverables, Communications and Meetings:**

The Contractor is required to designate a qualified individual to serve as the dedicated Contract Manager (CM) for HCA. The CM must hold a senior management position within the chosen organization and be authorized to represent the organization in all matters pertaining to the 1115 Waiver Demonstration Evaluation contract with HCA. The CM will be responsible for the following deliverables:

- Development of all evaluation deliverables to ensure HCA compliance with the 1115 Waiver requirements as outlined in the STCs including, but not limited to, Draft Evaluation Design, Evaluation Design Approval and Updates, Evaluation Questions and Hypotheses, Interim Evaluation Report, Summative Evaluation Report.
- Submission of cost proposals adding to the scope of work of the evaluation as a result of amendments to the 1115 Waiver approved by CMS that will increase the evaluation budget.
- Refer and adhere to relevant STCs, applicable attachments and exhibits for guidance regarding details and expectations for each deliverable related to the Evaluation of the Demonstration including amendments and revisions to such documents.
- Coordinate all 1115 Waiver Demonstration Evaluation activities with the designated HCA Contract Manager throughout the design, development and finalization of all evaluation reports and other deliverables.
- Participate in weekly meetings or as often as requested by HCA either via phone, video conference or on site at HCA. The purpose of these regular meetings is to maintain communication with the HCA designated CM to discuss progress, barriers, and any other related issues relevant to the 1115 Waiver Demonstration Evaluation activities.
- The evaluator must submit three (3) summative quarterly monitoring reports and one (1) summative annual monitoring report each demonstration year to include a summary of activities and interim findings of the evaluation. The quarterly monitoring reports are due no later than fifteen (15) calendar days following the end of each demonstration quarter. The annual monitoring report is due no later than fifteen (15) calendar days following the end of the Demonstration Year (DY). The information for the fourth quarter should be reported as distinct information within the annual report.
- Designate appropriate staff to meet with HCA staff to provide clarification or direction in relation to 1115 Waiver Demonstration Evaluation projects.
- Facilitate meetings to include providing agenda, minute taking, and creation and distribution of informational materials.
- Facilitate and prepare onsite presentations for review of the final drafts of the 1115 Waiver Demonstration Evaluation reports for the following deliverables: Interim Evaluation and Summative Evaluation Report. This presentation will include findings, recommendations and technical assistance to HCA in finalizing these reports for submission to CMS. HSAG will not produce the Mid-Point Assessment (MPA) or participate in any related MPA activities.
- Ensure all final evaluation reports and other deliverables are timely, well written, accurate, and complete.
- Assist HCA in responding to any questions from CMS or other stakeholders regarding final reports or deliverables
- Prepare and deliver monthly contractor activity reports to HCA.

- Facilitate and present findings for reviewing final drafts of the 1115 Waiver Demonstration Evaluation reports for the following deliverables: Interim Evaluation and Summative Evaluation Report include findings, recommendations and technical assistance to HCA in finalizing these reports for submission to CMS.
- HSAG will revise the existing design plan to incorporate the Traditional Health Care Practices (THCP) Waiver Amendment. HSAG will develop 1 hypothesis and 2 measures that exclusively use claims/encounter data for the THCP evaluation design. The THCP evaluation design will consist only of the two metrics identified by the HCA as *Number of providers enrolled/offering the traditional healing benefit*, and *Number of members receiving the traditional healing benefit*. This agreement does not include addressing CMS feedback on the THCP evaluation design. The cost of addressing CMS feedback will be negotiated upon receipt of the CMS feedback.

**Technical Scope and Applicability of Work**

i. The Contractor will follow CMS technical guidance on monitoring metric progress measurement to assure a standard and fair methodology of assessment.
ii. Contractor will assist with establishing data source validation.
iii. The Contractor will take the appropriate procedures to ensure reliability and statistical confidence levels are maintained throughout the demonstration period.
iv. Contractor will facilitate a variety of descriptive data analysis via statistical software programs such as but not limited to: Randomized Control Trials, Difference-in-Differences Methods, Trend-Regression Models, Timeseries Analysis, Logistic Regression Model, and/or any other methods deemed appropriate by evaluator.
v. Contractor will provide quarterly/or a biannual report with a trending status for measures as appropriate to ensure the State’s awareness to identify and mitigate risks toward measures unresponsive of the hypotheses.
vi. Contractor will develop, conduct and submit interview protocols for generating qualitative interviews with subject matter experts who participate in the development and implementation of Section 1115 Waiver Demonstration, Turquoise Care.

### Conflict of Interest

In compliance with CMS and following best practices the selected contracted Independent Evaluator shall ensure there is no conflict of interest. The Independent Evaluator will conduct a fair and impartial evaluation, prepare an objective Evaluation Report.