State of New Mexico
Health Care Authority
Human Services Register

HEALTH CARE AUTHORITY

I. DEPARTMENT
NEW MEXICO HEALTH CARE AUTHORITY

II. SUBJECT
8.324.7 NMAC, ADJUNCT SERVICES,
TRANSPORTATION SERVICES AND LODGING

III. PROGRAM AFFECTED
(TITLE XIX) MEDICAID

IV. ACTION
FINAL RULE

V. BACKGROUND SUMMARY
The New Mexico Health Care Authority (HCA) Register Volume 49, Register 2, dated January 27, 2026, issued the proposed New Mexico Administrative Code (NMAC) *8.324.7, Adjunct Services, Transportation Services and Lodging.*

Section 9-8-6 NMSA 1978, authorizes the Department Secretary to promulgate rules and regulations that may be necessary to carry out the duties of the Department and its divisions.

Notice Date: January 27, 2026
Hearing Date: February 26, 2026
Adoption Date: September 1, 2026
Technical Citations: 2023 Legislative Session Senate Bill 485 – Non-Emergency Medical Transportation (NEMT)

A public hearing was held on February 26, 2026, to receive public comments and testimony on this proposed rule. The Health Care Authority received four written comments and one verbal comment on the proposed changes. This rule is being implemented as proposed.

Comment:
Public hearing attendee did not cite a specific NMAC citation in comment. Comment involved a concern that attendee opened a transportation services business and is not receiving referrals from Managed Care Organizations (MCO). An additional concern was about Uber services not having documentation requirements that align with those required for Transportation Providers.

Department:
Thank you for your feedback. HCA will consider this feedback for future NMAC revisions and program improvements.

Comment:
We have encountered ongoing challenges related to medical transportation for patients returning to their home communities when those communities are located more than 120 miles from our hospital. Commenter requests that hospitals be explicitly exempt from the rule.

Department:
The 120-mileage stipulation establishes a limitation whereby, if exceeded, the transportation provider must obtain and maintain written verification from either the referring provider or the servicing provider as part of its billing documentation. The increase from 65 miles to 120 miles is intended to alleviate administrative burden on transportation providers. Typically, two trips are expected for the provision of receiving medical or behavioral services, one for each leg of the journey.

Comment:
Commenter states that extending the distance requiring prior authorization from 65 miles to 120 miles, still falls far short of what is needed to help support affected children and their families who must access care far from home,

Department:
The 120-mileage stipulation establishes a limitation whereby, if exceeded, the transportation provider must obtain and maintain written verification from either the referring provider or the servicing provider as part of its billing documentation. The increase from 65 miles to 120 miles is intended to alleviate administrative burden on transportation providers.

Comment:
Commentor has identified widespread, ongoing problems with the transportation system, including unreliable driver availability, poor coordination between Managed Care Organizations and transportation vendors, and inconsistent communication about requirements. These systemic failures cause clients to miss necessary medical appointments through no fault of their own, sometimes leading to serious health consequences and unfair penalties for issues beyond their control. Commenter then provided multiple examples.

The statement acknowledges that commenter supports certain proposed changes—specifically expanding the transportation service area and lengthening verification periods—as they reduce administrative burdens and benefit participants.

However, it emphasizes that these incremental improvements are not enough to fix a system that is already failing many patients. Commenter states that more substantial reforms are needed, including stronger provider networks, clearer appeal rights, and better oversight of transportation vendors, and urges HCA to take greater responsibility for ensuring reliable non-emergency medical transportation.

Department:
Thank you for your feedback and examples which will help HCA as we consider future NMAC revisions and transportation program improvements.

Comment:
Commenter requested multiple revisions to the coverage criteria to include revisions for lodging benefits to allow more flexibility in coverage, revisions to the coverage of Non-Emergency Medical Transportation (NEMT) to allow minor children to accompany an adult Medicaid member when medically or socially necessary, add clarifying language the explicitly state that services provided by public health office and WIC are covered by Medical Assistance Division (MAD) and revision to increase or substitute mechanism for requiring documentation for medical necessity for 120 miles or more.

Department:
Thank you for your feedback. HCA will consider this feedback for future NMAC revisions and program improvements. It is noted that children may accompany adults to scheduled, structured counseling and therapy sessions as described in 8.324.7.16D(5)

VI. RULE

These amendments will be contained in NMAC 8.324.7. The final register and rule language is available on the HCA website at: https://www.hca.nm.gov/lookingforinformation/registers/ and https://www.hca.nm.gov/providers/rules-nm-administrative-code/. If you do not have internet access, a copy of the final register and rules may be requested by contacting the Medical Assistance Division at (505) 827-1337.

VII. EFFECTIVE DATE

This rule will have an effective date of September 1, 2026.

VIII. PUBLICATION

Publication of this rule is approved by:

DocuSigned by:
kari armijo 8/7/2026
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KARI ARMIJO, SECRETARY
HEALTH CARE AUTHORITY