



Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Kathy Slater Huff, Deputy Secretary
Niki Kozlowski, Acting Deputy Secretary
Alanna Dancis, Acting Medicaid Director

Date: August 7, 2026

To: Darcie Robran-Marquez, Trey Lafeur, MHCStateDeliverables@MolinaHealthcare.com

From: Miriam Rivera, Acting MCOB Bureau Chief

CC: Alanna Dancis, Medical Assistance Division (MAD) Acting Director
Michal Hayes, MAD Deputy Director, Keenan Ryan, MAD Acting Chief Medical Officer, Jarel LaPan Junior Deputy Director, and Charles Canada, Compliance Unit Bureau Chief, Kresta Opperman Program and Policy Bureau Chief, Tami Spelbring, BHSD Deputy Director, Nick Boukas BHSD Director.

A handwritten signature in black ink, appearing to read "Alanna Dancis", is placed above the CC list.

RE: Notice of Concern: Inpatient Behavioral Health Coverage

The New Mexico Health Care Authority/ Managed Care Oversight Bureau (HCA/MCOB) is writing to Molina Health Care (MHC) to express concerns regarding coverage inpatient behavioral health services. The Turquoise Care Medicaid Managed Care Services Agreement (MSA) PSC 24-630-8000- 0032 section 4.5.2, and Turquoise Care Policy Manual (PM)

MSA section 4.5.2 requires MHC to cover all medically necessary services in accordance 42 C.F.R. § 438.210(a)(5). MHC current practices may be inconsistent with these standards as 5 (five) recent fair hearings have overturned MHCs denials of inpatient behavioral health services.

HCA is writing to MHC to clarify ongoing reporting expectations that MHC must:

- Ensure MHC is following HCA's policies and guidelines when approving inpatient behavioral health services as stated in 4.5.2 Medical Necessity; and,
- Provider HCA policies and procedures for discharge planning and appropriate placement

HCA must be submitted by email to HCA-Deliverables@hca.nm.gov within 10 (ten) business days of receipt of this letter.

Failure to demonstrate compliance with the requirements outlined in this Notice of Concern may result in progressive compliance actions pursuant to Section 7.3 of the MSA, up to and including monetary penalties.

If you have any questions, please contact your MCO contract manager.

Miriam Rivera



New Mexico Health Care Authority

Miriam Rivera, Acting MCOB Deputy Bureau Chief HCA-MCOTDeliverables@hca.nm.gov

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LETTER FRAMEWORK USING IRAC

ISSUE	RULES	APPLICATION	CONCLUSION
Define the main issue or area of noncompliance. Example: An MCO has submitted several late, or incomplete contract reports.	Identify the relevant MSA requirements, NMAC, policy, or previous written guidance. Example: Per MSA contract section 4.22.1.7, MCOs must submit reports that are complete, timely, and accurate.	Apply the relevant rules or guidance to the facts and say why it matters. Don't just restate the rules. Example: Report was submitted 15 days after the deadline and was incomplete. HCA relies on timely, complete, and accurate reports to ensure the provision of critical health services to members. Additionally, late/incomplete reports impacts reporting to state and federal oversight entities.	Arrive at a conclusion. Define the outcome and what the MCO must do to ensure they are compliant. Example: The MCO has 30 days to correct the areas of noncompliance and ensure that deliverables are comprehensive, timely, and aligned with requirements. Follow with a warning of progressive action(s).