


Letter of Direction #66

Date: September 22, 2025

To: Turquoise Care Managed Care Organizations

From: Dana Flannery, Director, Medical Assistance Division 

Subject: 1115 Demonstration Waiver Benefit: JUST Health Plus

Title: JUST Health Plus Pilot Program: July 1, 2025 Phase-In

The purpose of this letter of direction is to provide the Turquoise Care (TC) Managed Care Organizations (MCOs) with information on implementation of the JUST Health Plus Program for members who are incarcerated in New Mexico Department of Corrections (NMCD) prison facilities (prisons) and within 90 days of release. This program is an expansion of the current JUST Health Program and is intended to provide critical pre-release supports for members exiting incarceration, including case management, substance use treatment, medications, and other vital services.

The JUST Health Plus program will begin as a pilot in only three NMCD prison facilities on July 1, 2025. HCA will work with our carceral health partners and MCOs to evaluate the implementation experience with these three facilities in 2025 and use this experience to inform the implementation and timing of the expansion of JUST Health Plus to additional NMCD prison facilities in 2026. HCA will provide additional information on the expansion of JUST Health Plus to additional prisons, county detention centers (jails) and Children Youth and Families Division (CYFD) juvenile corrections facilities at a later date.

1. What is JUST Health Plus?

JUST Health Plus was approved in July 2024 under the Turquoise Care 1115 Waiver demonstration as New Mexico's Reentry Initiative for justice-involved individuals. JUST Health Plus will provide a limited benefit package of Medicaid-covered services to incarcerated Medicaid members up to 90 days prior to release from an NMCD prison.

Through this initiative, New Mexico Medicaid aims to:

- Ensure Medicaid-eligible individuals receive re-entry services prior to release,
- Prepare people for a successful transition and reentry into their community and help them live their healthiest life,

- Improve health outcomes and reduce recidivism (re-offense), emergency department visits, overdoses, and death,
- Support substance use disorder and recovery and target infectious diseases like Hepatitis C before a person's release, and
- Stabilize and treat other conditions before a person's release so they can reenter their community as healthy as possible.

2. Program Implementation and Phase-In

The three NMCD prisons that started the pilot as of July 1, 2025 (and can bill retrospectively to that date) are:

- Western New Mexico Correctional Facility (WNMCF), North Building (Women's facility), located in Grants (Cibola County),
- Central New Mexico Correctional Facility (CNMCF), located in Los Lunas (Valencia County), and
- Springer Correctional Center (SCC), located in Springer (Colfax County).

Additional correctional facilities (prisons, jails, and juvenile justice facilities) will phase-in services beginning in 2026 and through 2027. Until a correctional facility has joined JUST Health Plus, all Turquoise Care requirements for the current JUST Health Program will continue to apply for that facility. HCA will communicate timelines and phase-in of additional facilities to MCOs.

Note that this LOD is applicable only to the phase-in of NMCD prison facilities, and additional MCO guidance for juvenile detention/County detention facilities is forthcoming.

3. JUST Health Plus Member Eligibility

MCOs are currently notified that a Medicaid member is incarcerated through the daily eligibility file and the demographic file sent through OmniCaid. MCOs are also sent a weekly report listing all individuals who are incarcerated at NMCD who will be released in the next 30 days. This report will continue until all NMCD facilities are enrolled in the JUST Health Plus program

MCOs will receive a new report when an incarcerated member is within 90 days of their projected release date (PRD). CEB Justice Services staff will send a weekly report to each MCO listing their members who are in the 90-day pre-release period at NMCD.

For additional context regarding eligibility, any Medicaid member who is incarcerated in an NMCD facility that participates in JUST Health Plus and who is within 90 days of expected release is eligible to receive JUST Health Plus services regardless of suspension status. Medicaid coverage is suspended after 30 days of incarceration. Eligibility for this service package is determined via file sharing of release date information between correctional facilities and the HCA eligibility system.

Because this pilot is in NMCD prison facilities, incarcerated individuals will generally be serving longer sentences and have a known release date, though there may be exceptions. When a Medicaid individual is identified as incarcerated and *has* a projected release date, the pre-release service period will start 90 days prior to release. If the PRD changes, or if the individual remains incarcerated longer than planned, pre-release services will pause and restart 90 days prior to the

individual's release date.

These scenarios explain various pre-release service eligibility situations that generally apply to NMCD facilities. Note that additional guidance will be released once county and juvenile facilities are phased in to the JUST Health Plus program, and eligibility guidance may vary by facility type.

- a. **INCARCERATED FOR MORE THAN 30 DAYS WITH A KNOWN RELEASE DATE:** Member is booked on 04/10/2025 and the PRD is 05/10/2026. Pre-release services begin 02/10/2026 and end on 5/10/2026, the day the member is released.
- b. **INCARCERATED FOR MORE THAN 30 DAYS WITHOUT A KNOWN RELEASE DATE:** Member is booked on 4/10/2025 and there is no known PRD. Pre-release services will begin 90 days prior to release and end on the date of release once a release date is known. Note that it can take up to 7 days for an individual booked into NMCD to obtain a PRD.

4. JUST Health Plus Covered Services

The JUST Health Plus benefit package includes a limited set of medical services and case management services. In the July 1 pilot NMCD sites, the JUST Health Plus benefit package includes:

- Case management services to assess and address physical, behavioral health, and Health Related Social Needs (HRSN),
- Medication Assisted Treatment (MAT) with all Food and Drug Administration (FDA)-approved medications, including coverage for counseling; and
- A 30-day supply of covered prescription and over the counter medications upon release,
- Hepatitis C diagnostic and treatment services,
- Peer supports,
- Community health worker (CHW) services,
- Screening and diagnostic services consistent with EPSDT for individuals under age 21 in any Medicaid eligibility group, beginning 30 days pre-release, and
- Screening and diagnostic services consistent with the U.S. Preventive Services Task Force recommendations for individuals ages 21 to 26 eligible for Medicaid under the former foster care children eligibility group, beginning 30 days pre-release.

5. Managed Care Organization Roles and Responsibilities

JUST Health Plus medical services will be the responsibility of Medicaid fee-for-service and Wexford, the NMCD prison third party health care vendor. These covered services will be provided to incarcerated individuals via community providers who enter the facility to provide services in person or via telehealth, and/or contracted third party health care vendors. MCOs are not responsible for these medical services.

- a. NMCD/Wexford will provide a 30-day supply of prescription medications to the member at the time of release, avoiding the need for transportation to the pharmacy on the day of release to fill prescriptions in most cases. This 30-day supply of medications will include

- prescribed narcotics for a length of time that is consistent with a reasonable standard of care. The MCO is responsible for any medications prescribed in the post-release period.
- b. Consistent with Section 20 of the Managed Care Policy Manual, the MCO is required to allow “grandfathering” for medications the member was prescribed at the time of release. This grandfathering should not impede a provider’s efforts to transition the member to any medications determined to be more appropriate. The MCO care coordination team should assist the member, as necessary, with establishing relationships with community providers who can review the member’s medications.
 - c. JUST Health Plus case management services will be a shared responsibility between the MCO-employed Justice Liaisons and community-based case management providers who will bill Medicaid fee-for-service during the 90-day pre-release period (e.g., housing providers necessary to assist with post-release housing or community health workers).
 - i. Similar to the JUST Health Program, JUST Health Plus requires MCOs to coordinate with incarcerated members before release in order to support successful community transitions and warm hand-offs to community providers. The specific Justice Liaison role and responsibilities are described in section 6.
 - ii. Under JUST Health Plus, MCOs will continue this critical Justice Liaison role, and continue to be accountable for the MAD-900 Transition of Care form. The MCO Justice Liaison role will evolve to coordinate community providers and ensure provision of case management services, which is further detailed in section 6.
 - d. JUST Health Plus post-release medical services and care coordination will continue to be the responsibility of the MCOs.
 - e. MCOs are responsible for covered services provided on the day of release from the NMCD prison with the following exception:
 - 1. In some cases, there are unexpected changes to an incarcerated member’s release date that prevent NMCD’s health care vendor from providing a 30-day supply of medications on the day of release. In these instances, medications and transportation to a pharmacy to immediately obtain covered medications on the day of release from a correctional facility is the responsibility of the Contractor.

6. JUST Health Managed Care Organization Justice Liaison Requirements

- a. Under JUST Health Plus, MCOs will lead in building a continuum of pre-release case management services¹ to post-release care coordination services. Note that case management

¹ According to the [CMS State Medicaid Director Letter \(SMD\) 23-003 RE: Opportunities to Test Transition-Related Strategies to Support Community Reentry and Improve Care Transitions for Individuals Who Are Incarcerated](#), Case management services are required under Reentry demonstrations and include the following activities:

- 1) comprehensive assessment and periodic reassessment of individual needs, to determine the need for any medical, educational, social, or other services;
- 2) development (and periodic revision) of a specific care plan based on the information collected through the assessment;
- 3) referral and related activities (such as scheduling appointments for the individual) to help the eligible individual obtain needed supportive and stabilizing services, including activities that help link the individual with medical, social, and educational providers or other programs and services that are capable of providing needed services to address identified needs and achieve goals specified in the care plan; and

- services are required under the demonstration and are similar in scope and activities to Turquoise Care post-release care coordination.
- b. With the implementation of JUST Health Plus, MCO Justice Liaisons will be expected to perform the following added requirements:
- ii. Identify, track and monitor assigned members who are newly eligible for pre-release services 90 days prior to release. This means Justice Liaisons must engage starting 90 days prior to a projected release date.
 - iii. Locate and coordinate with a team of community providers (preferably within the MCO's network) to provide pre-release, case management services for individuals exiting incarceration. Community "in-reach" case management providers include specific provider types such as:
 - CCBHCs,
 - CHWs,
 - CHRs, as well as other, more general categories of providers that may include:
 - Health care navigators,
 - Case managers, and
 - Specialized providers (e.g., supportive housing provider organizations such as Medicaid Linkages program providers or Medicaid Special Needs/Set Aside Housing Program (SAHP)/Local Lead Agencies).
 - iv. Facilitate (via these community providers) completion of the transition of care form (MAD 900), ensuring the form is completed prior to an individual's release. Note that case management providers will bill FFS for these services during the pre-release period. Additional information on billing and reimbursement is in section 7.
 - v. If the MCO is not able to find and coordinate appropriate providers in the MCO network to perform case management services in person or via telehealth, the MCO Justice Liaison may perform these case management services. The MCO should work to build an appropriate network of case management providers in order to address these gaps over time.
 - 1. If out-of-network providers are necessary based on an individual's circumstances, the MCO should attempt to secure a network provider agreement for continuity of care upon release.
 - vi. Per the Turquoise Care contract, Justice Involved individuals are required to receive Level II care coordination services (CCL-2) after release from a correctional facility. For individuals enrolled in JUST Health Plus, MCOs are required to ensure, as is feasible, the established team of pre-release case management providers can continue to support the individual post-release per CCL-2 requirements or coordinate a warm hand-off into CCL-2 post-release. For more information, see [CCL/CHW Billing Differences PDF](#) and refer to the CHW/CHR Benefit LOD.
- c. MCOs must also comply with the monitoring and reporting requirements listed in section 8.

7. Billing and Reimbursement

4) monitoring and follow-up activities, including activities and contacts that are necessary to ensure that the care plan is effectively implemented and adequately addresses the needs of the eligible individual and which may be with the individual, family members, service providers, or other entities or individuals and conducted as frequently as necessary.

- a. MCOs are compensated for Justice Liaison activities via managed care capitation rates. Justice Liaison funding is within the administrative portion of each capitation rate paid to MCOs for all individuals enrolled in New Mexico Turquoise Care.
- b. Because JUST Health Plus is being piloted in three NMCD prison facilities starting July 1, 2025, no adjustments have been made to the administrative portion of the capitation rates due to the limited number of releases included in this pilot.
- c. As the Justice Liaison role evolves and more facilities are phased in, adjustments to capitation rates will be made to cover the increase in work hours/expectations/caseloads for Justice Liaisons and as the MCOs demonstrate that the Justice Liaisons are fulfilling the requirements of their role.
- d. In-reach community providers who provide case management, CHW, and peer support services during the pre-release period will independently bill fee-for-service and be reimbursed by HCA for these services.
- e. If MCOs perform these case management services (e.g. if community providers are not identified), no additional billing is allowed. MCO compensation is addressed in a.-c. above.
- f. Post-release, if these same community providers provide care coordination or other services, they will bill these services to the MCO according to current processes.
- g. For individuals incarcerated in facilities that have gone live under JUST Health Plus, MCOs will receive a prorated capitation amount for the months of incarceration and release for these members. This prorated amount will be commensurate with the number of days the individual was not incarcerated during the month, calculated as a daily rate.
- h. This policy is compliant with requirements at 42 CFR 435.1009 and ensures MCOs are paid for the days they are at-risk for member services. Under this policy, the date of the individual's incarceration and release are counted as days the member is in the community.
- i. HCA will manually prorate capitation payments per this policy until the process can be automated.

Prorated Capitation Example: Prison Facility

One year Prison Sentence Start: 5/16/25, Projected Release Date: 5/16/26. This example assumes that capitation was suspended upon start of prison sentence (and that inmate was transferred from another facility while awaiting sentencing).

- Pre-release services start 2/16/26,
- Pre-release services end 5/16/26 and member is released.

Pro-rated Capitation Payment:

- May 2026: The MCO was at-risk for member services for 16 days, beginning with the day of release (5/16 – 5/31).
- Monthly capitation rate for that member is divided by the number of days in the month to obtain a daily rate.
- The daily rate is multiplied by 16 days to create a new May capitation amount.

8. Reporting and Monitoring

MCOs are required to report and monitor Justice Liaison activities under JUST Health Plus, including:

- a. The number of members engaged in pre-release case management services.

- b. The number of members for whom a MAD-900 Transition of Care form was filled out before the member's release.
- c. The number of members for whom a MAD-900 Transition of Care form was filled out after the member's release (note that under JUST Health Plus MCOs are required to complete a MAD-900 form within 90 days pre-release).
- d. The number of members who declined participation in pre-release case management services.
- e. MCOs will report this information quarterly in a format provided by HCA. Additional reporting may be required in the future.
- f. HCA will issue permanent reporting guidance once 1115 Justice Involved Demonstration reporting guidance is released by CMS.

This LOD will sunset upon the publication of a new, comprehensive JUST Health Plus LOD, MCO contract amendment, and/or MCO policy manual section(s) with additional guidance for juvenile detention centers, county detention centers, and permanent reporting guidance.