



HEALTH CARE
AUTHORITY

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Alex Castillo Smith, Deputy Secretary
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Kyra Ochoa, Deputy Secretary
Dana Flannery, Medicaid Director

Date: April 21, 2025

To: Gabriel Parra, CEO Presbyterian Health Plan

From: Jennifer Jones, Deputy Bureau Chief, Managed Care Oversight Bureau

CC: Dana Flannery, Medical Assistance Division (MAD), Michal Hayes, MAD Deputy Director, Alanna Dancis, MAD Chief Medical Officer, and Charles Canada, Acting Compliance Unit Bureau Chief

RE: Notice of Concern: Credentialing, Appointment Standards, Step Therapy, and Care Coordination

The New Mexico Health Care Authority/ Managed Care Oversight Bureau (HCA/MCOB) is writing to Presbyterian Health Plan (PHP) to express concerns regarding implementation of credentialing, appointment standards, step therapy, and care coordination requirements, pursuant to the following sections of the Turquoise Care Medicaid Managed Care Services Agreement (MSA) PSC 24-630-8000-0029, A1 and Turquoise Care Policy Manual (PM):

- MSA - 4.8.16 Standards for Credentialing and Recredentialing
- MSA - 4.4.7 Care Coordination Activities
- MSA - 4.8.8 Appointment Standards
- MAS - 4.12 Population Health Management and Quality Assurance
- MSA - 4.8.8.7 “secret shopper” surveys
- MSA – 4.10.3.11 Pharmacy Services and Preferred Drug List (PDL) and Formulary Requirements
- PM - 4.15.2 Care Coordination Presence in Hospitals

You must work cooperatively with HCA to address and resolve HCA’s concerns pursuant to MSA Sections 1.7 and 7.32.

A. Standards for Credentialing and Recredentialing

MSA Section 4.8.16 requires PHP to work with all other managed care organizations (MCOs) to contract with a single, centralized and National Committee for Quality Assurance approved Credential Verification Organization to process credentialing applications and perform primary source verifications. To align with MSA 4.8.16.5, HCA provided a directive on May 24, 2024 to the MCOs to form a work group to develop a unified credentialing solution and implementation plan for HCA to review. HCA held meetings with all four MCOs to assess progress on December 10, 2024, and January 23, 2025. The unified plan submitted by MCOs on February 5, 2025 did not align with contract requirements nor HCA expectations. Specifically, the MCO-proposed credentialing solution requires a provider to interface with each of the MCOs individually to complete the credentialing process, rather than through a centralized credentialing



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a single vendor. This causes unnecessary provider burden, delays, and does not align with the requirements delineated in MSA Section 4.8.16.5.

PHP must remedy the above cited issues and implement a unified credentialing solution by no later than October 1, 2025. In addition, PHP must coordinate with Blue Cross Blue Shield (BCBS), Molina Health Care (MHC) and United Health Care (UHC), to submit a single unified plan to the HCA that addresses, at minimum, the following:

1. A unified credentialing solution that addresses MSA 4.8.16.5.2, offers a single portal that allows providers to submit single applications and upload all required documentation for the credentialing/recredentialing process online.
2. Development of a procedure to ensure there is unified communication to providers for outstanding items at initial credentialing and recredentialing for any of the MCOs, including but not limited to:
 - a. Use of a single, standardized credentialing form developed by the credentialing/recredentialing committee or other peer review body.
 - b. Collaboration with the other MCOs to develop standard forms, processes, and solutions used for credentialing/recredentialing.
3. A detailed implementation schedule to align with the go live date of October 1, 2025.
4. Ensure the inclusion of mitigation plans to ensure all providers receive timely assistance through the transition to the unified credentialing/recredentialing process.
5. Designate a credentialing/recredentialing committee or other peer review body to make recommendations and decisions regarding credentialing issues including but not limited to:
 - a. Ongoing Plan, Do, Study, Act to the procedure to identify points of failure or areas for improvement.
 - b. A mitigation plan to ensure points of failure or bottlenecks are resolved timely and provider is not burdened with additional tasks.
6. Align recredentialing timelines amongst all MCOs and provide a centralized contact procedure for recredentialing.
7. A communication plan to ensure existing and prospective providers and other stakeholders are aware of the MCO centralized credentialing process.

The plan must be submitted via email to HCA-MCOCDeliverables@hca.nm.gov by May 5, 2025.

B. Appointment Standards

MSA 4.4.7.2.5 requires PHP to coordinate member access to covered services (e.g., scheduling appointments, arranging transportation, making referrals); 4.8.8.6 requires that appointment timeliness standards are met, and 4.12.1.3.2 requires MCOs to utilize information systems to integrate and analyze



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data to inform population identification, risk stratification, individual and population needs, track referrals to external community resources, and to monitor and evaluate the effectiveness of the Population Health Management strategies and targeted interventions. In addition, MSA 4.8.8.7 and MSA 4.8.8.7.1 requires PHP to conduct “secret shopper” surveys to monitor appointment timeliness according to MSA 4.8.8.6 specifications.

Information gathered through discussions and MCO report submissions to HCA reflect that PHP does not have a method for consistently tracking referred and fulfilled services across all service categories or the ability to report on real time appointment timeliness.

PHP quarterly “secret shopper” survey report submitted calendar year (CY)2024 Q3 and CY2024 Q4 does not align with the specifications in MSA 4.8.8.6. In the CY2024 Q3 and CY2024 Q4 #6 Care Coordination report on Tab XII. Referrals to “Comp Services” showed five out of the seven service categories with zero referrals sent to compensable services. This data is prompting HCA’s concern that tracking for these service categories is insufficient. Given that referrals were not fulfilled, HCA is concerned PHP is not meeting timeliness to care appointment standards and the contractual requirements cited above. Service categories that indicated 0 referrals include:

CY2024 Q3 and Q4 Care Coordination report data:

CCL1, CCL2, CCL0:

1. 0 referrals were made for the following service categories
 - a. Outpatient/Clinic Services
 - b. Physician Services
 - c. Behavioral Health Services (non-IP, OP/Clinic & Rx)
 - d. Dental Services
 - e. Other Medical Services

PHP must remedy the above cited issues and provide a plan as to how PHP will address, at minimum, the concerns noted above.

1. Outside of the secret shopper surveys, how you are currently meeting contracted requirements delineated in MSA Sections 4.4.7.2.5, 4.8.8.6, and 4.12.1.3.2 for all service categories.
2. How PHP tracks, reports, and monitors access to care and timeliness of covered services and coordination of those services for each population.
3. A timeline for full implementation of initiatives addressing gaps identified and aligning PHP compliance with above mentioned standards.



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The plan must be submitted via email to HCA-MCOTDeliverables@hca.nm.gov by May 5, 2025.

C. Step Therapy

The MSA 4.10.3.11.9, the PDL, and formulary requirements require the “MCOs shall not impose step therapy or prior authorization requirements before authorizing coverage for medication approved by the federal food and drug administration that is prescribed for the treatment of an autoimmune disorder, a behavioral health condition, cancer or a substance use disorder, pursuant to a medical necessity determination, except in cases in which a biosimilar, interchangeable biologic or generic version is available.”

On March 7, 2025, HCA Pharmacy staff sent a deliverable requesting PHP to align their online step therapy with HCA MSA requirements indicated above. The HCA confirmed step therapy remains on PHP’s online formulary for several agents.

PHP must remedy the above cited issues and provide a plan with the following items, at minimum, to address the concerns noted above.

1. A signed attestation, with a date of completion, that PHP has completed a thorough review of the MSA, PDL, and formulary requirements, including assurances that PHP’s formulary is in alignment with HCA MSA and PM requirements.
2. Screenshots before and after for each agent as evidence that step therapy has been removed from its online Turquoise Care formulary.
3. A signed attestation notifying HCA that step therapy has been removed from each agent, with a date of completion.

Submit the requested information to HCA-MCOTDeliverables@hca.nm.gov by May 5, 2025.

D. Comprehensive Addiction Recovery Act (CARA) Care Coordination

The Turquoise Care Managed Care PM 4.15.2, Care Coordination Presence in Hospitals requires that PHP have a care coordination presence in specific hospitals. Within two days of submission (April 2, 2025 and April 3, 2025), PHP reported conflicting information to HCA regarding care coordination presence in the five hospitals as outlined in the PM:

- a. *University of New Mexico Children’s Hospital Level IV*
- b. *Lovelace Women’s Hospital Level III*
- c. *Presbyterian Main Hospital Level III*
- d. *Memorial Medical Center Level II*
- e. *Mountain View Medical Center Level II*



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PHP must remedy the above cited issues by no later than 90 days from the date of this notice and provide a detailed plan that addresses, at minimum, the following:

1. Outline which hospitals are staffed with PHP Care Coordinators and hours of coverage.
2. A description of the deliverable discrepancy to Quality Bureau and the plan to remedy future data discrepancies.
3. If all five hospitals do not have a care coordination presence, how PHP will ensure care coordination presence is in all five hospitals within 90 days.
4. How PHP will ensure daily engagement with the CARA population in all five hospital locations that do not have care coordination presence within 90 days
5. How PHP is monitoring daily attendance at each of the five hospital locations.
 - a. Provide examples of the attendance sheet/tracking mechanism PHP is using to monitor daily attendance.

The plan must be submitted via email to HCA-MCOTDeliverables@hca.nm.gov by May 5, 2025.

Failure to demonstrate compliance with requirements outlined in this Notice of Concern may result in compliance action pursuant to MSA 7.3, up to and including sanctions.

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

Jennifer Jones
New Mexico Health Care Authority
MCOB Deputy Bureau Chief
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