

Administrative Services Division Audit Services

RFP # 26-630-5000-0013

RESPONSES TO QUESTIONS

	RFP SECTION	SECTION TITLE	PAGE	OFFEROR'S QUESTION	HCA'S RESPONSE
1.	General Question			Are Medicaid services provided through Managed Care Organizations or Fee-For-Service providers, or a combination of both?	Both
2.	General Question			Do you allow auditor's read-only access to your financial accounting system and/or eligibility determination system/Medicaid Management Information System?	Yes
3.	General Question			What information system does NMHCA use for eligibility determinations/redeterminations?	The system HCA uses to determine eligibility for initial and redeterminations is the ASPEN (Automated System Program and Eligibility Network).
4.	General Question			Are Medicaid, TANF, and SNAP eligibility determinations performed at the same time (i.e. using the same form etc.)?	Yes- the Program applications is integrated and customers can apply for all programs (Medicaid, TANF, and SNAP). The caseworker reviews the application and applies the programs rules per each application.
5.	General Question			How many adjusting entries were there in the prior year? And if applicable, what was the nature of those adjusting entries?	NMHCA had approximately 110 adjusting entries posted to period 998, the accounting period open after the June 30 fiscal year-end. This was higher than normal, as FY25 was our first audit as HCA. During the transition, we absorbed four divisions from three state agencies, which required significant balance sheet transfers and learning the operations of these new divisions. These factors impacted our financial statements and federal grant reporting.

Administrative Services Division Audit Services

RFP # 26-630-5000-0013

RESPONSES TO QUESTIONS

6.	General Question			Are the audits conducted remotely, using a hybrid model, or in-person full-time? Is NMHCA open to audits performed remotely?	Since COVID, our audits have typically been completed 50–100 percent remotely. Over the past several years, audit staff have conducted the majority of their work off site, coming into the HCA office 2–3 days per week as needed. This hybrid approach has worked well, particularly during single audit testing—when auditors need access to HCA systems—and during the financial audit once trial balances have been submitted and follow up questions arise. Yes, NMHCA is open to audits being performed remotely as long as they continue to meet audit requirements.
7.	General Question			What engagement process would NMHCA like to improve?	NMHCA seeks to enhance the engagement process related to financial statement preparation. As a large and growing agency with complex programs, last minute trial balance adjustments can occur. Improving coordination during this phase will help ensure accurate and reliable financial statements.
8.	General Question			Is there anything specifically that you are looking for in a potential new professional services firm?	We are seeking a firm that can maintain strong institutional knowledge of our agency. Consistency in staffing and continuity of understanding are important to avoid re learning our operations each year.

Administrative Services Division Audit Services

RFP # 26-630-5000-0013

RESPONSES TO QUESTIONS

9.	General Question			Does NMHCA expect any significant changes in the accounting system or other systems relevant to financial reporting during the contract term?	NMHCA does not anticipate any significant changes to its accounting system or other systems relevant to financial reporting during the contract term. The only known system change is within the Medicaid program, which is in the process of implementing the new Turquoise Care System. This implementation includes updates to the Medicaid claiming system that generates financial reports used to journalize accounting information into SHARE and to complete federal expenditure and revenue reporting.
10.	General Question			Have there been recent changes in key personnel in any of the department's accounting/finance functions or are there changes known for the future (retirements)?	NMHCA anticipates several key personnel changes within the Administrative Services Department during the contract term. The Director/CFO is scheduled to retire at the end of December 2026. This position is also Governor appointed and may change with a new administration. In addition, two Deputy Directors are planning retirements—one on June 1, 2026, and the other in FY27. Several Bureau Chiefs are also expected to retire during this period.
11.	General Question			How many hours did the prior audit firm propose for each service for their previous proposal?	Financial Statement Audit 1,090 Federal Single Audit 750 Financial Statement Preparation 60

Administrative Services Division Audit Services

RFP # 26-630-5000-0013

RESPONSES TO QUESTIONS

12.	General Question			What were the fees for the prior year's audits, broken down by Financial Statements, Single Audit, Report Preparation and New Mexico Gross Receipts Tax?	FY24 Services Amounts Financial statement audit \$154,000.00 Federal single audit \$113,000.00 Financial Statement preparation \$11,000.00 other nonaudit services, such as depreciation schedule updates \$- other (i.e., foundations or other components units specifically identified) \$- Gross Receipts Tax \$21,890.00 Total \$299,890.00 FY25 Services Amounts Financial statement audit \$154,000.00 Federal single audit \$121,000.00 Financial Statement preparation \$11,000.00 other nonaudit services, such as depreciation schedule updates \$- other (i.e., foundations or other components units specifically identified) \$- Gross Receipts Tax \$22,500.00 Total \$308,500.00
13.	Appendix C		39	Has some or all of Appendix C Cost Response Form has been incorrectly uploaded or lost? Are proposers meant to create their own grids/tables in this area, or are existing grids missing?	You add your own table/grids
14.	IV Specifications	Business Specifications	29	Can you confirm "individual CPA for the past three (3) years" includes a typo and should read "individual CPE for the past three (3) years"?	An amendment will be issued to correct typo.
15.	Appendix C		39	There are several references to "Random Moment Surveys, Administrative Claiming & Direct Medical Service Cost Reporting & Settlement" which appear to be the subject of RFP 26-630-8000-0014. Do these references need to be updated to Audit services?	An amendment will be issued to correct the typos

Administrative Services Division Audit Services

RFP # 26-630-5000-0013

RESPONSES TO QUESTIONS

16.	Appendix E		42	Appendix E – Organizational Reference Questionnaire indicates it is to be returned by April 1, 2026. However, the proposal is due April 8, 2026. Please confirm the return date for Appendix E is April 1.	Organizational References are due on April 1st. That way it gives us time to review.
17	General Question			Please provide the fee breakout for the last 2 audit cycles of FY24 and FY25.	FY24 Services Amounts Financial statement audit \$154,000.00 Federal single audit \$113,000.00 Financial Statement preparation \$11,000.00 other nonaudit services, such as depreciation schedule updates \$- other (i.e., foundations or other components units specifically identified) \$- Gross Receipts Tax \$21,890.00 Total \$299,890.00 FY25 Services Amounts Financial statement audit \$154,000.00 Federal single audit \$121,000.00 Financial Statement preparation \$11,000.00 other nonaudit services, such as depreciation schedule updates \$- other (i.e., foundations or other components units specifically identified) \$- Gross Receipts Tax \$22,500.00 Total \$308,500.00