

State of New Mexico



## Request for Information

Regarding the Establishment of an  
Indian Managed Care Entity  
for New Mexico Native American  
Medicaid Members

Issue Date: January 25, 2018

Response Due Date: ~~February 15, 2018~~  
March 1, 2018

The New Mexico Human Services Department (HSD) is releasing a Request for Information (RFI) regarding interest of New Mexico entities in the establishment of an Indian Managed Care Entities (IMCE) per section 1932(h) of the Social Security Act, as added by section 5006 of the American Recovery and Reinvestment Act of 2009, and as codified in the final managed care rule for Medicaid and Children's Health Insurance Program (CHIP) (Sections 438.14 and 457.1209 of CFR 42). The purpose of the IMCE would be to provide the full array of covered Medicaid services to Native American Medicaid members in a defined geographical area of the state through an Indian-controlled managed care organization. Responses to this RFI will inform policy considerations. A response does not constitute a commitment to enter into a contract or serve as an invitation to negotiate a contract with HSD.

The federal definition of an IMCE means a managed care organization (MCO), prepaid inpatient health plan (PIHP), prepaid ambulatory health plan (PAHP), primary care case manager (PCCM), or PCCM entity that is controlled (within the meaning of the last sentence of section 1903(m)(1)(C) of the Social Security Act) by the Indian Health Service, a Tribe, Tribal Organization, or Urban Indian Organization, or a consortium, which may be composed of one or more Tribes, Tribal Organizations, or Urban Indian Organizations, and which also may include the Indian Health Service.

Per section 1903(m)(1)(C) of the Social Security Act, "control" means:

the possession, whether direct or indirect, of the power to direct or cause the direction of the management and policies of the organization through membership, board representation, or an ownership interest equal to or greater than 50.1 percent.

As the single State agency for New Mexico's Medicaid program, HSD has federal authority to operate a Medicaid managed care program through its Section 1115 Demonstration Waiver that was effective on January 1, 2014 through December 31, 2018. The waiver is currently pending renewal with the Centers for Medicare and Medicaid Services (CMS) with a January 1, 2019, effective date. In its waiver renewal application, HSD included the possibility of collaboration with an interested entity in the establishment of an IMCE for the Medicaid program. The language included in the waiver renewal is as follows:

- The state seeks authority to collaborate with Indian Managed Care Entities (IMCE) as defined in Section IV of the Federal Indian Health Care Improvement Act, section 1932(h)(4)(B) of the Social Security Act, and 42 CFR 438.14, including a pilot project with the Navajo Nation. An IMCE may operate in a defined geographic service area, but would be required to meet all other aspects of federal and state managed care requirements, including but not limited to, financial solvency, licensing, provider network adequacy and access requirements. An IMCE in New Mexico must be able to demonstrate compliance with the requirements in the Centennial Care Managed Care Professional Services Agreement, including delivery of all Medicaid services as listed. The Department will assess compliance and readiness prior to permitting enrollment of Medicaid members. Implementation may also require several phases during the demonstration waiver.

The complete waiver renewal application is available for review at <http://www.hsd.state.nm.us/centennial-care-2-0.aspx>

Tribal consultation for the waiver renewal was conducted on October 20, 2017, in Santa Fe, New Mexico. The Navajo Nation confirmed its interest in collaborating with HSD during the public comment period. To gauge potential interest and capability of other eligible entities, HSD is releasing this Request for Information.

A request for proposals (RFP) for the managed care organizations to administer the Medicaid managed care program beginning on January 1, 2019, was released in September 2017. The RFP is available for review at:

[http://www.hsd.state.nm.us/Centennial\\_Care\\_RFP.aspx](http://www.hsd.state.nm.us/Centennial_Care_RFP.aspx)

The RFP provides extensive information about the requirements and expectations of a New Mexico Medicaid managed care organization. Additional requirements are outlined in the managed care Centennial Care 2.0 contract as an attachment of the RFP. As stated in the waiver renewal language, an IMCE must be able to demonstrate compliance with all of the requirements in the Centennial Care contract, including but not limited to, financial solvency, licensing, provider network adequacy and access requirements.

HSD is requiring the IMCE to be a risk bearing, New Mexico Managed Care Organization, Indian-controlled as defined above. It is also requiring that the IMCE provide the full spectrum of Medicaid benefits (physical, behavioral and long-term care services) to Medicaid-eligible Native American members within a considerable geographical area of the state (at least eight contiguous counties). As provided for in the federal law, enrollment in the IMCE will be restricted to Native American members only.

Native American enrollment by County in the Medicaid program may be reviewed at the following link: <http://www.hsd.state.nm.us/LookingForInformation/medicaid-eligibility.aspx>

Interested parties must demonstrate experience and capacity to establish an IMCE by providing detailed responses to all of the items listed below.

1. Submit a description of your organization's form of business (e.g., individual, sole proprietor, corporation, nonprofit corporation, partnership, limited-liability company) and detail the names, addresses, and telephone numbers of its officers and directors and any partners, if applicable, as well as the person the State should contact regarding your organization's information. Provide your organization's federal and State taxpayer identification numbers.

2. Provide copies of all your organization's articles of incorporation, bylaws, partnership agreements, or similar business entity documents, including any legal entity having an ownership interest of five percent (5%) or more.
3. Describe how your organization will comply with net worth, solvency, reinsurance, and surplus requirements and maintain a fidelity bond that meets the amount specified in the Centennial Care contract and for the time specified under the New Mexico Insurance Code.
4. Describe your organization's relationship and provide any relevant documentation regarding your organization's relationship to parent, affiliated, and/or related business entities, including but not limited to subsidiaries, joint ventures, or sister companies. Include a copy of the management agreement with any parent organization, if you are owned by a corporation or are an affiliate or subsidiary.
5. Provide (i) a copy of your organization's NM license (as issued by the NM Office of Superintendent of Insurance (OSI)), or evidence that an application for a NM license is in process, that allows the assumption of risk for prepaid capitated contracts under New Mexico State law and (ii) a copy of any report filed with the OSI during the last twelve (12) months.
6. Include a statement of whether, in the last ten (10) years, your organization, a predecessor company, your parent organization, affiliates, and/or subsidiaries has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, provide an explanation detailing relevant facts, including the date on which your company emerged from bankruptcy or expects to emerge. If still in bankruptcy, provide a summary of and anticipated timeframe for approval of a plan of reorganization.
7. Provide copies of the your organization's most recent audited financial statements for each line of business operated, showing a separation between commercial and public accounts and among various contracts and various public fund sources for which your organization is responsible.
8. Provide an organizational chart or diagram of the organizational structure your organization will employ to fulfill the requirements of the Centennial Care 2.0 contract. The organizational chart or diagram should present information clearly and concisely and include, at a minimum, health plan functions including but not limited to key staff and roles in areas including (contract management, IT / data systems (includes claims processing, encounter data submission and reporting), finance, quality / disease management, care coordination, actuarial support, etc.), lines of reporting, and the physical location of staff and functional/program areas. The organizational chart should show the corporate structure and lines of responsibility

and authority in the administration of your organization's business as a health plan. Include a narrative description to supplement the chart(s).

9. Provide the names, titles, job descriptions and resumes of the proposed personnel that will fulfill the following roles for your MCO organization in New Mexico. *Resumes are to be attached to your response.*
  - a. CEO of Centennial Care 2.0
  - b. CFO of Centennial Care 2.0
  - c. CIO of Centennial Care 2.0
  - d. Implementation Manager
  - e. Medical Directors
  - f. Long-Term Services and Support Manager
  - g. Contract Manager
  
10. Provide a Centennial Care 2.0-specific work plan that captures (i) key activities and timeframes, and (ii) projected resource requirements from your organization for implementing requirements specified in the Centennial Care 2.0 contract. The work plan should cover activities through "go-live". The date of "go-live" should be no later than July 1, 2019.
  
11. HSD will assess for approval all proposed delegated/subcontracted functions. Provide a list of those functions (e.g., Utilization Management, non-risk-bearing Behavioral Health) that your organization proposes to delegate (subcontract). List all proposed subcontractors that will perform services to Members and Providers and/or processing Medicaid business, including administration and systems functions.
  
12. . Please describe your organization's strategy and timeframe for establishment of the provider network. The response shall include how your organization will build a sufficient provider network that specifically addresses the needs of the following populations:
  - a. Individuals with mental health and/or substance abuse issues;
  - b. Children and adolescents;
  - c. Persons with a comorbid physical, mental health and substance use conditions;
  - d. Linguistic and cultural minorities; and
  - e. Persons who need Long Term Services & Supports (LTSS) including Home and Community Based Services (HCBS).
  
13. Describe your organization's strategies for dealing with the challenges of building a provider network for rural and frontier parts of New Mexico; the strategy should address retention and recruitment efforts for primary care and specialists and availability of critical access providers such as Federally Qualified Health Centers (FQHCs), Nursing Facilities (NFs) and Non-

Emergency Medical Transportation (NEMT) providers. In consideration of the federal requirements at 42 CFR 438.14 for payment to Indian Health Care Providers (IHCPs) and freedom of choice for Native American enrollees to receive care out of network, describe your organization's strategies to secure in-network status for Indian Health Services, Tribally Operated Facilities or Programs, and Urban Indian Clinics (I/T/Us) to improve care coordination and member outcomes.

14. Describe your organization's strategies for addressing contracted provider issues including oversight and monitoring of:
  - a. Compliance with access standards;
  - b. Provider network adequacy;
  - c. Provider appeals and grievances; and
  - d. Provider compliance with HSD Rules as outlined in the New Mexico Administrative Code (NMAC).
  
15. Submit detailed flowcharts, narrative descriptions, and operation manuals of your organization's existing or planned systems to meet the requirements in the Centennial Care 2.0 contract and in the Centennial Care Systems Manual, addressing – at a minimum – the functional areas listed below. Your narrative response shall describe the extent to which these systems are: (i) currently implemented as opposed to planned; and (ii) integrated (or planned to be integrated) with other systems, internal and external.
  - a. Eligibility, enrollment, and disenrollment management and data exchange;
  - b. Provider network management, certification, enrollment, notification and confirmation file exchange;
  - c. Member and provider information access;
  - d. Report generation and transmission;
  - e. Care coordination system;
  - f. Nursing facility level and setting of care assessments, determination, tracking, and communicating;
  - g. Claims processing, edits, corrections, and adjustments due to retroactive eligibility changes or other reasons;
  - h. Claims adjudication, payment, and coordination of benefits for claims with third party liability and Medicare;
  - i. Systems modules to track and administer different Medicaid benefit packages, copays, and premiums;
  - j. Encounter submissions, correction, voiding, and resubmission;
  - k. Financial management and accounting activities; and
  - l. Provider technical assistance for I/T/Us, Rural Health Clinics, FQHCs, NFs as well as other specialty providers.

16. Describe how your organization will establish special provider reimbursement systems and claims submission capability, including but not limited to:
  - a. Ability to make special payments to unique providers, such as FQHCs and I/T/Us, including contracted and non-contracted where applicable;
  - b. Experience in processing claims for Medicare clients and providing Medicare encounter data in HIPAA- compliant formats to federal and state authorities.
  
17. Describe your organization's vision for the care coordination program, including the software and systems to be utilized.
  
18. Describe your organization's strategies for outreach to enroll and retain Native American members. Include in your description your approach for those enrolled in fee-for-service and also Centennial Care managed care.

**Please submit responses to HSD by close of business on **March 1, 2018, by 3pm.****

**Responses may be emailed, mailed or hand delivered to:**

Daniel Clavio  
New Mexico Human Services Department  
ARK Plaza  
P.O. Box 2348  
Santa Fe, NM 87504-2348  
Phone: (505) 827-1345  
Email: [Daniel.Clavio@state.nm.us](mailto:Daniel.Clavio@state.nm.us)

**For hand deliveries or express mail deliveries, the following address may be used:**

Daniel Clavio  
New Mexico Human Services Department  
ARK Plaza  
2025 S. Pacheco Street  
Santa Fe, NM 87504