



Michelle Lujan Grisham, Governor  
David R. Scrase, M.D., Secretary  
Nicole Comeaux, J.D., M.P.H, Director

### Special COVID-19 Letter of Direction #3

**Date:** April 30, 2020 (effective March 1, 2020)  
**To:** Centennial Care 2.0 Managed Care Organizations  
**From:** Nicole Comeaux, Director, Medical Assistance Division  
**Subject:** Provider Network and Temporary Suspension of Out-of-Network Requirements  
**Title:** Provider Network and Out-of-Network Requirements



The purpose of this Letter of Direction (LOD) is to provide guidance and directives to the Centennial Care 2.0 Managed Care Organizations (MCOs) for modification of services and program standards related to the national public health emergency associated with the 2019 Novel Coronavirus (COVID-19) outbreak. The purpose of these changes is to assure the continuation of essential services to Medicaid patients without disruption or delay while following Centers for Disease Control and Prevention (CDC) direction to maximize social distancing for the duration of the public health emergency.

**This Special COVID-19 LOD replaces LOD #31 section 7 and temporarily suspends Out-of-Network requirements for managed care enrollees.**

#### 1. Provider Network Requirements:

- a. **Network Adequacy** – As more COVID-19 cases emerge in New Mexico the MCO provider networks must be adequate to handle an increase in the need for health care services, including offering access to out-of-network services for Medicaid members where appropriate and required. With this directive, HSD is granting additional flexibilities to the MCOs to work with out-of-state providers as quickly as possible so they can provide care to New Mexico Medicaid members who may be traveling or currently located outside of the state. This may include relaxed or expedited credentialing requirements and criteria. MCOs may continue to register (via the online MCOR process) non-network providers located, and providing services, out of state.

- b. **Network Changes** – All MCO contracted providers must provide immediate notification of any expected or unexpected closures. The MCOs must submit a notification to HSD regarding any significant change in their provider networks immediately upon receipt of such notification. In addition, the MCOs should assist all members who need immediate care with transition to a different provider/facility.
- c. **Provider Site Visits and Revalidations** – HSD is temporarily suspending provider site visits and revalidation activities. The MCOs are authorized to do the same to the extent that such activities may pose difficulties in expediting provider contracting and credentialing.

## 2. Temporary Suspension of Out-of-Network Requirements for Managed Care Enrollees

- a. The increase in COVID-19 cases in New Mexico may result in a portion of MCO-contracted providers becoming dedicated solely to the care of COVID-19 patients. To assure the continuation of other essential services without disruption or delay, **HSD is directing the CONTRACTOR to allow members to access covered services from out-of-network providers throughout the public health emergency declaration and until HSD determines network adequacy has normalized.**
  - i. Except for the New Mexico Medicaid registration requirements outlined in this LOD, out-of-network requirements, including Prior Authorizations for COVID-19 related services, are suspended through the termination of the emergency declaration.
  - ii. In accordance with the NMAC 8.311.2, the MCOs shall reimburse non-contract (out-of-network) providers no less than 100% of the Medicaid fee schedule rate for covered services.
  - iii. Effective March 1, 2020 and through the duration of the COVID-19 emergency, the CONTRACTOR is required to offer access to out-of-network services for Medicaid members. The MCOs are granted additional flexibilities to work with out-of-state providers as quickly as possible, so they can provide care to New Mexico Medicaid members who may be traveling or currently located outside of the state.
  - iv. Section 4.5.1.2 of the Medicaid Managed Care Agreement (Agreement) states the following.
    - 4.5.1.2 If the CONTRACTOR is unable to provide Covered Services to a particular Member using Contract Providers, the CONTRACTOR shall adequately and timely cover these services for that Member using Non-Contract providers, for as long as the CONTRACTOR's provider network is unable to provide them. At such time that the required services become available within the CONTRACTOR's network and the Member can be safely transferred, the CONTRACTOR may transfer the Member to an appropriate Contract Provider according to a transition of care plan developed specifically for the Member.
  - v. 42 CFR 438.206(b)(4) requires HSD to ensure that if a provider network is unable to provide necessary services, covered under the contract, to a particular enrollee, the CONTRACTOR must adequately and timely cover these services out of network for as long as the CONTRACTOR's provider network is unable to provide them.

- b. The temporary suspension of out-of-network requirements is one of the Flexibilities and Authorities identified by CMS that states may exercise in the event of a disaster.
- c. MCOs should “register” the non-network providers using the online registration process available on the New Mexico Medicaid Portal. Use the designation “COVID19” along with the requesting MCO representative’s name and contact telephone number in the corresponding blocks. This will identify the appropriate need for the provider’s temporary registration which can be retroactive to 3/1/2020 as necessary (MCOs should specify the earliest date of service as usual on the registration request).

HSD values its continued collaboration and partnership with the MCOs to implement these directives as quickly as possible to help assure the health and safety of Medicaid members and our fellow New Mexicans. Further direction will be provided as guidance and authorities become available.

This COVID-19 Letter of Direction will sunset when the Human Services Department determines that the outbreak of the 2019 Novel Coronavirus (COVID-19) associated with the national public health emergency has been contained.