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Kari Armijo, Cabinet Secretary
Dana Flannery, Medicaid Director

Letter of Direction #120

Date: 05/09/2024

To: Centennial Care 2.0 Managed Care Organizations

From: Dana Flannery, Director, Medical Assistance Division 
Nick Boukas, Director, Behavioral Health Services Division 

Subject: Behavioral Health Fee Schedule Rates

Title: State Fiscal Year 2024 Behavioral Health Fee Schedule

On June 28, 2023, the New Mexico Human Services Department (HSD) announced its intention to update the Behavioral Health Fee Schedule to reflect new program implementations and provider rate increase effective July 1, 2023.

New program implementations include:

- High-Fidelity Wraparound services;
- Expanded Mobile Crisis services; and
- Mobile Response and Stabilization Services for Children.

Enhanced rates for the following evidence-based practices:

- Multi-Systemic Therapy (MST);
- Functional Family Therapy (FFT);
- Trauma-Focused Cognitive Behavioral Therapy (TF-CBT);
- Eye Movement Desensitization and Reprocessing (EMDR); and
- Dialectical Behavioral Therapy (DBT).

Additionally, this fee schedule incorporates payment rate increases outlined in House Bill 2 (HB2). HSD believes these rate adjustments will help build and protect the New Mexico Medicaid health care delivery network. The proposed rate increases were supported, endorsed and funded by the New Mexico Legislature during the 2023 regular session.

The purpose of this Letter of Direction (LOD) is to direct Managed Care Organizations (MCO) implementation of the provider rates that are described in the June 28, 2023, Proposed Behavioral Health Fee Schedule public notice. These rates shall apply to each provider's contracted rates with each MCO. The MCOs shall not negotiate less than the Medicaid fee-for-services (FFS) rate

identified in the attached fee schedule. This includes rates negotiated between MCOs and sub-vendors or sub-contractors. Any rate paid to providers for services to Medicaid members within the state of New Mexico must use the MAD FFS rate as the minimum rate.

All rates identified in this LOD have been calculated and considered as a component of the MCO capitation rates that were effective July 1, 2023. No reductions have been applied to rates exceeding the assigned threshold and are not considered in the MCO capitation rates and should not be imposed upon providers.

All rate increases must be completed and eligible claims with dates of service on or after 07/01/2023 must be adjusted and paid within 60 days of this LOD.

The behavioral health fee schedule and associated codes can be found on HSD's website at <https://www.hsd.state.nm.us/providers/fee-schedules/>. A copy of the rate table is provided with this LOD.

This LOD will sunset upon completion of the Centennial Care Program on June 30, 2024. If the policies and/or procedures in this LOD will continue to apply in Turquoise Care, HSD will reissue the LOD under Turquoise Care or will include the direction in one or more of the following: Turquoise Care Agreement, Policy Manual, NMAC, Systems Manual, or BHSD Billing and Systems Manual.