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### **Letter of Direction #100**

**Date:** August 14, 2023 (effective August 15, 2023)

**To:** Centennial Care 2.0 Managed Care Organizations

**From:** Lorelei Kellogg, Acting Director, Medical Assistance Division 

**Subject:** MCO Requirements for Coordinating Treatment Foster Care (TFC) Placements for Children in State Custody (CISC)

**Title:** Coordination of Treatment Foster Care (TFC) Placement for Children in State Custody

This Letter of Direction (LOD) outlines requirements for the Centennial Care 2.0 Managed Care Organizations (MCOs) role in coordinating Treatment Foster Care (TFC) placements for children in state custody that are enrolled in an MCO. This LOD outlines reporting requirements regarding the implementation of and ongoing monitoring of TFC placements quarterly.

**The guidance below outlines new processes for MCOs and the Care Coordinators to ensure a TFC placement for CISC effective August 15, 2023.**

When a child is recommended for TFC, including but not limited to a recommendation from a mental health provider or a referral from the Individual Planning Process (IPP) team, Children, Youth, and Families Department (CYFD) will submit the information to the MCO to confirm medical necessity and obtain TFC services by a prior authorization.

When the Individualized Planning Process team has developed the Individualized Treatment Plan and the clinical assessment recommendation is TFC, CYFD will send the referral packet to include the current assessment to the MCO's to complete the medical necessity review and pre-approval. The MCO will send a pre-approval notification stating medical necessity is met, back to CYFD. The MCO care coordinator assigned to the CISC will have responsibility of coordinating and obtaining TFC services. A full approval with a prior authorization number will be issued once the Care Coordinator identifies the TFC placement.

The MCO care coordinator will document such activity appropriately in the child's file kept by the MCO pursuant to the obligations as outlined in Section 4.4 of the Medicaid Managed Care Organization Service Agreement. *See also* LOD 69-1, describing new obligations under section 4.12.15.

If the TFC recommendation is reduced, denied, modified, delayed, or not approved by the MCO

Notice of Action and grievance protocols will be provided to the child's caregiver, legal representative, and legal custodian.

Any Notice of Action received by CYFD will be provided to the child's Nation, Pueblo, or Tribe if applicable.

Any denial, reduction, modification, delay of a recommendation for treatment foster care, including for prior authorization requests, will be reviewed by the Medical Director at the MCO, and a copy of the Medical Director's decision to be sent to the Cabinet Secretary of HSD and the Cabinet Secretary of CYFD.

If TFC services are not authorized by the MCO, HSD and/or CYFD, including through state general funds or single case agreements, the State will immediately (within 5 days) identify alternative services. To address the needs of the child in state custody during the period of appeal, the child will be placed in the most appropriate and least restrictive placement as identified by the IPP Team, and the team may consider single case agreements as needed for community-based placement.

The determination (approval/denial/modification/reduction/delay) must be reported by the MCO. This includes the time (number of days) between approval and treatment foster care services beginning.

Details of these data will be tracked as follows:

Aggregate and child-specific level data for the following on a quarterly basis (data will include the case and person ID, date of birth, date of request/activity or disposition decision and notice provided):

1. Date referrals/requests for medical necessity pre-approval of TFC by CYFD to the MCO
2. Disposition of TFC requests for pre-approval of medical necessity by MCO (to include approvals, modifications, denials)
3. For all approvals, modifications or denials, dates, and identification of provider for the following:
  - a. Referral made by MCO to TFC agency (for each TFC provider the referral was submitted and corresponding dates for each referral).
  - b. Decision provided by TFC agency to MCO (for each TFC provider providing the decision and corresponding dates for each decision).
  - c. For any acceptances from TFC agency, date the acceptance was received, and date that service began.
  - d. For any modifications or denials from TFC agency, reason for denial and any requests for supportive services that would allow for acceptance.
4. Requests for re-authorization of TFC to MCO
5. Disposition of TFC reauthorization requests by MCO (to include approvals, modifications, denials)
6. For all children referred by CYFD to MCO for TFC, aggregate data on the number of days between the request by CYFD for TFC prior authorization, approval by MCO, and TFC being provided to the child.

**Reporting:**

MCOs will submit the reporting requirements outlined above on a quarterly basis to ensure compliance to the Kevin S. Corrective Action Plan (CAP). The attachment to this LOD is the reporting template MCOs will use. This report will be due on the 15<sup>th</sup> of each month following the quarter with the first report starting with the August and September report due on October 15, 2023. The next full 4<sup>th</sup> quarter of 2023 (October 2023-December 2023) will be due on January 15, 2024, and so on for each quarter.

This LOD will sunset upon inclusion into the Behavioral Health Policy Manual and/or the NM Medicaid Managed Care Services Agreement.