

New Mexico Interagency Behavioral Health Purchasing Collaborative

Collaboration for Recovery, Resiliency and Empowerment



Aging and Long-Term Services Department

Administrative Office of the Courts

Children, Youth and Families Department

New Mexico Corrections Department

Department of Finance and Administration

Department of Health

Department of Labor

Department of Transportation

Developmental Disabilities Planning Council

Division of Vocational Rehabilitation

Governor's Commission on Disability

Governor's Health Policy Advisor

Health Policy Commission

Human Services Department

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For Immediate Release

New Mexico's New Behavioral Health Statewide Entity Makes Progress in Claims Processing

Audit Examines Timeliness and Accuracy of Payment to Providers

Santa Fe, November 17, 2006 – A report on the first six months of claims processing by the Behavioral Health statewide entity, ValueOptions New Mexico, is now complete.

The Behavioral Health Collaborative was created to bring all of the state agencies and resources involved in behavioral health treatment and recovery together to work as one to improve behavioral health services in New Mexico. This includes criminal justice, education, housing, and employment, as well as physical and behavioral health care. This Cabinet level group represents 15 agencies and the Governor's Office. By creating a single statewide service delivery system, New Mexicans will have greater accountability.

The contract between the Behavioral Health Collaborative and ValueOptions requires ValueOptions to develop and implement a system of performance and tracking measures that includes timely and accurate payments to providers. This audit system is designed to insure that goals are met and New Mexicans receive the highest level of services possible.

The Collaborative Contract Oversight Team, which is an interagency team from the Children, Youth and Families Department (CYFD), the Department of Health (DOH) and the Human Services Department (HSD), conducted an on-site review of ValueOptions' overall claims processing system for the first six months of the new behavioral health system of care (July 1, 2005 to December 31, 2005).

Of the 415 claims reviewed by the team, 118 contained errors of some kind. Those findings led the Collaborative to quickly request comprehensive corrective action plans from ValueOptions. Since the audit there has been significant progress toward resolving most of the issues.

"This audit process worked as it should and caught these issues early so they can be corrected quickly," said Secretary Pamela Hyde, Collaborative co-chair and HSD Secretary. "Evaluating and correcting problems early in the process is a key component to ensuring accurate and timely payments and improving the behavioral health system in New Mexico. We are already seeing an improvement in claims processed, which is now consistent with other service administrators such as Medicaid Managed Care Organizations."

The audit uncovered problems due to three main issues: 1. ValueOptions systems still in transition as the new contract took effect; 2. state processes in transition, which have been rectified for Fiscal Year 2007 with the state paying ValueOptions one-twelfth draw each month to allow ValueOptions to pay providers more quickly, and; 3. new billing procedures for some providers, which took some time for providers to get used to.

"ValueOptions has proactively developed and implemented a variety of corrective action plans that will go a long way toward resolving outstanding issues," said Matthew Onstott, Oversight Team Liaison and Deputy Director of the Medical Assistance Division of the Human Services Department. "The Oversight Team will continue to closely monitor claims payments to make sure this progress continues."

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A large number of problems identified related to the high percentage (79 percent) of claims that needed to be reviewed and processed manually in New Mexico. Manual review is very time consuming and can lead to large balances of unprocessed claims, which means a longer time lag before providers can be paid for their services.

“ValueOptions has aggressively addressed the processing issues by providing free electronic claims submission tools and intensive provider training to help in the submission of claims,” said Pamela Galbraith, ValueOptions New Mexico CEO. A new step-by-step enrollment/billing manual will be available to providers beginning December 15, 2006 to help ensure more accurate billing and therefore more timely payments.

As of October 2006, over 97 percent of clean claims were paid within 30 days and 99.8 percent were paid within 90 days.

As of September 27, 2006, approximately 70,500 individuals have been served through ValueOptions, and claims and billing are still coming in. The ValueOptions contract for FY 2006 included approximately \$300 million for behavioral health services for children, adults and families, 8.6 percent of which was utilized by ValueOptions for administration, including taxes paid to the State of New Mexico and some community reinvestment dollars.

The complete claims report can be found on the Collaborative website at www.bhc.state.nm.us under the news/resources section.

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