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For Immediate Release

Two Behavioral Health Companies Agree to Sever Ties with TeamBuilders and Repay State More Than \$4.2 Million

HSD Lifts Medicaid Pay-hold, Starts Intensive Training and Oversight Process for Presbyterian Medical Services and Youth Development, Inc.

Santa Fe – Today, the New Mexico Human Services Department (HSD) announced the release of two additional Medicaid pay-holds to agencies audited by the State earlier this year. Both agencies are severing ties with TeamBuilders and its various corporate and non-profit affiliates and will together agree to repay **\$4,240,000** in behavioral health funding alleged to have been improperly billed to the Medicaid system.

Presbyterian Medical Services (PMS) and Youth Development, Inc. (YDI) received the lift on their pay-holds after agreeing to pay back overpayment amounts found by a recent audit of behavioral health companies in New Mexico. PMS will repay \$4,000,000 and YDI will repay \$240,000. PMS and YDI will also be subject to intensive new training and oversight of its management until billing and management systems are fully operational and determined to be sound.

Each of the companies will continue to provide behavioral health services to their clients, though Valle del Sol will provide temporary oversight of YDI and La Frontera will provide temporary oversight of PMS. Among other tasks, Valle del Sol and La Frontera will train and provide technical assistance to staff members at each company, ensure program compliance with state and federal laws and rules, require accurate and timely billing (including pre-submission review of claims), and assist in developing new performance measures.

“We have a responsibility to protect taxpayer dollars and to ensure that consumers are receiving continued access to care. This is a positive outcome that allows us to recoup a significant portion of the Medicaid funding that has been identified as overpayments,” said HSD Secretary Sidonie Squier. “PMS and YDI should be commended for working with the State from the get-go to improve service delivery, acknowledge the need to repay overpayments assigned to their work, and sever ties with other troubled entities.”

PMS and YDI are not among the behavioral health companies with the most serious or numerous whistleblower complaints against them, which include allegations that, in other companies, employees were told to intentionally up-code services as a means of siphoning extra money out of the Medicaid system, told to bill for services never provided, or told to obstruct the reporting of critical incidents to



proper authorities and regulators. Additionally, neither PMS nor YDI are as deeply engrained in the complex financial relationships and potential conflicts of interest that exist around the entities that comprise the seven Rio Grande behavioral health care companies and the numerous not-for profit and for-profit companies that are closely related to TeamBuilders.

Today's announcement is separate and distinct from, and has no bearing on, the continuing criminal investigation being conducted by state and federal authorities into the conduct of all 15 companies audited this year.

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