



State of New Mexico
 Medical Assistance Program Manual
Supplement



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TO: MANAGED CARE ORGANIZATIONS, THIRD PARTY ASSESSOR, AND ALL HEALTH CARE PROVIDERS

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SUBJECT: NEW MEXICO HEALTH INSURANCE PRIOR AUTHORIZATION ACT

The purpose of this Supplement is to detail the requirement of the New Mexico Health Insurance Prior Authorization Act applicable to all health insurers.

Effective immediately, the Prior Authorization Act requires that expedited prior authorization requests be adjudicated within twenty-four (24) hours and routine prior authorization requests be adjudicated within seven (7) business days after receipt of all necessary and relevant documentation supporting a prior authorization request. The Prior Authorization Act also states that Prior Authorizations shall be deemed granted for determinations not made within the twenty-four (24) hour and seven (7) business days turn-around time.

Effective January 1, 2020, all health insurers shall implement the New Mexico Uniform Prior Authorization form for non-emergency medical and pharmaceutical benefits, defined in the Act as “medical, behavioral, hospital, surgical, physical rehabilitation and home health services, and includes pharmaceuticals, durable medical equipment, prosthetics, orthotics and supplies.” The New Mexico Uniform Prior Authorization form will be required for all prior authorization requests via an easily accessible, secure electronic portal. Prior Authorization requests that are not submitted utilizing the New Mexico Uniform Prior Authorization form must be returned to the requesting provider for resubmission utilizing the New Mexico Prior Authorization form.

Effective January 1, 2021, all health insurers must have a system in place for auto-adjudication of prior authorization requests. Auto adjudicated requests should be set to either approve or pend until a final determination can be made. Health insurers must provide an electronic receipt and assign a tracking number of the prior authorization request to the health care provider.

The Office of the Superintendent of Insurance will maintain a log of complaints against health insurers for failure to comply with the Prior Authorization Act. After two (2) warnings issued by the Superintendent of Insurance, the Office of Superintendent may levy a fine of not more than five thousand dollars (\$5,000) on a health insurer or NM Medicaid (for Fee for Service) for failure to comply with the provisions of the Prior Authorization Act.

If there are further questions regarding this Supplement, please contact Kim Carter at Kim.Carter@state.nm.us or 505-827-3131.