

New Mexico

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1. MANAGED CARE OPPORTUNITY ASSESSMENT (UPDATED 5-10-24)

New Mexico will begin its next cycle of contracts for the state’s Turquoise Care (previously Centennial Care) Medicaid managed care program on July 1, 2024. The state awarded the contracts for this term to Blue Cross and Blue Shield of New Mexico; UnitedHealthcare of New Mexico; Molina Healthcare of New Mexico, Inc.; and Presbyterian Health Plan. The state selected Presbyterian Health Plan as the sole managed care entity serving most children in state custody.

The state’s Medicaid program is largely operated under a Medicaid section 1115 demonstration program. The current demonstration authority for Turquoise Care expires December 31, 2024, and the renewal is currently pending with CMS. New initiatives in the request include continuous Medicaid coverage through age six, increased access to home visiting programs to improve pregnancy outcomes and the health of babies, expanded access to home delivered food and nutrition needs, added housing support following an inpatient or emergency visit, new member-directed traditional healing benefits for Native Americans, Medicaid services for high-need justice-involved populations 30 days prior to their release, and investments in a statewide system to help connect providers and community organizations to address health related social needs.

New Mexico Medicaid Managed Care Program				
Program	Population	Carved In (Y/N)		
		Behavioral	LTSS	Pharmacy
Turquoise Care (Formerly Centennial Care)	Traditional and Expansion Medicaid	Y	Y	Y

Prior to implementation of the Turquoise Care program, New Mexico’s Medicaid managed care plans held four-year contracts effective January 1, 2019, through June 30, 2024. Plans in this term were Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan, and Centene/Western Sky Community Care. The program integrates long-term care, physical, and behavioral health services for approximately 719,000 individuals. Medicaid plans in the state generated \$6.3 billion in premiums in 2022 and averaged an 82.7% medical loss ratio.

HMA Managed Medicaid Opportunity Assessment for New Mexico	
Positive Metrics	Strong Indicators
<ul style="list-style-type: none"> Of New Mexico’s total Medicaid enrollment, 92.2% were enrolled in managed care in 2022. 	<ul style="list-style-type: none"> New Mexico’s Turquoise Care Medicaid managed care program carves in physical, behavioral, long-term care, and home and community-based services. New Mexico is an expansion state.
Negative Metrics	Weak Indicators
<ul style="list-style-type: none"> MLRs among three New Mexico Medicaid managed care plans averaged 82.7% in 2022. 	<ul style="list-style-type: none"> Over the last decade, New Mexico reduced the number of health plans serving the state from seven to three.
Source: HMA	

New Mexico is an expansion state, and most newly eligible expansion members receive coverage through Turquoise Care. While the vast majority of the state's Medicaid population is in managed care, the state was required by CMS to offer a fee-for-service option for Native Americans. The state implemented a Community Supports 1915(c) waiver in 2020 to provide home and community-based services for individuals with autism and intellectual and developmental disabilities.

2. MANAGED MEDICAID PLAN FINANCIALS

Average medical loss ratio among four New Mexico Medicaid plans was 82.7% in 2022. Per member per month premiums among the three plans was \$645.

(Note: Financial metrics and comparisons presented in this overview are based on health plan NAIC filings in the state. Measures like per member per month premiums and medical loss ratios may vary greatly by plan and by state depending on the mix of business (e.g., TANF, ABD, etc.), scope of the state's Medicaid benefit package, geographic variations in the cost of care, and other factors.)

New Mexico Medicaid Managed Care Plan Financials, 2022

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
BCBS-NM/HCSC Insurance Services	N	297,104	3,538,868	\$687.47	\$2,432,862	\$2,059,237	102.0%
Centene/Western Sky Community Care	Y	90,561	1,058,459	\$594.45	\$629,202	\$537,827	85.3%
Presbyterian Health Plan Inc.	N	426,798	5,122,462	\$625.99	\$3,206,635	\$2,566,969	80.2%
Total, NM Medicaid Plans		814,463	9,719,789	\$644.94	\$6,268,699	\$5,164,033	82.7%

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

New Mexico Medicaid Managed Care Plan Financials, 2021

Plan	Publicly Traded	Enrollment	Member Months	PMPM	Premiums Earned (000)	Medical Costs (000)	MLR ⁽¹⁾
BCBS-NM/HCSC Insurance Services	N	289,583	3,360,374	\$631.03	\$2,120,480	\$1,700,759	89.1%
Centene/Western Sky Community Care	Y	84,814	990,369	\$560.51	\$555,113	\$482,201	86.7%
Presbyterian Health Plan Inc.	N	421,770	4,973,873	\$579.72	\$2,883,476	\$2,360,116	82.0%
Total, NM Medicaid Plans		796,167	9,324,616	\$596.17	\$5,559,069	\$4,543,077	83.0%

(1) After reinsurance recoveries.

Source: S&P Global Market Intelligence, NAIC, HMA

3. RFP DEVELOPMENTS AND ANALYSIS

New contracts for New Mexico’s Turquoise Care (previously Centennial Care) Medicaid managed care program begin July 1, 2024, and end December 31, 2026. The state’s Department of Human Services awarded contracts to Blue Cross and Blue Shield of New Mexico; UnitedHealthcare of New Mexico; Molina Healthcare of New Mexico, Inc.; and Presbyterian Health Plan after the state ethics commission overturned the Governor’s cancellation of the procurement. The managed care organizations (MCOs) are responsible for physical health, behavioral health, and long-term care needs. Each MCO offers a package of Value-Added Services that may be different for each MCO.

Native Americans who are eligible for Medicaid have the choice to enroll in Turquoise Care by opting in to managed care. They are not required to enroll in managed care unless they are eligible for long-term services and supports.

The state selected Presbyterian Health Plan as the managed care entity serving most children in state custody. Native American children in state custody may choose any MCO or fee-for-service.

Regarding value-based care, the MCOs must implement a value-based purchasing (VBP) program that demonstrates how the health plan will meet VBP required components, includes a VBP strategy for achieving VBP targets in each VBP component area during the contract period, and submits a quarterly VBP report. The MCOs must meet minimum targets for three levels of VBP arrangements, and they are required to include their payments to behavioral health community providers in their VBP arrangements.

In addition, the contracts include new care coordination provisions that require MCOs have agreements with community-based organizations that offer resources necessary to address health related social needs (HRSNs). The HRSNs can include housing resources, vocational programs, food banks, and support groups, among others.

Prior to the July 1, 2024, contract term, New Mexico’s Centennial Care 2.0 Medicaid managed care plans were awarded four-year contracts effective January 1, 2019, and these were extended through June 30, 2024. The contracted plans are Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan, and Centene/Western Sky Community Care. Western Sky Community Care was not selected for the new contract cycle that starts July 1, 2024.

New Mexico Medicaid RFP Calendar		
Contract	Key Deadlines	# of Beneficiaries
Turquoise Care (Formerly Centennial Care 2.0)	RFP Release: September 30, 2022 Notices of Intent to Award: August 2023 Implementation: July 1, 2024	719,000

Source: New Mexico Human Services Department, HMA

Centennial Care was implemented in January 2014, when the state overhauled its Medicaid program through a section 1115 demonstration program. Centennial Care consolidated six separate Medicaid managed care programs (Salud!, State Coverage Insurance, Behavioral Health Services, CoLTs, MiVia and Personal Care Options) into one program. The goals were simplified administration and improved care coordination – especially for members with complex healthcare needs. Centennial Care also initially reduced the number of health plans serving the state’s Medicaid population from seven to four, then in 2019 from four to three. The state received approval for an 1115 demonstration renewal application in December 2018 that made significant changes to the program by implementing co-pays for non-emergency use of the hospital emergency

department and non-preferred prescription drugs for Medicaid members, implementing premiums for members of the adult Medicaid expansion group, and eliminating retroactive eligibility for some population groups. However, CMS approved the removal of these programmatic changes effective February 2020.

4. MANAGED CARE ENROLLMENT UPDATE

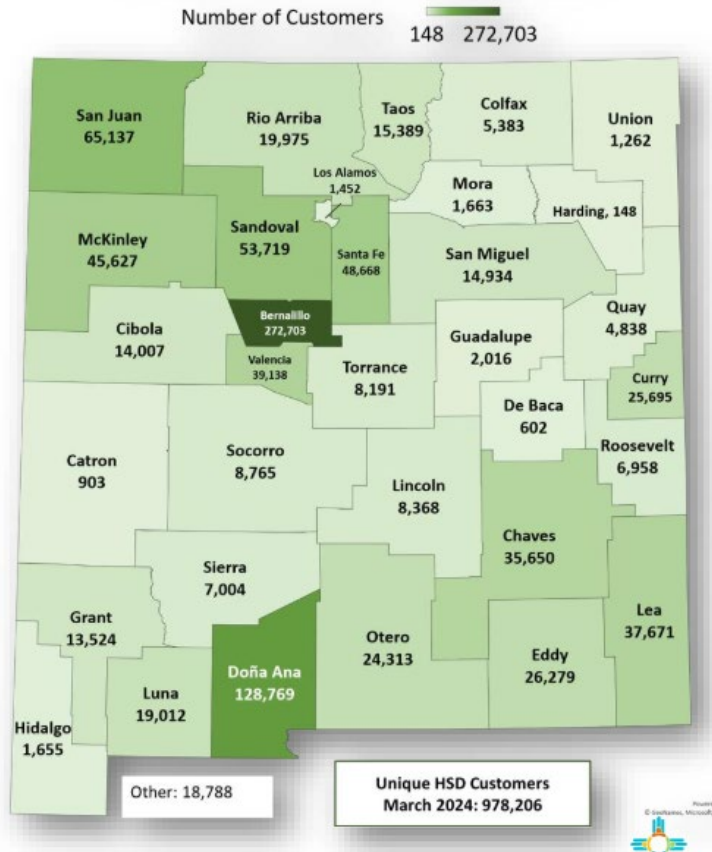
New Mexico Medicaid managed care enrollment is down 11.8% at approximately 719,000 at year-end 2023 compared to year-end 2022, after increasing 2.3% in 2022, increasing 6.5% in 2021, increasing 11.6% in 2020, increasing 1.6% in 2019, and decreasing 0.7% in 2018 and 3.7% in 2017. New Mexico awarded contracts effective January 2019 for the state's Centennial Care Medicaid managed care program to Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan and Centene/Western Sky Community Care. Presbyterian Health Plan took on 85,000 of United's Medicaid members.

Enrollment in New Mexico Medicaid Managed Care by Plan, 2017-23							
Plan	2017	2018	2019	2020	2021	2022	2023
BCBS-NM/Health Care Service Corp.	136,785	158,613	236,328	268,223	289,615	297,426	260,299
<i>+/- between reporting periods</i>	<i>(4,097)</i>	<i>21,828</i>	<i>77,715</i>	<i>31,895</i>	<i>21,392</i>	<i>7,811</i>	<i>(37,127)</i>
<i>% between reporting periods</i>	<i>-2.9%</i>	<i>16.0%</i>	<i>49.0%</i>	<i>13.5%</i>	<i>8.0%</i>	<i>2.7%</i>	<i>-12.5%</i>
<i>% of total</i>	<i>20.6%</i>	<i>24.0%</i>	<i>35.2%</i>	<i>35.8%</i>	<i>36.3%</i>	<i>36.5%</i>	<i>36.2%</i>
Centene/Western Sky	0	0	61,164	79,373	85,860	91,466	87,517
<i>+/- between reporting periods</i>			<i>NM</i>	<i>18,209</i>	<i>6,487</i>	<i>5,606</i>	<i>(3,949)</i>
<i>% between reporting periods</i>			<i>NM</i>	<i>29.8%</i>	<i>8.2%</i>	<i>6.5%</i>	<i>-4.3%</i>
<i>% of total</i>	<i>0.0%</i>	<i>0.0%</i>	<i>9.1%</i>	<i>10.6%</i>	<i>10.8%</i>	<i>11.2%</i>	<i>12.2%</i>
Presbyterian Health Plan Inc.	216,619	305,095	373,205	400,787	421,840	426,906	371,569
<i>+/- between reporting periods</i>	<i>(10,529)</i>	<i>88,476</i>	<i>68,110</i>	<i>27,582</i>	<i>21,053</i>	<i>5,066</i>	<i>(55,337)</i>
<i>% between reporting periods</i>	<i>-4.6%</i>	<i>40.8%</i>	<i>22.3%</i>	<i>7.4%</i>	<i>5.3%</i>	<i>1.2%</i>	<i>-13.0%</i>
<i>% of total</i>	<i>32.6%</i>	<i>46.2%</i>	<i>55.6%</i>	<i>53.6%</i>	<i>52.9%</i>	<i>52.3%</i>	<i>51.7%</i>
Molina Healthcare of NM Inc.	224,360	196,235	0	0	0	0	0
<i>+/- between reporting periods</i>	<i>(8,876)</i>	<i>(28,125)</i>	<i>(196,235)</i>				
<i>% between reporting periods</i>	<i>-3.8%</i>	<i>-12.5%</i>	<i>-100.0%</i>				
<i>% of total</i>	<i>33.7%</i>	<i>29.7%</i>	<i>0.0%</i>				
UnitedHealthcare of New Mexico	87,061	0	0	0	0	0	0
<i>+/- between reporting periods</i>	<i>(1,718)</i>	<i>(87,061)</i>					
<i>% between reporting periods</i>	<i>-1.9%</i>	<i>-100.0%</i>					
<i>% of total</i>	<i>13.1%</i>	<i>0.0%</i>					
Total, 3 NM plans⁽²⁾	664,825	659,943	670,697	748,383	797,315	815,798	719,385
<i>+/- between reporting periods</i>	<i>(25,220)</i>	<i>(4,882)</i>	<i>10,754</i>	<i>77,686</i>	<i>48,932</i>	<i>18,483</i>	<i>(96,413)</i>
<i>% between reporting periods</i>	<i>-3.7%</i>	<i>-0.7%</i>	<i>1.6%</i>	<i>11.6%</i>	<i>6.5%</i>	<i>2.3%</i>	<i>-11.8%</i>

Source for enrollment: NM Health Services Dept. (2) 5 plans in 2013, 4 plans in 2014-17, 3 plans in 2018-23.

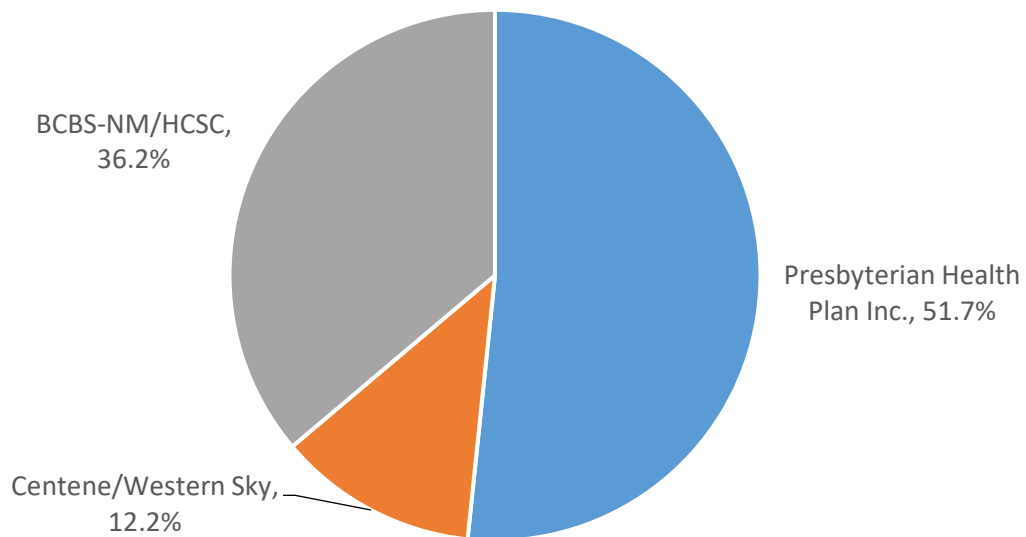
Source: SNL Financial, NAIC, New Mexico Health Services Dept., HMA

Unique HSD Customers, March 2024



Source: New Mexico Human Services Department, March 2024

New Mexico Managed Medicaid Market Share by Total Enrollment, December 2023



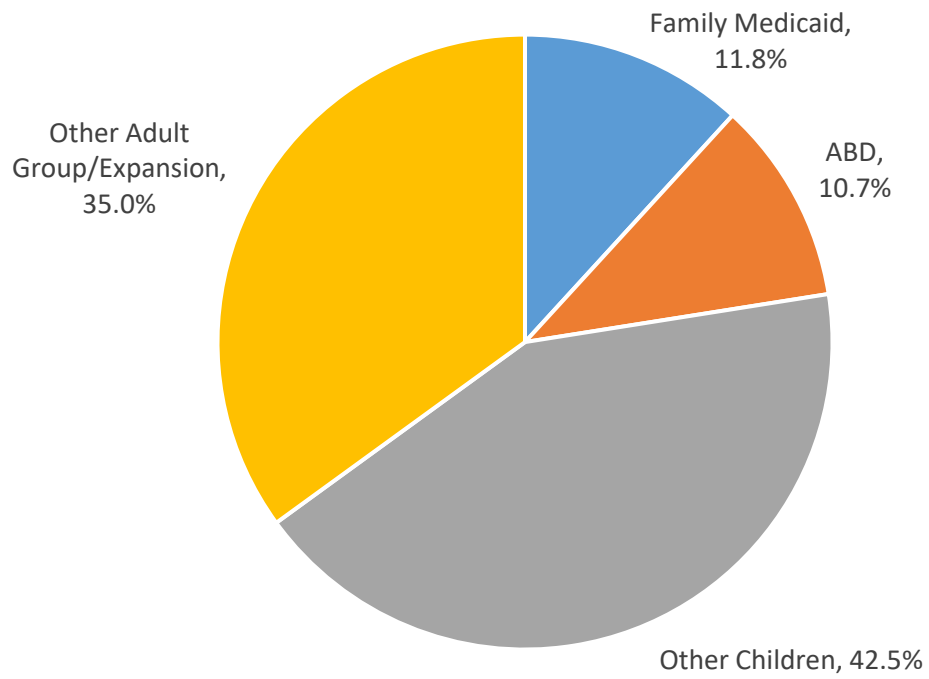
Source: NM Health Services Dept., HMA

Enrollment in New Mexico by Eligibility Category by Plan, 2023

	Blue Cross Blue Shield	Centene/ Western Sky	Presbyterian Health Plan	Total
Family Medicaid				
Parents and Care Takers	25,762	7,921	36,115	69,798
Pregnant Women	2,316	933	2,629	5,878
Refugees and Repatriates	0	0	0	0
Transitional Medicaid	3,546	705	4,747	8,998
Family Planning	0	0	0	0
Total Family Medicaid	31,624	9,559	43,491	84,674
<i>% of total</i>	12.1%	10.9%	11.7%	11.8%
ABD				
Working Disabled	1,335	498	1,980	3,813
Institutional Care	1,110	219	1,226	2,555
Developmentally Disabled	2,511	516	4,328	7,355
HCBS waiver	2,489	566	3,314	6,369
Qualified Medicare Beneficiary	0	0	0	0
Medicare Premium Only	0	0	0	0
Supplemental Security Income Related	17,763	6,683	32,606	57,052
Breast and Cervical Cancer	58	10	44	112
Total ABD	25,266	8,492	43,498	77,256
<i>% of total</i>	9.7%	9.7%	11.7%	10.7%
Other Children				
Children, including CHIP and not in another category	106,428	33,408	159,800	299,636
CYFD Children	1,783	861	3,633	6,277
Total Other Children	108,211	34,269	163,433	305,913
<i>% of total</i>	41.6%	39.2%	44.0%	42.5%
Other Adult Group/Expansion	95,198	35,197	121,147	251,542
<i>% of total</i>	36.6%	40.2%	32.6%	35.0%
TOTAL	260,299	87,517	371,569	719,385

Source: New Mexico Health Services Dept., HMA

Enrollment in New Mexico by Eligibility Category, December 2023



5. MEDICAID FEE FOR SERVICE VS. MANAGED CARE PENETRATION

Total Medicaid enrollment in New Mexico was over 884,000 in 2022. About 92.2% of Medicaid beneficiaries were enrolled in a managed care plan. The remainder are in fee-for-service Medicaid. (Note: HMAIS also carries CMS monthly total Medicaid enrollment reports broken down by state; [click here](#)). Total Medicaid expenditures in New Mexico were \$8.3 billion in 2022, with about 82.1% through managed care and the rest through fee-for-service.

New Mexico Expenditures and Enrollment for Total Medicaid vs. Medicaid Managed Care, 2014-22						
Year	Total Medicaid Expenditures	Medicaid Managed Care Expenditures ⁽¹⁾	Medicaid Managed Care Expenditures as % of Total	Total Medicaid/CHIP Enrollment	Medicaid MCO Enrollment	Medicaid MCO Enrollment as % of Total
2022	\$8,257,965,730	\$6,777,537,824	82.1%	884,416	815,798	92.2%
2021	\$6,868,750,735	\$5,754,299,608	83.8%	866,606	797,315	92.0%
2020	\$6,287,136,348	\$5,253,872,674	83.6%	818,279	748,383	91.5%
2019	\$5,262,891,223	\$4,246,226,641	80.7%	737,554	670,697	90.9%
2018	\$5,112,309,656	\$4,116,771,779	80.5%	728,327	659,943	90.6%
2017	\$4,804,465,265	\$3,810,098,125	79.3%	743,780	664,825	89.4%
2016	\$5,339,766,195	\$4,461,697,022	83.6%	769,759	687,164	89.3%
2015	\$4,920,345,001	\$4,138,211,624	84.1%	735,391	649,599	88.3%
2014	\$4,168,980,357	\$3,297,964,360	79.1%	687,829	602,334	87.6%

(1) Includes evaluation and management, vaccine codes, Community First Choice, and preventive services Grade A or B, ACIP vaccines and their administration, Prepaid Ambulatory Health Plans, and Prepaid Inpatient Health Plans.

Sources: CMS64 for expenditures. CMS for total Medicaid/CHIP enrollment. States, NAIC for Medicaid managed care enrollment.

6. SNPs AND DUAL ELIGIBLES

New Mexico had 35,995 Special Needs Plan members as of November 2023.

The Turquoise Care contracts that start July 1, 2024, require MCOs to, by January 1, 2025, have a Dual Eligible Special Needs Plan (D-SNP) agreement with CMS, and agree to other terms and conditions in the State Medicaid Agency Contract. The MCOs must provide and coordinate Medicare benefits to Dual Eligible Members enrolled in its D-SNP. The MCOs also must ensure that all available Medicare claims data, including data from the MCO's D-SNP, is captured in the MCO's information system(s) and that the data is shared on quarterly basis with care coordinators and others as needed. The state also requires the MCOs to share Medicare hospital and Nursing Facility admissions and discharge information.

New Mexico SNP Enrollment by Plan, November 2023					
Plan	Total SNPs	DSNPs	CSNPs	ISNPs	Share
Presbyterian Health Plan	16,591	16,591			46.1%
Centene	8,574	8,574			23.8%
UnitedHealthcare	6,863		6,863		19.1%
HCSC/GHS	3,967	3,967			11.0%
Totals	35,995	29,132	6,863	0	100.0%

Source: CMS, HMA