



STATE OF NEW MEXICO
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NEWS RELEASE

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New Mexico Medicaid works with providers to address hiccups over new federal electronic visit verification requirements and change in financial managers

SANTA FE – New Mexico Medicaid officials are working with their managed care partners, vendors, and individual providers to remedy challenges that have occurred with implementing the new federal electronic visit verification system requirements for home caregivers and a change in financial managers.

Beginning January 1, 2021, the federal government requires care givers and home health care agencies that provide personal care services to utilize electronic visit verification or risk having their Medicaid claims denied, under a mandate included in the 21st Century Cures Act. Electronic visit verification is a method used to verify home healthcare visits to ensure patients are not neglected and to cut down on fraudulently documented home visits. States who are not in compliance with the electronic visit verification requirements are subject to a reduction in the federal Medical assistance percentage (FMAP), which is the funding used to support the states' Medicaid programs.

"I am personally committed to making sure that we address these issues quickly and completely," said Medicaid Director, Nicole Comeaux. "This has been such a difficult time for so many New Mexicans and we apologize that these payment changes may have resulted in any additional stress for these families."

As part of this implementation the New Mexico Medical Assistance Division transitioned from their previous financial management agency, TNT Fiscal Intermediary Services, to a new vendor, Palco who has extensive experience with electronic visit verification. Palco receives and processes payment for the employees and vendors. The first payroll cycle was completed on January 15, 2021 and the Medicaid division has identified that while all provider payments were made timely, the transfer of data from the previous vendor to the new vendor has resulted in some providers receiving paper checks rather than direct deposit, and some changes to payments amounts as a result of tax exemption status.

"We are proud of our success and close partnership with the New Mexico Medical Assistance Division, Department of Health and Human Services Department in operationalizing electronic visit verification on an accelerated timeframe, and we look forward to continue providing innovative solutions to New Mexico families," said Alicia Paladino, chief executive officer for Palco. "We are reissuing payments daily and correcting any inaccurate information previously supplied to us, so that we can avoid future hardships for families."

The New Mexico Medical Assistance Division is working diligently with its sister agency, managed care partners, and all of its vendors to ensure that these issues are remedied as quickly as possible. The agency held three provider information sessions: two January 15, 2021, and one January 22, 2021,

emailed all providers clarifying information, and initiated a direct call campaign. Almost three thousand outbound calls have been made to those providers we believe may have been impacted to date.

Accurate information is critical to ensuring that providers don't encounter any further issues. Providers who believe that there are issues with their payments should take three steps:

1. Check to make sure their address is correct in the system.
2. Submit a Payroll Information Worksheet if they don't wish to receive a paper check.
3. Submit a Payroll Information Worksheet and/or tax forms to ensure their exemption status is correct.

All of the materials are available here: <https://palcofirst.com/new-mexico/>. Individuals can also call the Consolidated Customer Service Center (1-800-283-4465) and press "five" for address and payroll/paycheck issues.

The New Mexico Human Services Department (HSD) Medical Assistance Division (MAD) operates a number of waiver programs in coordination with the New Mexico Department of Health (DOH) that are intended to help elderly individuals, as well as those with intellectual and developmental disabilities receive care in their home or community as an alternative to being placed in a long-term care or residential facility. These programs include the Developmental Disabilities Wavier (DDW), the Mi Via (self-directed) Waiver, the Supports Waiver (SW), and the Home and Community Based Waiver called Community Benefit (CB).

Participants Served:

Developmental Disabilities Wavier (DDW)	3,242
Mi Via (self-directed) Waiver	1,801
Supports Waiver (SW)	17
Self-directed Community Benefit (SDCB)	2,332
Total	9,741

Individuals in these programs receive services such as personal care, nutritional counseling, and behavior support consultation through their providers who can be family members as well as professionals such as occupational therapists.

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