



HEALTH CARE
AUTHORITY



HCA LFC PRESENTATION

MAY 19, 2026

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INVESTING FOR TOMORROW, DELIVERING TODAY.

MISSION

We ensure New Mexicans attain their highest level of health by providing whole-person, cost-effective, accessible, and high-quality health care and safety-net services.



HEALTH CARE
AUTHORITY

VISION

Every New Mexican has access to affordable health care coverage through a coordinated and seamless health care system.

GOALS



LEVERAGE purchasing power and partnerships to create innovative policies and models of comprehensive health care coverage that improve the health and well-being of New Mexicans and the workforce.



ACHIEVE health equity by addressing poverty, discrimination, and lack of resources, building a New Mexico where everyone thrives.



BUILD the best team in state government by supporting employees' continuous growth and wellness.



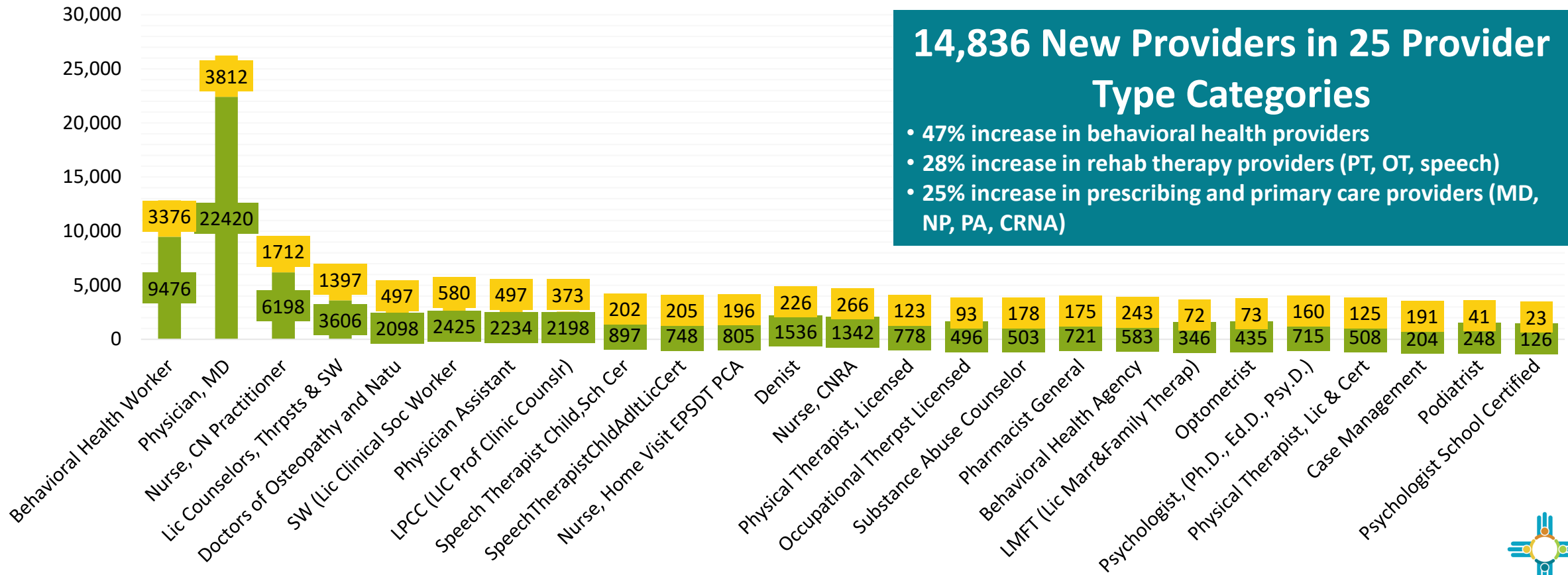
IMPLEMENT innovative technology and data-driven decision-making to provide unparalleled, convenient access to services and information.

MEDICAID PROVIDER NETWORK GROWTH

MEDICAID HAS ADDED 14,836 NEW PROVIDERS SINCE THE BEGINNING OF TURQUOISE CARE

Medicaid Provider Enrollment Increases Since Turquoise Care Start (July 2, 2024-May 7, 2026)

■ 05/7/2026 Total Enrollment ■ Total Increase by Provider Type



14,836 New Providers in 25 Provider Type Categories

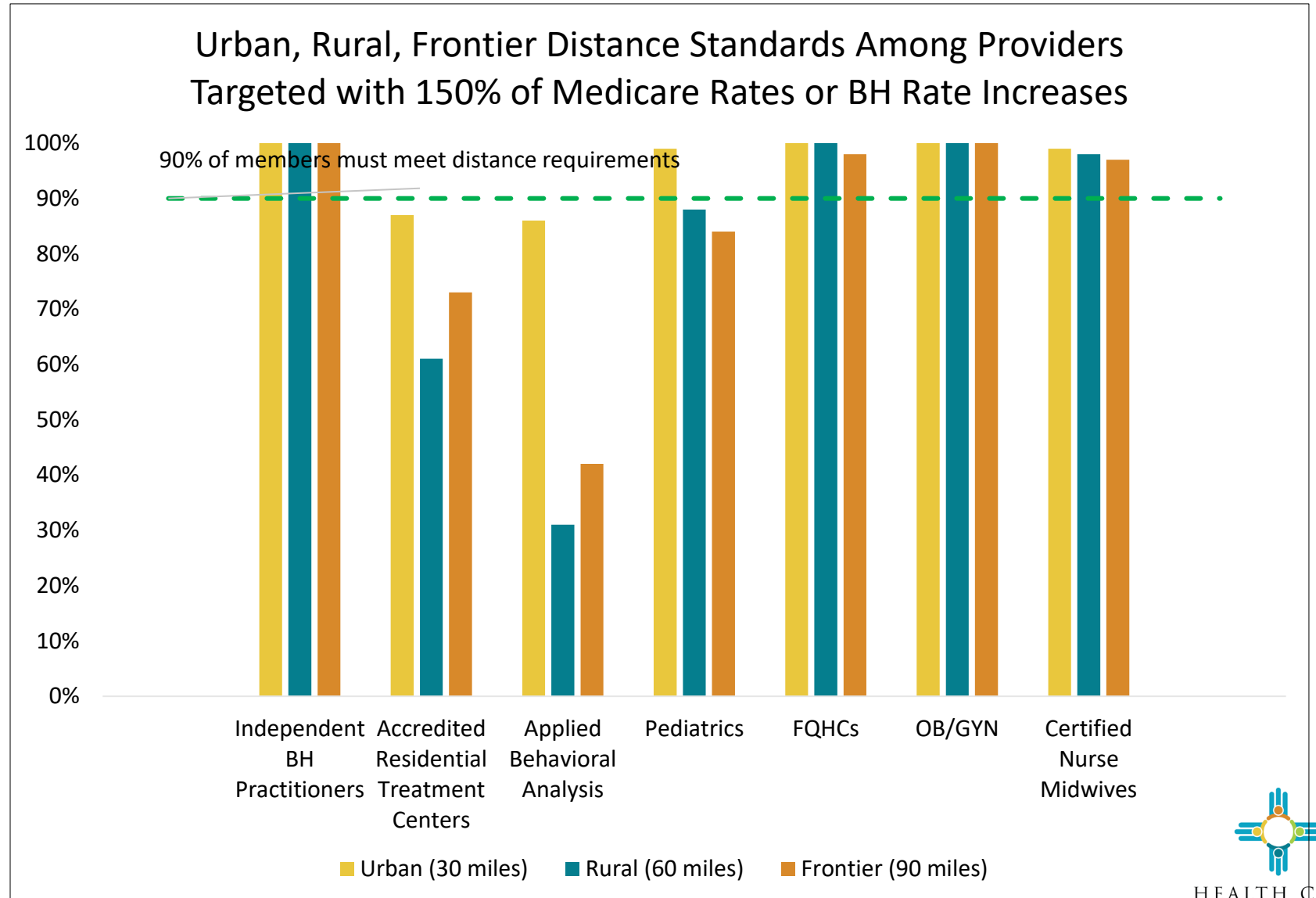
- 47% increase in behavioral health providers
- 28% increase in rehab therapy providers (PT, OT, speech)
- 25% increase in prescribing and primary care providers (MD, NP, PA, CRNA)



DISTANCE STANDARDS LARGELY MET WITH PROVIDER TYPES WHO EXPERIENCED TARGETED RATE INCREASES

Provider Types meeting 90% distance requirements in urban/rural/frontier areas:

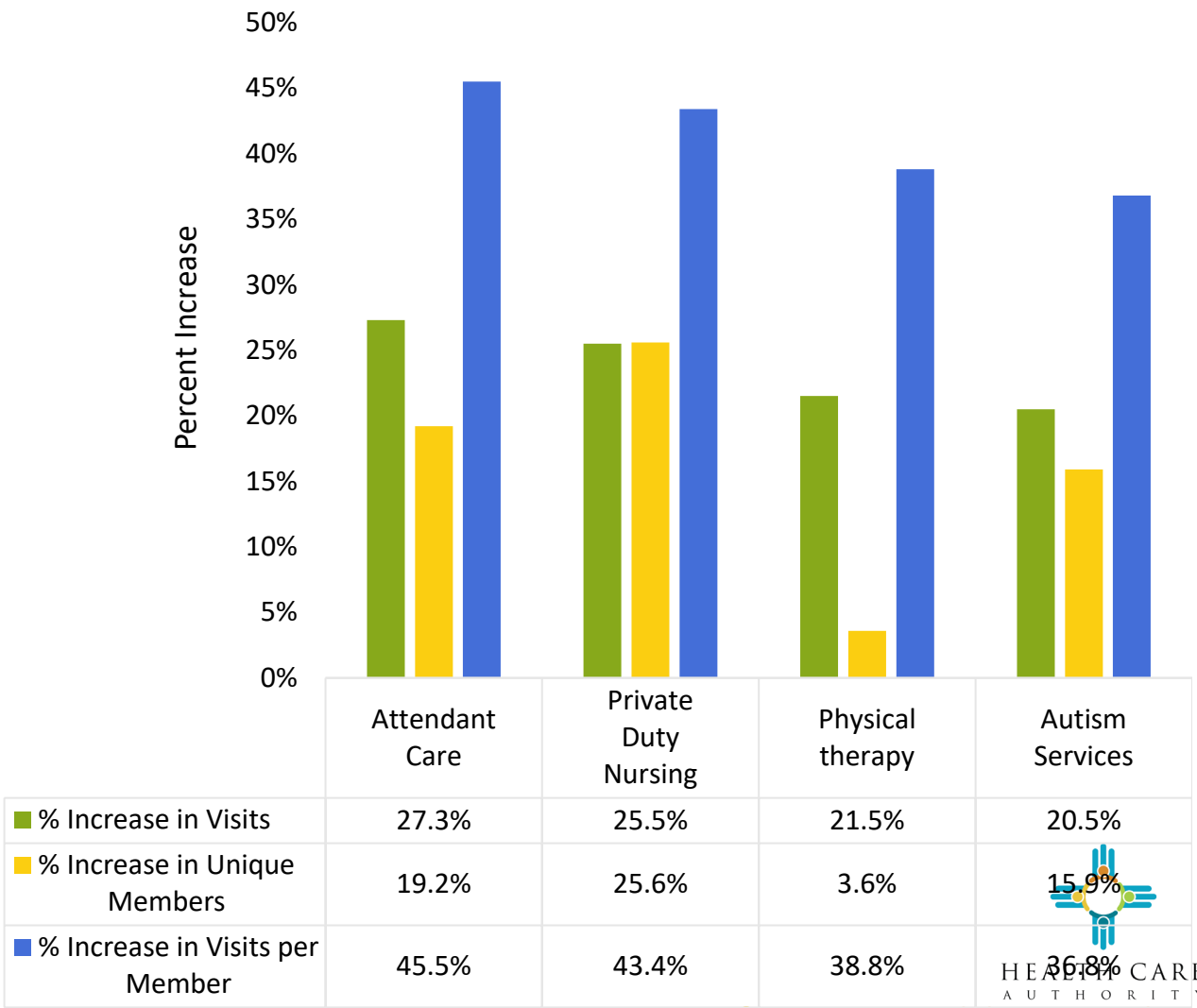
- Independent BH providers
- Audiologists
- Behavior Analyst
- Behavioral Health Agency
- Cardiology
- Certified Nurse Midwives
- Comprehensive Community Support Services
- Dental
- Pediatric Dental
- General Hospitals
- Lab
- NEMT
- Nurse Anesthetist
- Nursing Facilities
- OB/GYN
- Optometry
- Dialysis
- Personal Care Services
- Physician Assistant
- Podiatrist
- Pediatric Podiatrist
- Radiology including x-ray



HB2 RATE INCREASES ARE WORKING: MORE PROVIDERS, MORE CARE FOR NEW MEXICANS

- In partnership with the Legislature, HCA has increased Medicaid rates in 2023, 2024, and 2025.
 - In 2023 most rates with a Medicare equivalent went to 100%. Behavioral health, primary care and maternal/child health set at 120% of Medicare.
 - In 2024 all additional rates with a Medicare equivalent went to 100%. Behavioral health, primary care, and maternal/child health set at 150% of Medicare.
 - In 2025 several large rate increases for behavioral health rates with no Medicare equivalent.
- Increased rates created a larger number of providers enrolled in Medicaid and offering services.
- More members accessed services, including members who were currently in care and accessing more frequent services.

NM Medicaid Increase in Visits, Unique Members, and Visits per Member, CYs 2023 to 2024 (%)



NM LEADING THE NATION ON HEALTH CARE COVERAGE

INSIGHTS

- **67,418** New Mexicans benefitting from HCA affordability programs on the BeWell Marketplace
- The average BeWell enrollee saves **\$237 a month** on monthly payments and out-of-pocket costs from state subsidies
- **NM led the nation in enrollment (17% increase)** while enrollment fell 5.4% nationally

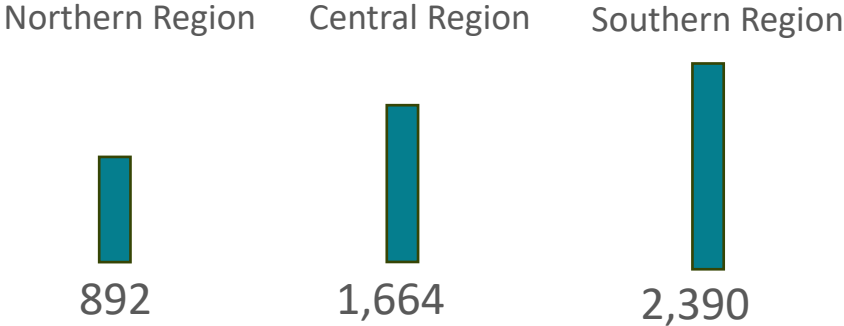
PROTECTING COVERAGE FOR NEW MEXICANS

Keeping NM Covered

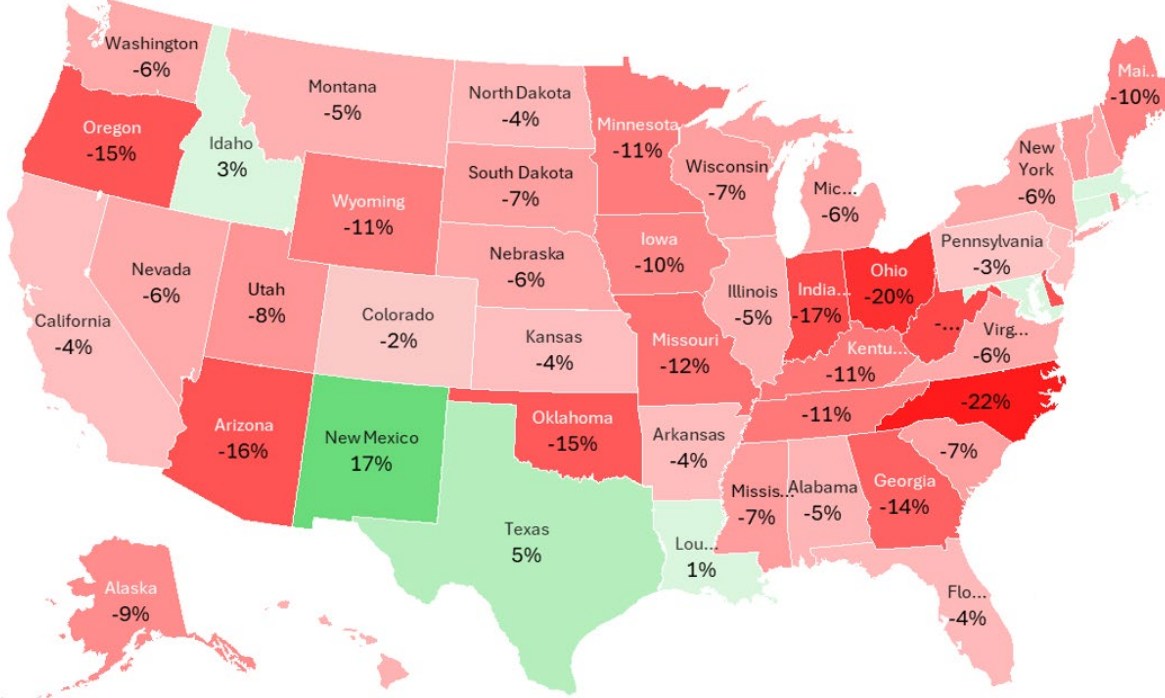
61,069 BeWell enrollees 100-400% FPL	5,350 BeWell enrollees over 400% FPL
999 BeWell enrollees under 100% FPL	80 DACA recipients covered

STATEWIDE IMPACT

ENROLLMENT GROWTH BY REGION (MAY 2025 TO MAY 2026)



Health Insurance Marketplace Enrollment Change from 2025 to 2026, by State (5.4% decrease nationally)



Sources: [CMS 2025 and 2026 Marketplace Open Enrollment Public Use Files](#); BeWell data as of end of Open Enrollment



HEALTH CARE AUTHORITY

Investing for tomorrow, delivering today.

BH POLICY UPDATE

MANATT FEASIBILITY STUDY RESULTS

BH FEASIBILITY STUDY RECOMMENDATIONS

NM Legislature appropriated \$1M in FY25 to conduct Medicaid behavioral health feasibility study, completed Jan. 2026
Report posted on [Behavioral Health Assessment and Feasibility Study](#) web page

Priority Recommendations

To build on strengths/address gaps in the current system – especially for the approx. **1% of the Medicaid population with complex BH issues and/or brain injury** – the state could consider six major strategies:

1. Increase access to **already-covered BH and brain injury services**
2. Leverage existing initiatives to **expand permanent supportive housing and transitional housing**
3. Streamline and strengthen **navigational tools**
4. Expand **community-based services** for people with complex BH conditions and/or brain injury
5. Strengthen the **foundational elements** of the BH system (workforce, transportation, education)
6. Adopt **tailored strategies** for people with brain injury, children and youth, individuals requiring nursing home placement, and individuals with substance use disorder (SUD)

Addressed
in SB3

Does New Mexico Need a Waiver?

The Feasibility Study **does not recommend a new Medicaid waiver.**

- Instead, after **5-7 years experience with SB 3 implementation**, and **if needed**, the study suggests that NM may consider a specific Home and Community Based Services waiver (called 1915i) to address remaining gaps in home and community-based services for at-risk populations

Top recommendation:

New Mexico has significant initiatives underway and is facing new fiscal and administrative burdens due to H.R. 1, so must sequence and phase-in any changes building first on the existing continuum of care.



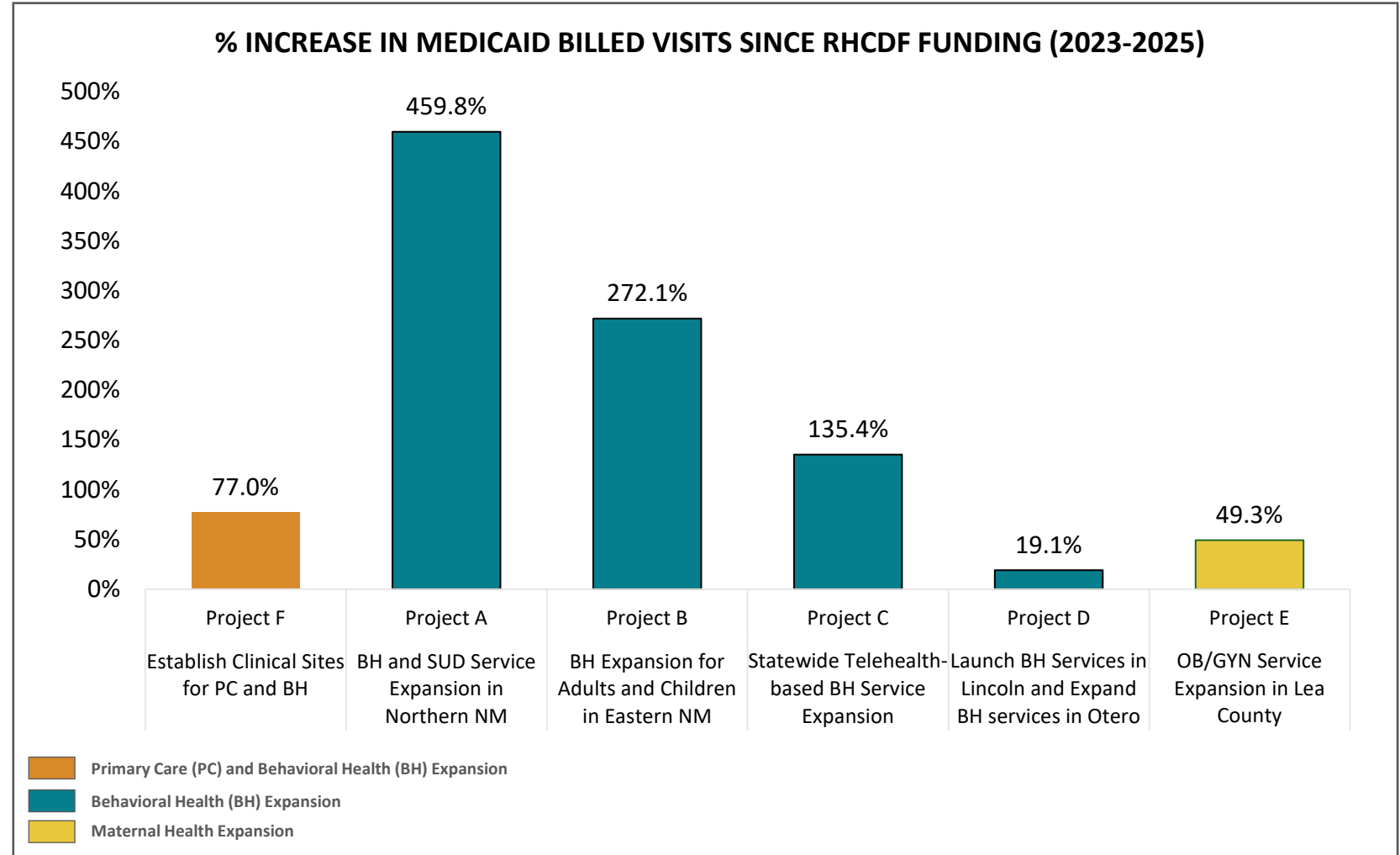
RURAL HEALTH POLICY UPDATE

RURAL HEALTH CARE DELIVERY FUND
RURAL HEALTH TRANSFORMATION PROGRAM

RURAL HEALTH CARE DELIVERY FUND (RHCDF) INCREASED MEDICAID BILLED VISITS BY UP TO 459%

\$196 million in total grant funding for rural providers:

- Three currently funded cohorts:
 1. FY24-26 Expansion
 2. FY25-27 Expansion
 3. FY26-27 Primary Care Expansion
- Fiscal Year 27-29 added \$50 million Stabilization Grant
 - 120 applications requested more than \$360 million
 - Application review completed May 15
 - Awards to be announced in June



Methodology: Claims data was used as a high-level indicator of increased service access and operational capacity during grant period FY24-26 for RHCDF-funded expansion projects.

RHCDF EXPANSION IMPACT

INSIGHTS

- 3,939 individuals accessed care at mobile clinics in 4 counties
- 11,115 patients benefiting from new diagnostic technologies
- Over 1,233 hours of HCA personalized support calls to funding recipients since program launch

OUTCOMES TO DATE

24 New Facilities + 18 New Service Lines Established

\$15M

Healthcare Service Revenue Generated

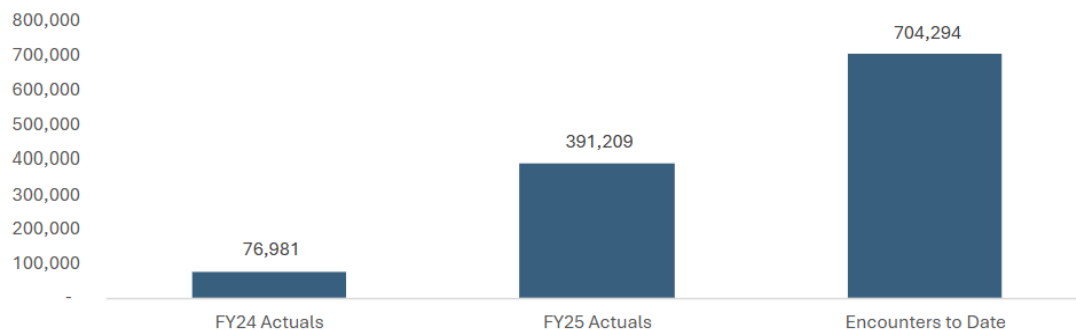
320K+

Individuals Served

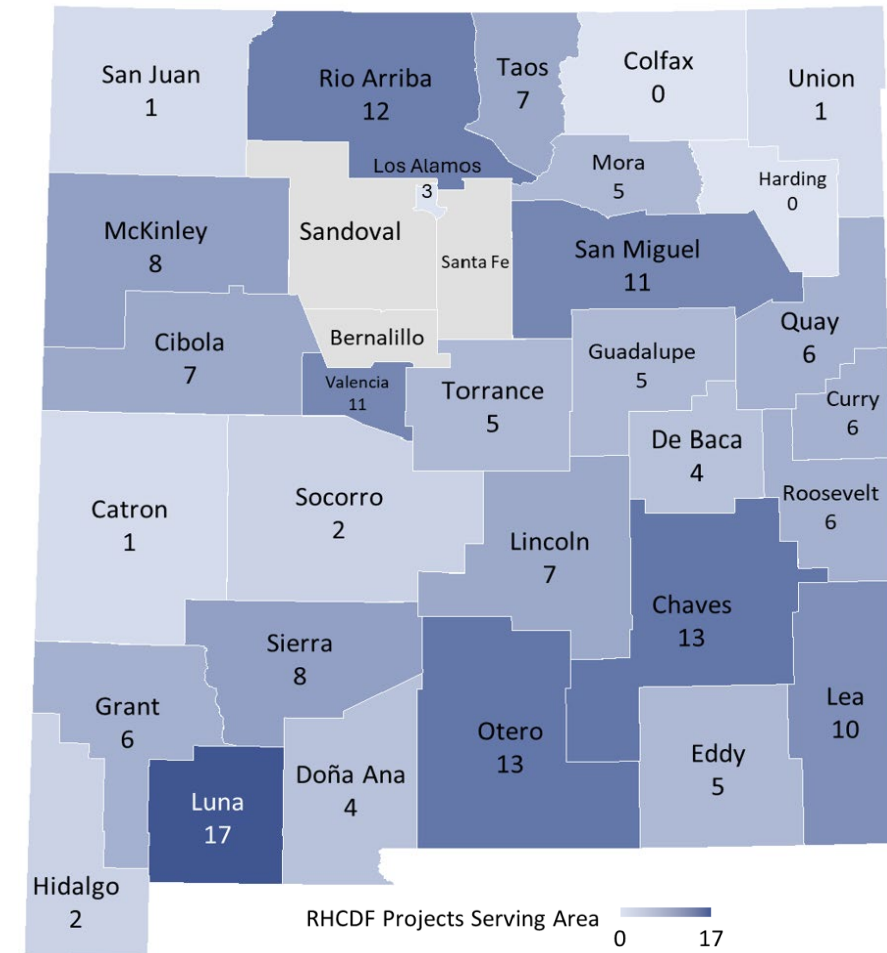
816

New Healthcare Hires Supported (FTE)

PATIENT ENCOUNTERS







NUMBER OF RHCDF-FUNDED PROJECTS BY COUNTY






RURAL HEALTH TRANSFORMATION PROGRAM

Program Overview

-  Anticipated \$1B+ federal investment over five years
-  Led by the New Mexico Health Care Authority
-  Focused on strengthening rural, frontier, and tribal health systems
-  Designed to improve access, workforce stability, financial sustainability, and data infrastructure

Program Design Principles

-  Phased implementation over five years
-  Federal compliance and fiscal integrity
-  Structured stakeholder engagement
-  Sustainability beyond grant funding

Desired Community Impact

Communities access specialty, maternal, and chronic care closer to home, reducing travel and wait times

More locally trained and retained health care workers support consistent, culturally responsive care

Communities design and implement programs that address their most pressing health needs

Clinics and hospitals receive support to remain financially stable and open

Shared data helps communities target investments, plan ahead, and improve care coordination



Five Strategic Initiatives

-  **1. Healthy Horizons** – Expand specialty care, maternal health, chronic disease management, and digital health access
-  **2. Rooted in New Mexico** – Build and retain a rural health workforce pipeline
-  **3. Rural Health Innovation Fund** – Fund community-driven rural health solutions
-  **4. Bridge to Resilience** – Provide technical assistance services and sustainability support to rural providers
-  **5. Rural Health Data Hub** – Strengthen analytics, transparency, and predictive planning

COMING IMPACTS OF HR1

HR 1 IMPACTS TO MEDICAID*

IMPACTS TO NEW MEXICANS

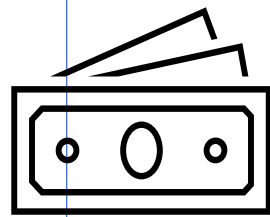
Up to 100,000 New Mexicans likely to lose Medicaid coverage

- **Nearly 3,000** non-citizen Medicaid beneficiaries will likely be disenrolled permanently beginning October 2026
- **Approx. 89,000** expansion adults likely to be disenrolled due to work requirements beginning January 2027
- Approx. 3,000 adults likely to churn on and off of coverage every month due to more frequent verification of income.

5,648 could lose at least 1 month of coverage due to limits on retroactive coverage starting Jan. 2027

42,074 individuals subject to new co-pays

254,000 individuals subject to increased administrative burdens



FISCAL IMPACTS

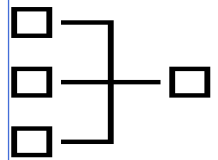
Loss of **\$8.5** billion in federal funding due to provider payments 2028-2037



PROVIDER IMPACTS

50+ safety net providers lose critical funding

6-8 hospitals could close within 18-24 months



SYSTEMS IMPACT

18 months and **\$24 million** needed to support integrated Medicaid & SNAP IT systems changes including Call Center and YES-NM

*estimated as of 9/1/25





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QUESTIONS & COMMENTS

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