



Introduction of Secretary Kari Armijo



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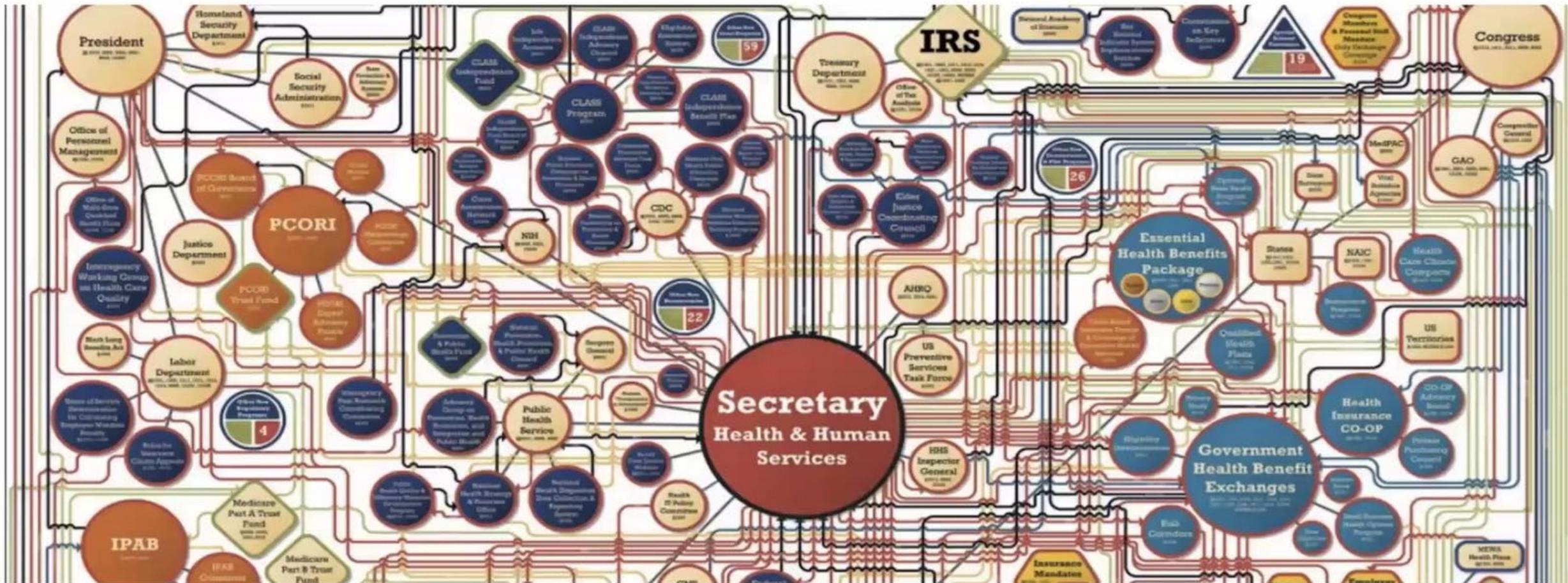
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DMV

DSS

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DVS

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KARI ARMIJO

Secretary,
New Mexico Health Care Authority

Keynote Address



HEALTH CARE
A U T H O R I T Y



SYNCRONYS ANNUAL CONFERENCE - 2025
SEPTEMBER 19, 2025

HCA CABINET SECRETARY KARI ARMIJO
INVESTING FOR TOMORROW, DELIVERING TODAY.

BEFORE WE START...

On behalf of all colleagues at the Health Care Authority, we humbly acknowledge we are on the unceded ancestral lands of the original peoples of the Pueblo, Apache, and Diné past, present, and future.

With gratitude we pay our respects to the land, the people and the communities that contribute to what today is known as the State of New Mexico.



*A cloudy morning looking over Santa Cruz Lake.
Photo taken by HCA employee Jessica Gomez*



THANK
YOU!!

TOPICS FOR TODAY

- Current state of health care in New Mexico
- HR1 (Federal Reconciliation Bill) impacts in New Mexico
- Federal Rural Health Transformation Program
- Special Session October 1

As Congress Debates Cutting Medicaid, a Major Study Shows It Saves Lives

The most extensive research on Medicaid coverage to date found that it reduced the risk of death by 21 percent.

▶ Listen to this article · 7:38 min [Learn more](#)

🎁 Share full article



A Medicaid enrollment at the LifeNet4Families center in Lauderhill, Fla., on Tuesday.

Joe Raedle/Getty Images



HEALTH CARE
AUTHORITY

Investing for tomorrow, delivering today.



HEALTH CARE
AUTHORITY

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.

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.



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



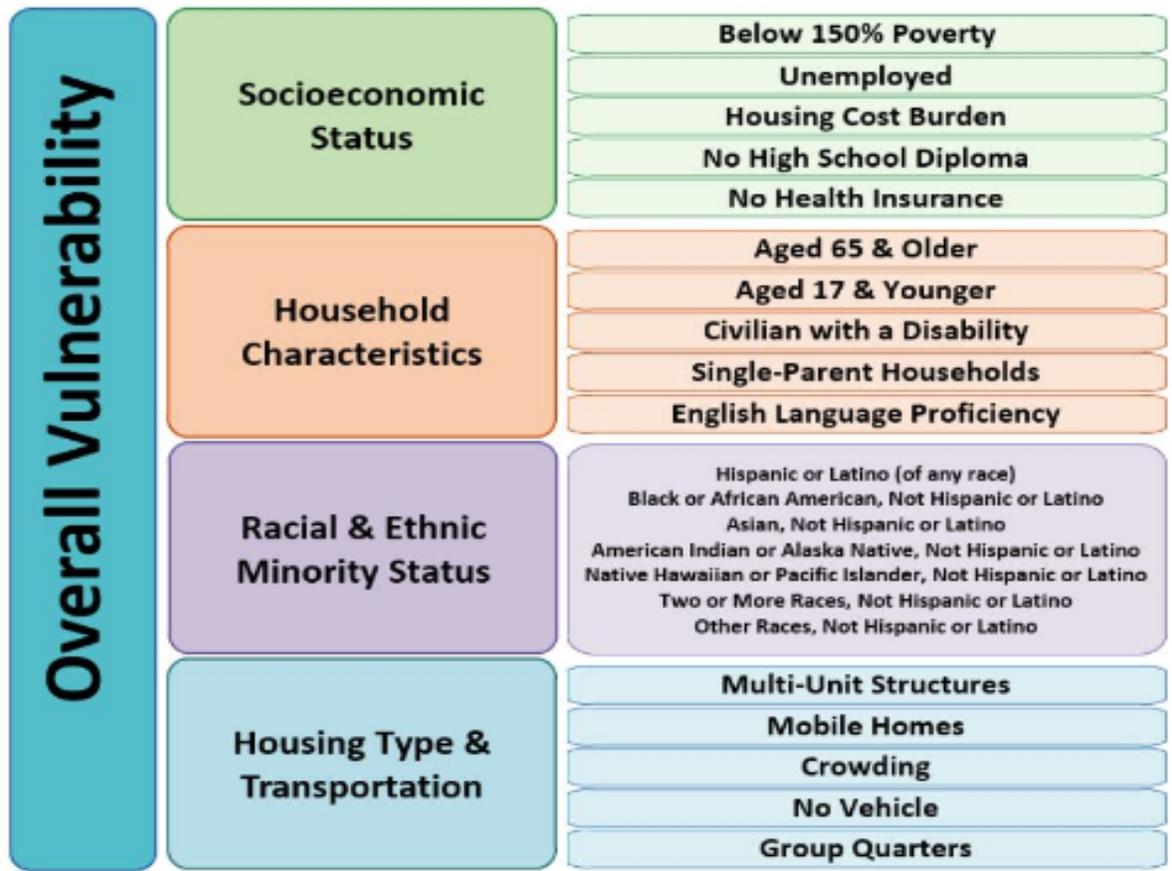
ACHIEVE health equity by addressing poverty, discrimination, and lack of resources, building a New Mexico where everyone thrives.



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

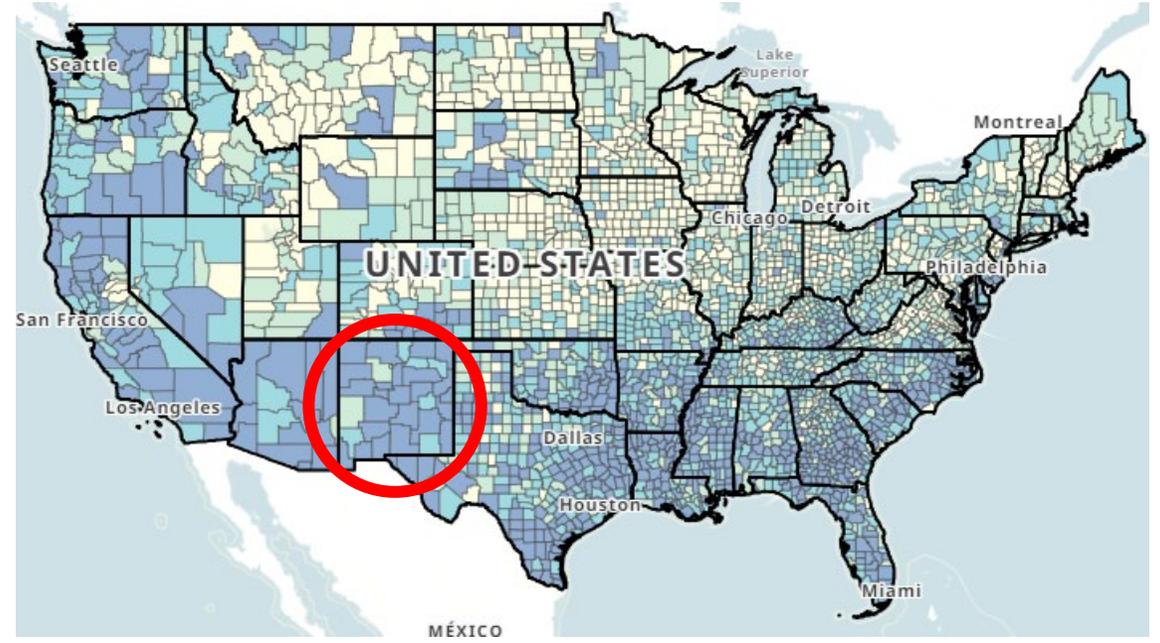
CURRENT STATE OF HEALTH CARE IN NEW MEXICO

NM HAS HIGHEST SOCIAL VULNERABILITY IN THE U.S.



SOCIAL VULNERABILITY INDEX BY COUNTY, 2022

Darker color represents higher vulnerability



Source: CDC/ATSDR Social Vulnerability Index, 2022 - https://www.atsdr.cdc.gov/placeandhealth/svi/interactive_map.html

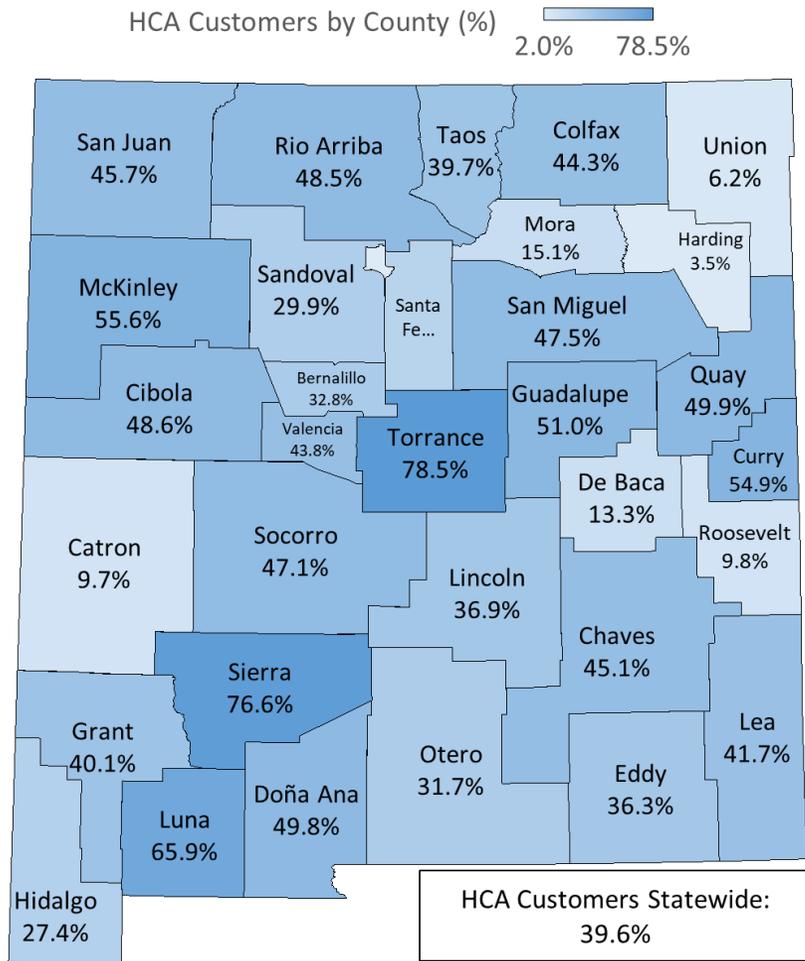


HEALTH CARE AUTHORITY

Investing for tomorrow, delivering today.

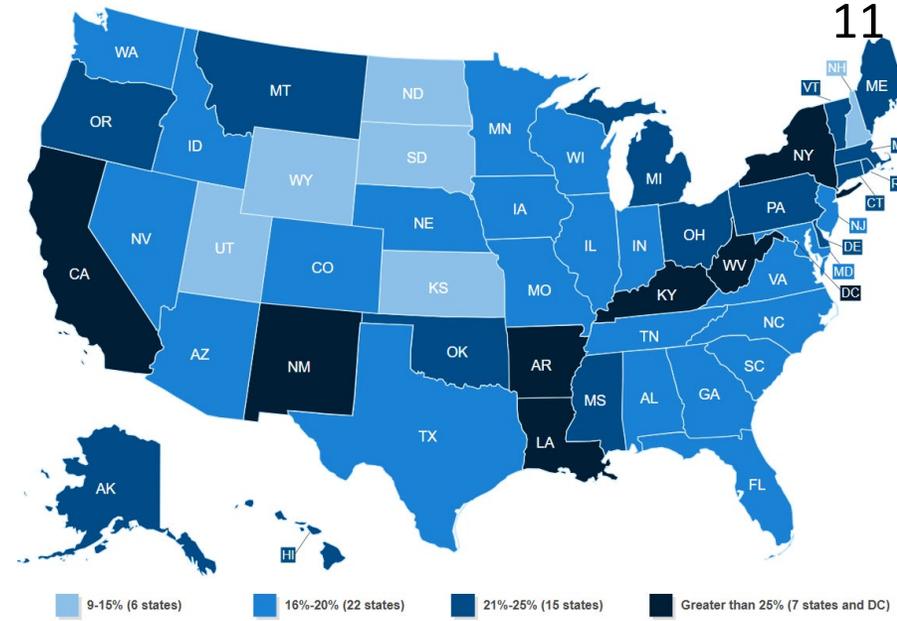
THE HCA SERVES 848,966 NEW MEXICANS

HCA Customers by County as Percent of County Residents, August 2025



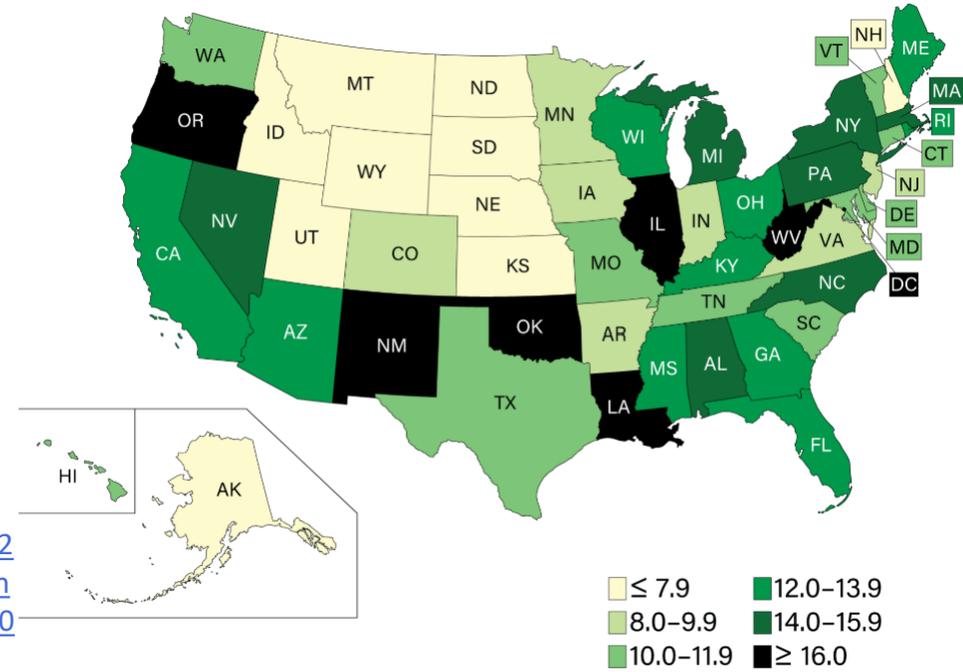
Medicaid Enrollment by Percent of Population (2023) – **NM 39%**

Source: Kaiser Family Foundation - <https://www.kff.org/interactive/medicaid-state-fact-sheets/>



SNAP Enrollment by Percent of Population (2023) – **NM 23%**

Source: USDA Economic Research Service <https://www.ers.usda.gov/data-products/chart-gallery/chart-detail?chartId=55416#:~:text=In%20fiscal%20year%202023%2C%20the,between%208%20and%2016%20percent.>



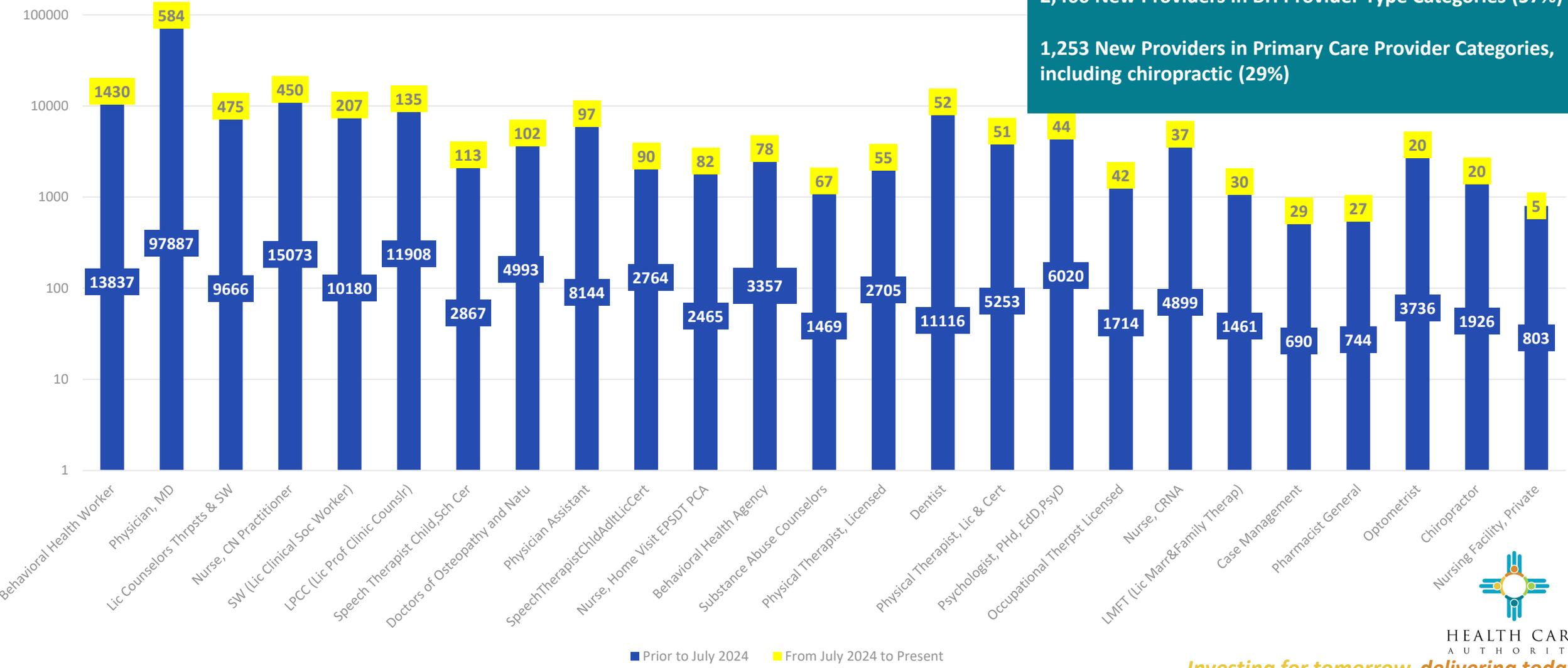
TOP 25 CATEGORIES OF MEDICAID PROVIDER ENROLLMENT GROWTH OVER PAST 12 MONTHS

Highest Categories of New Provider Enrollment Since Start of Turquoise Care (7/1/24)

4,322 Net New Providers Across 25 Provider Type Categories

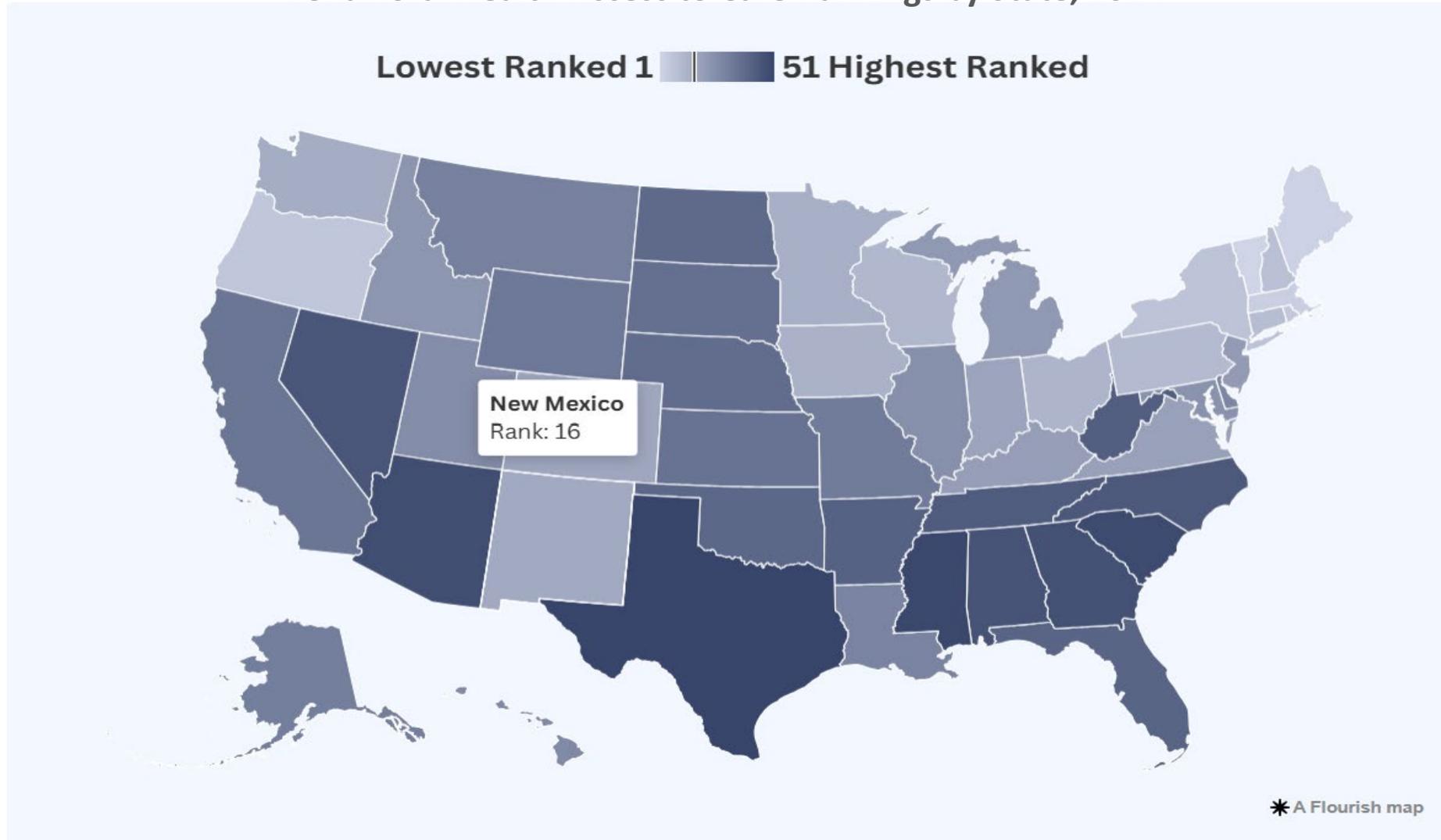
2,466 New Providers in BH Provider Type Categories (57%)

1,253 New Providers in Primary Care Provider Categories, including chiropractic (29%)



NATIONALLY, NM RANKS 16TH IN ACCESS TO BEHAVIORAL HEALTH CARE

Behavioral Health Access to Care Rankings by State, 2024



Source: Mental Health America 2024 Access Ranking <https://mhanational.org/the-state-of-mental-health-in-america/data-rankings/ranking-the-states/>

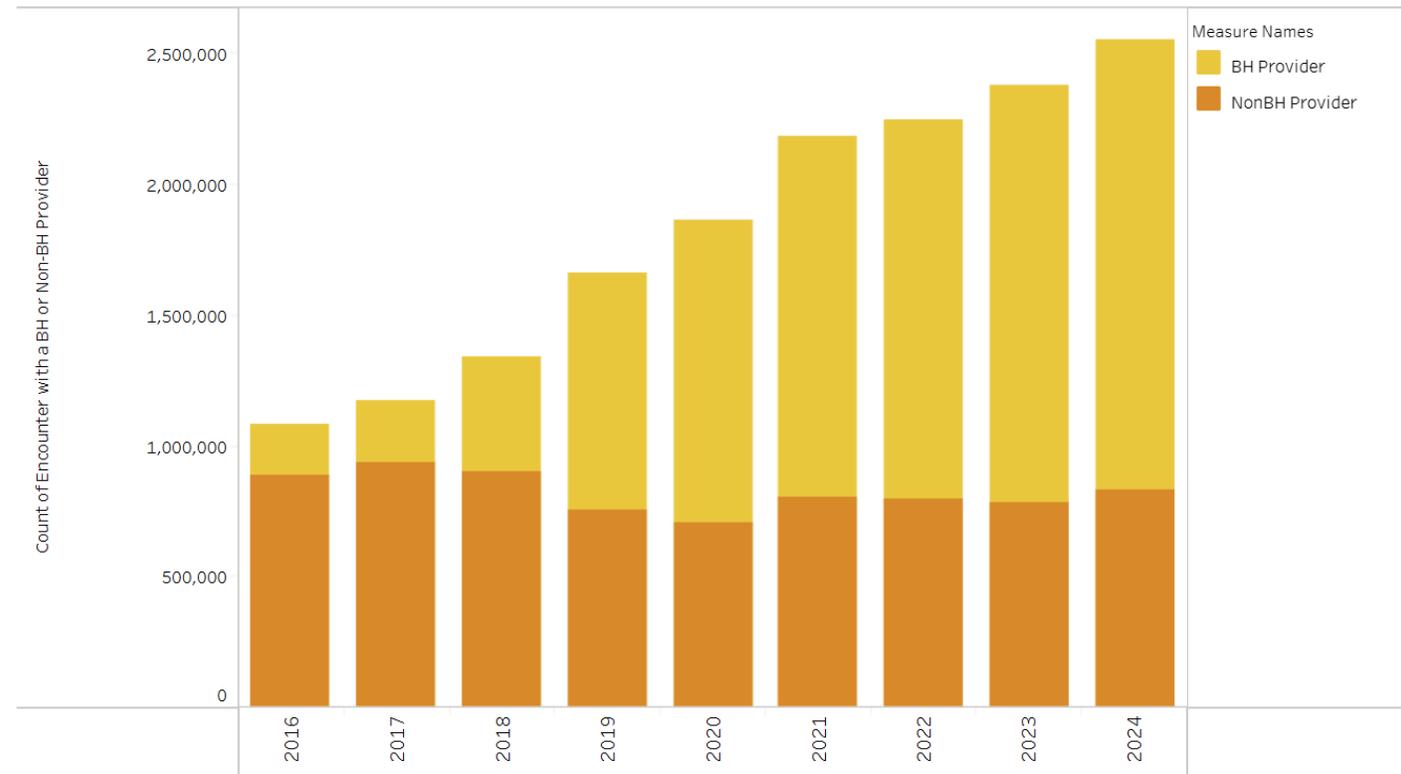


BH UTILIZATION HAS INCREASED BY 127% SINCE 2016

- **Raised BH Medicaid reimbursement rates** up to 150% of the Medicare rate – **January 2025**.
- **JUST Health Plus Re-entry Program:** 90 days of pre-release services for youth and adults **started July 1** in three state prisons and phasing in additional facilities in 2026.
- **988:** 24/7/365 phone, text, chat crisis intervention staffed by clinicians. **35,385 total connections in FY25**.
- **PAX Good Behavior Game** for elementary students: **673 teachers trained; 167 staff from community-based organizations trained**.
- **Naloxone distribution** (July 2024 to March 2025): **1,776 trainings** conducted and **28,218 Naloxone kits distributed** – including at HCA offices.
- **800 Certified Peer Support Workers** (CPSWs) trained in **19 counties**; expanded curriculum includes Opioid Use Disorder (OUD) focus
- **Housing initiatives** serving **2,038 New Mexicans** through rental assistance, eviction avoidance, transitional and recovery housing, and permanent supportive housing programs.

Positive trend in increasing Medicaid members' access to behavioral health visits continues.

How good is my Managed Care Organization (MCO) at working with providers to ensure I have a behavioral health (BH) visit with a BH or non-BH provider?



Last updated: 5/19/2025 4:07:04 PM

Source: <https://sites.google.com/view/nmhsdscorecard/goal-1/mco-behavioral-health>



NEW MEXICO NOW HAS A BH CRISIS NETWORK

Certified Community Behavioral Health Clinics (CCBHC)

- 5 CCBHCs have been Certified and began services on Jan 1, 2025
- HCA working with a new cohort of CCBHC providers for Demonstration Year 2, which will start Jan 1, 2026.



Mobile Crisis Teams

- Received federal approval in February 2024
- Three teams approved, two in process of being approved

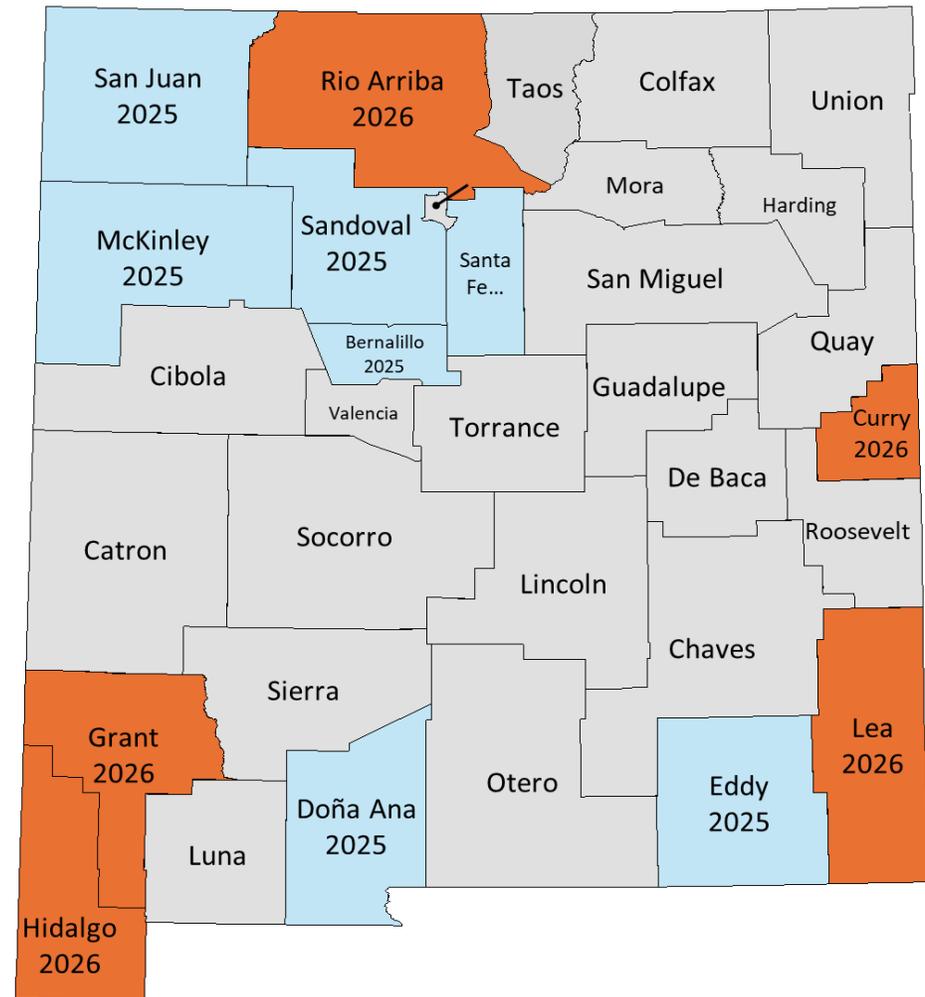
Crisis Triage Centers (CTCs)

- 4 CTCs are open and receiving Medicaid reimbursement
- 1 Crisis Stabilization center in process of licensure and reimbursement

Increasing Access to Medication Assisted Treatment (MAT)

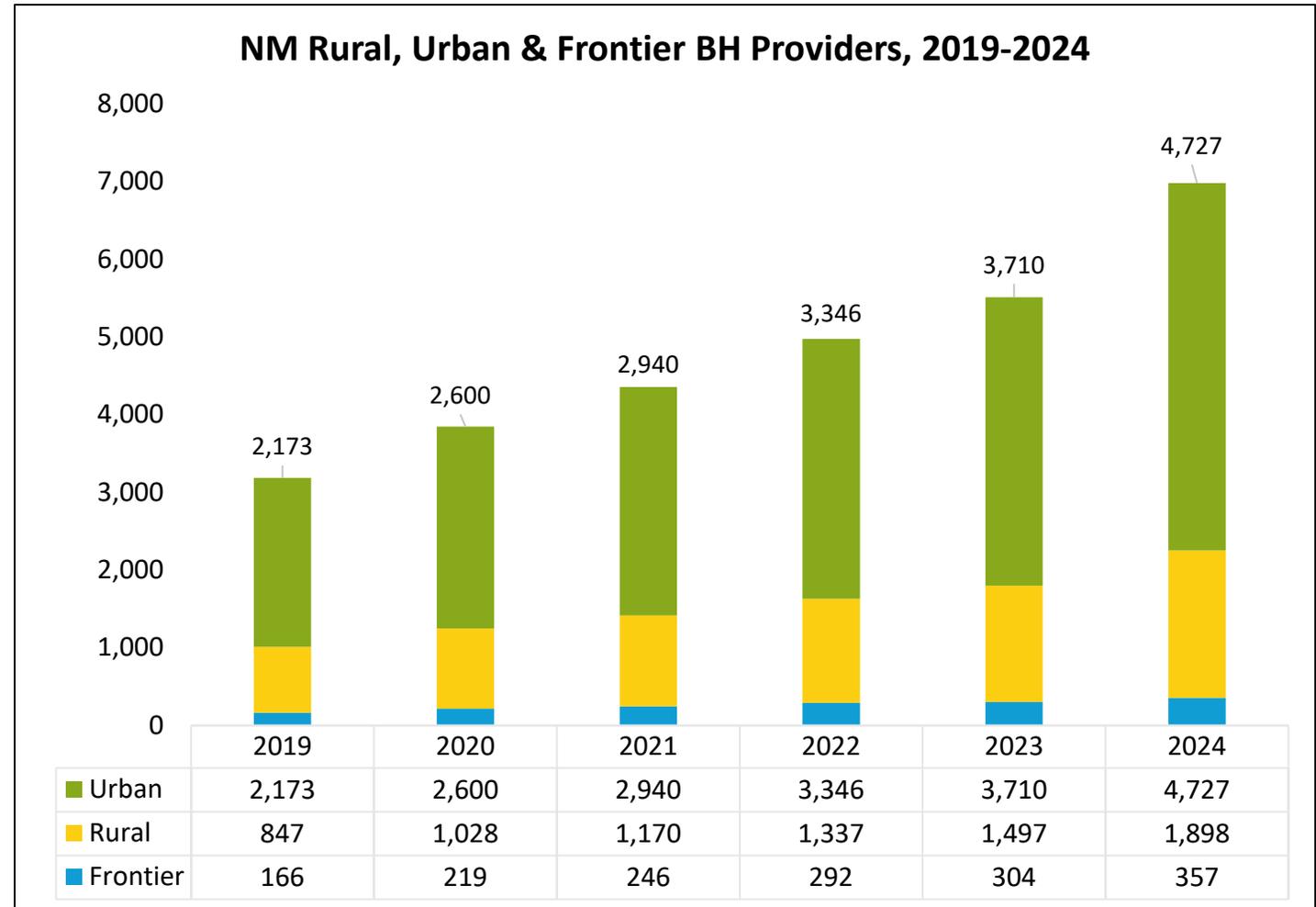
- HCA partnered with DOH to provide MAT via telemedicine in Public Health Offices

CCBHC Catchment Area by County & Demonstration Year



CORE BEHAVIORAL HEALTH PROVIDER GROWTH

- Core Behavioral Health providers have:
 - increased 119% from 2019 through 2024.
 - growth in rural counties greatest (124%).
 - urban counties grew by 118% and frontier counties grew by 115% since 2019.
- Mora and De Baca counties had the greatest rate of growth by percentage (600% and 400%, respectively).
- Core Behavioral Health providers include: Licensed Master Social Worker, Licensed Clinical Social Worker, Licensed Mental Health Counselor, Licensed Alcohol and Drug and Addiction Counselor, Licensed Professional Clinical Counselor, and non-Prescribing Psychologist.
- These providers are the primary clinicians rendering behavioral health services in NM.



BEHAVIORAL HEALTH REFORM AND INVESTMENT ACT (2025 SB3)

- Regional approach to behavioral health access investments, involving all three branches of government.
 - Regions to identify up to five BH priorities and develop a BH regional plan
 - Regional process to be led by the Administrative Office of the Courts (AOC)
 - Funding for BH regional plans to flow through the Health Care Authority (HCA)
 - Executive Committee (AOC, HCA, and appointed BH experts) reviews and approves regional plans; regular reporting to LFC
- SB1/HB2— Establish the Behavioral Health Trust Fund (\$100M)
- Additional funding to HCA via HB2:
 - Peer support workers to coordinate with each judicial district
 - Justice-liaisons
 - Regional BHSD staff
 - No-wrong-door navigation to BH services
 - Mandatory 988/911 coordination

Key Initiatives Completed or Underway:

- BH Service Standards (HCA) – **completed June 1**
- BH Evaluation Guidelines (HCA + LFC) – **completed June 1**
- Executive Committee (meeting monthly; **next meeting 9/30**)
 - Early Access Regional Plan proposal
- Establishment of BH Regions (**approved 6/24**)
- Sequential Intercept Mapping (SIM) to determine areas of gaps or missed resources within a region or community; monthly status reports from AOC
- HCA BH gap analysis for adults
- Universal BH credentialing provider workgroup to be established by 12/31/25
- HCA website: https://www.hca.nm.gov/about_the_department/behavioral-health-reform/



NATIONALLY, NM RANKS 29TH IN ACCESS TO PRIMARY CARE

Search by State ✕

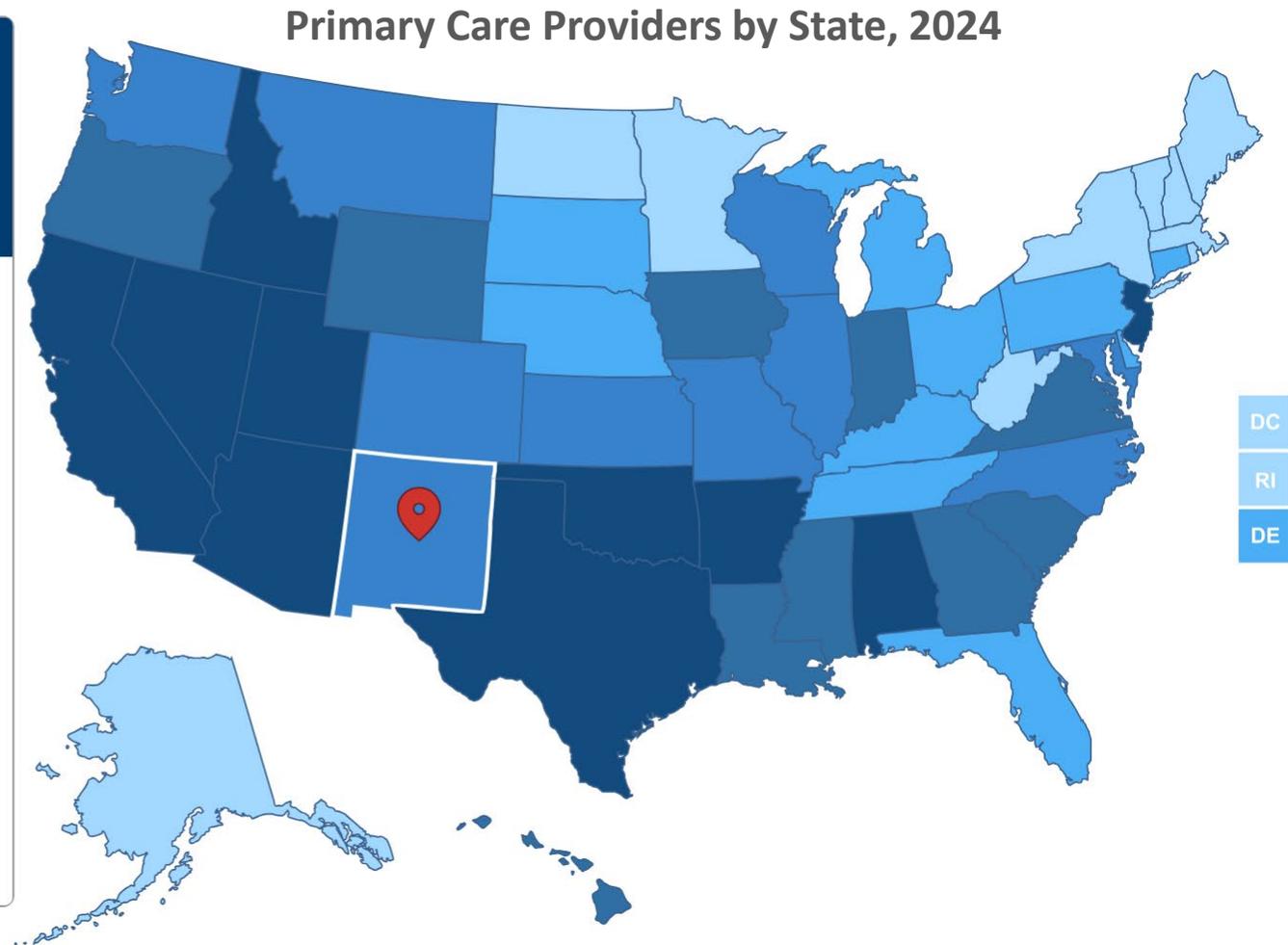
New Mexico 🔍

Primary Care Providers in New Mexico

New Mexico Value 288.3	New Mexico Rank 29 / 50
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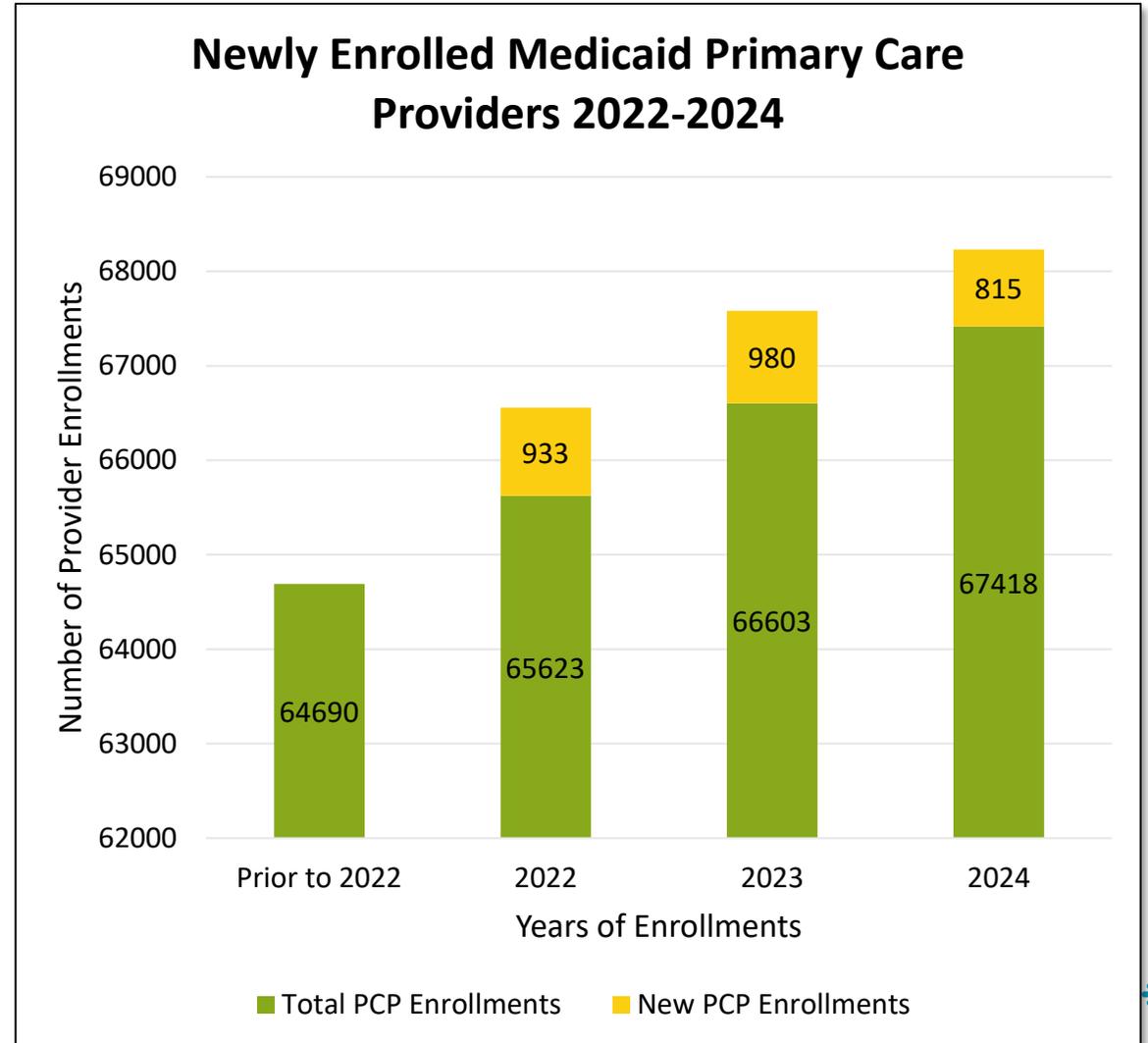
Explore New Mexico Data:

- [Primary Care Providers Trends in New Mexico](#) >
- [New Mexico State Data](#) >
- [Compare States](#) >



PRIMARY CARE ACCESS

- **Raised Primary Care reimbursement rates** up to 150% of the Medicare rate – **January 2025**. Positively impacts 70% of all Medicaid claims.
- **Primary Care Payment Reform** initiative to incentivize primary care visits
- Added **chiropractic coverage** to the benefit package (October 2024)
- Added **doulas and lactation consultant services** to the benefit package (2024)
- New **MCO access and appointment standards:**
 - Non-urgent BH request-to-appointment – 7 calendar days
 - Non-urgent BH follow-up – 30 calendar days
 - BH crisis services face-to-face – 90 minutes
 - Routine medical/dental – 30 calendar days
 - Symptomatic primary care/dental – 14 calendar days
 - Urgent primary/dental/BH – 24 hours
 - In-person Rx fill time – 40 minutes



RURAL HEALTH CARE DELIVERY FUND PROJECTS PROJECTED TO DELIVER 209,512 PATIENT ENCOUNTERS IN FY25

Funding Overview

- \$126 million allocated for SFY24-SFY27
- Funding was utilized to support start-up costs for **new or expanded physical and behavioral health services** in rural New Mexico counties

All funding recipients are required to:

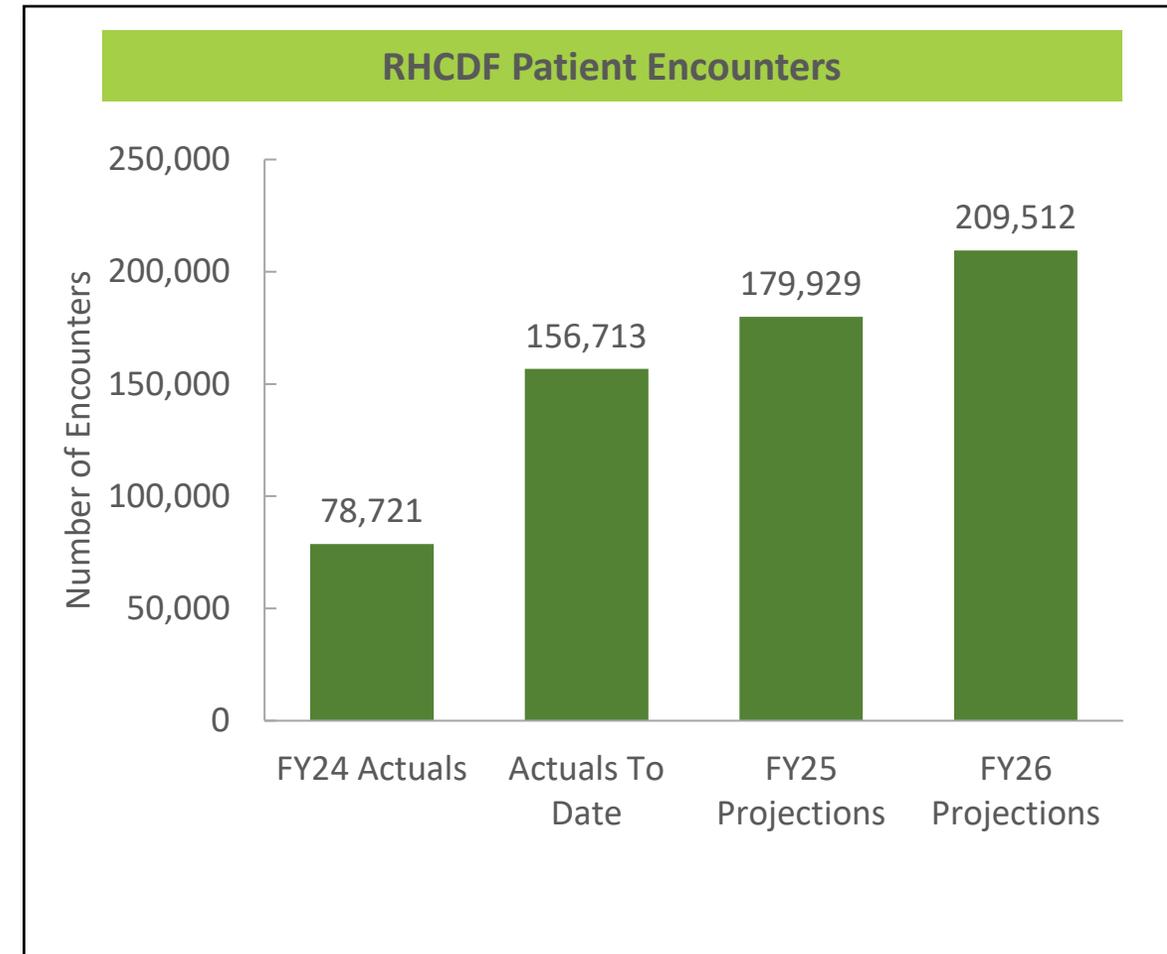
- Provide Medicaid billable services
- Track and report key performance metrics including patient encounters, staffing, and revenue
- Demonstrate progress toward project completion and sustainability

Funding Decisions Considerations

- Alignment with population need
- Readiness to launch Medicaid services
- Organizational capacity
- Workforce development plans

HCA received additional \$20M GF for SFY26 –SFY28

- **Next round of funding will focus on Primary Care Expansion**
- Funding recipients will be announced in December 2025.



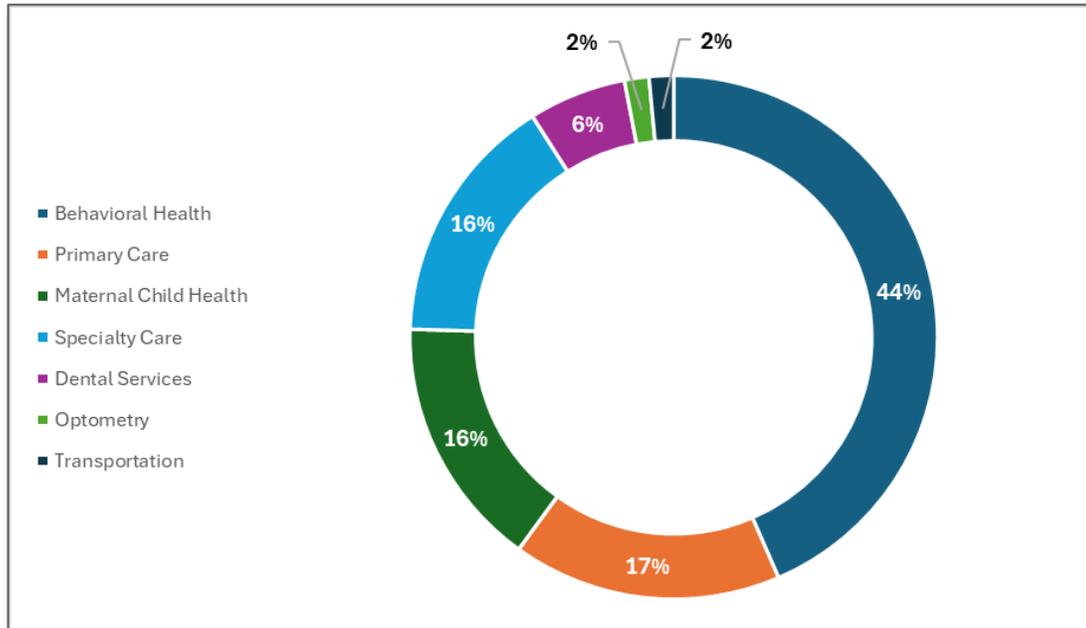
HCA Rural Health Care Delivery Fund Overview SFY 2024 – SFY 2027

The Rural Health Care Delivery Fund (RHCDF) provides funding to cover operating losses, including startup costs for rural health care providers or facilities delivering new and expanded health care services to New Mexicans.

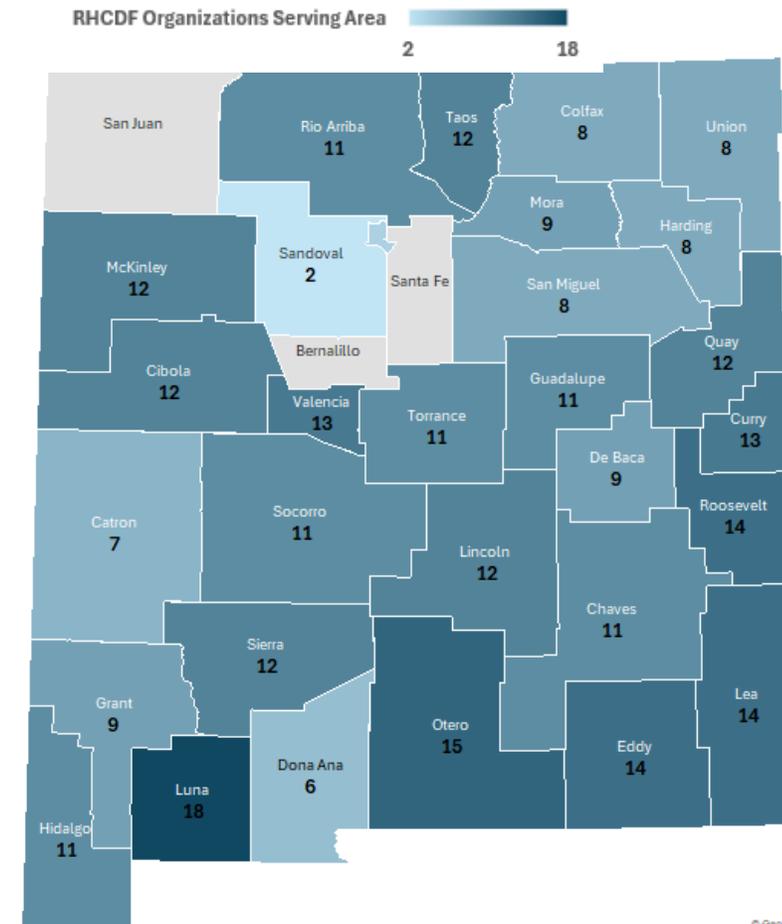
Total FY24 & FY25 Appropriation: \$126 M GF
 Number of Funded Projects: 87
 Funding period: SFY24 – SFY27



Percent FY24 & 25 spend by service type



How Many RHCDF Projects are Serving Rural Counties?



PRIMARY CARE GRADUATE MEDICAL EXPANSION

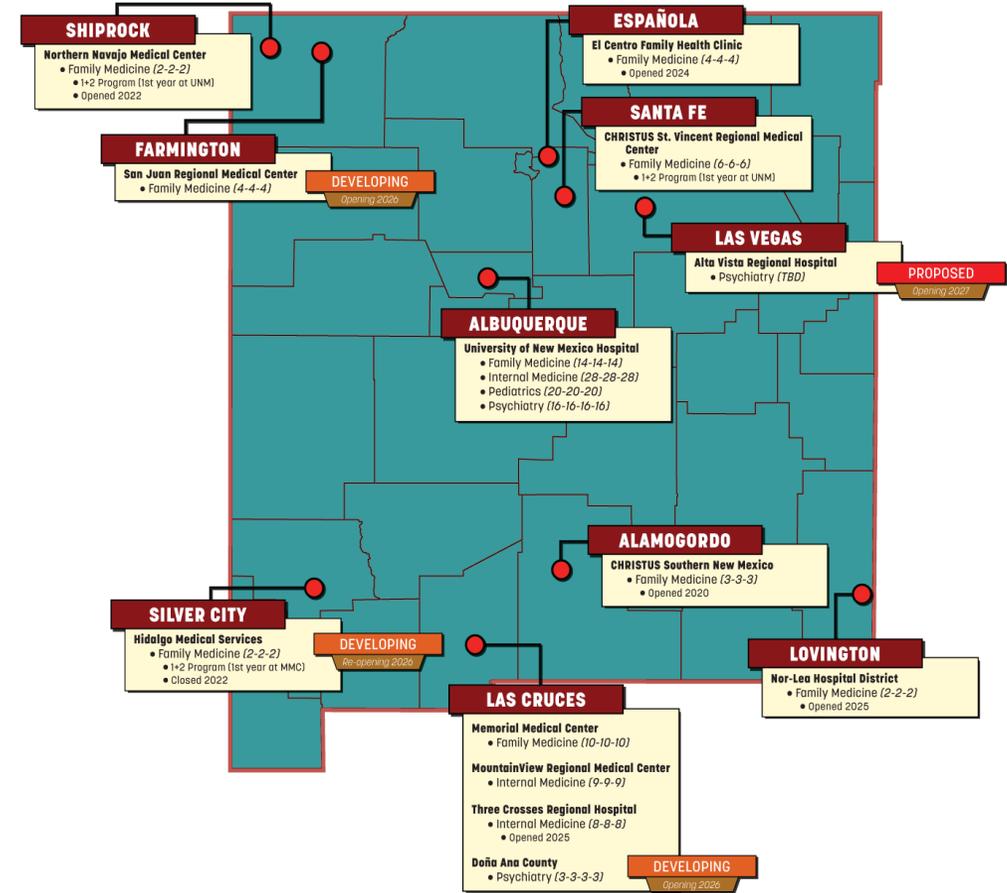
Outcomes over the past 6 years (2019-2025)

- Since 2019, 3 new accredited, primary care rural residency programs have opened in NM growing the number of residencies from 8-11.
- Number of primary care residents in training increased from 142 to 191.
- NM residency programs have average 59% retention rate of residents practicing in NM after 3-years.

Expected Future Outcomes

- HCA is supporting development of 4 additional residency programs by 2030.
 - Two programs are due to open in FY26
 - **Number of residency positions will grow to 230, a 70% increase, by 2030.**

NM Primary Care Residency Programs 2025



HEALTH CARE DELIVERY & ACCESS ACT SUPPORTS RURAL HOSPITALS

- Provider assessment and State Directed Payment (SDP) designed to support all hospitals but favoring rural hospitals by design. **Rural and frontier hospitals pay ~19% of the assessment and receive ~41% of the Medicaid disbursements.**
- **\$750M paid to NM hospitals** since HDAA go-live (CY25 first payments issued in August 2025)
- **75% of net new funding Hospitals must be spent to support new health care services in New Mexico;** required hospital-reporting and audit/oversight functions at HCA.
- **40% of revenue is tied to quality performance**
 - Distributes quality performance-based funding annually, if performance targets are met, using a tiered methodology

40% of revenue is linked to quality performance

HDAA Program Quality Metrics for Acute Hospitals

1. Hospital Unplanned Readmissions
2. Patient Safety and Adverse Events
3. Severe Sepsis and Septic Shock
4. Maternal Morbidity Structural Measure: Hospital has obtained “Birthing Friendly” hospital quality designation. CMS retired the Elective Delivery measure 12/31/2024.
5. Patient Survey Data: Communication with Doctors
6. Patient Survey Data: Communication with Nurses
7. Behavioral Health: Screening, Brief Intervention, and Referral to Treatment
8. Behavioral Health Care Coordination: Follow-Up after Emergency Department Visit for Mental Health



How the health system is working in New Mexico

Using the most recent available data, see the indicators where your state performed best — and where there is room to improve.

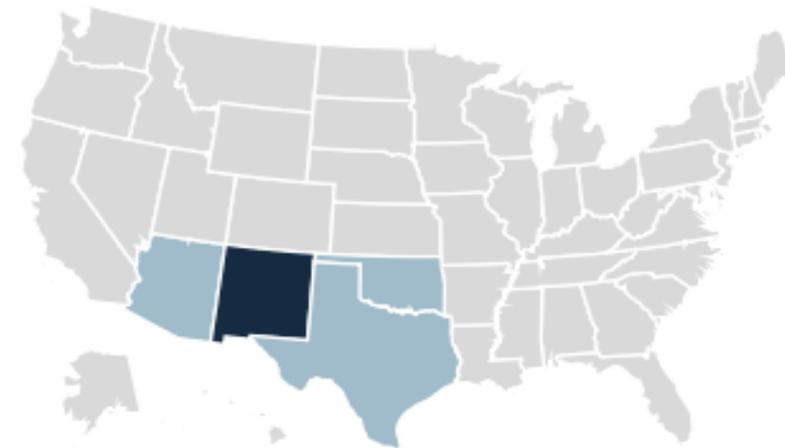
New Mexico ranks #31 overall.

	National rank	Rank among Southwestern states
Access & Affordability	45 of 51	2 of 4
Prevention & Treatment	47	2
Avoidable Hospital Use & Cost	23	2
Healthy Lives	44	3
Income Disparity	2	1
Racial Health Equity	8	1



The Commonwealth Fund

New Mexico ranks #1 in the Southwest region.



Note: Southwest region includes AZ, NM, OK, TX

Source: Commonwealth Fund 2025 Scorecard on State Health System Performance - https://interactives.commonwealthfund.org/2025/state-scorecard/New_Mexico.pdf

<https://www.commonwealthfund.org/publications/scorecard/2025/jun/2025-scorecard-state-health-system-performance>



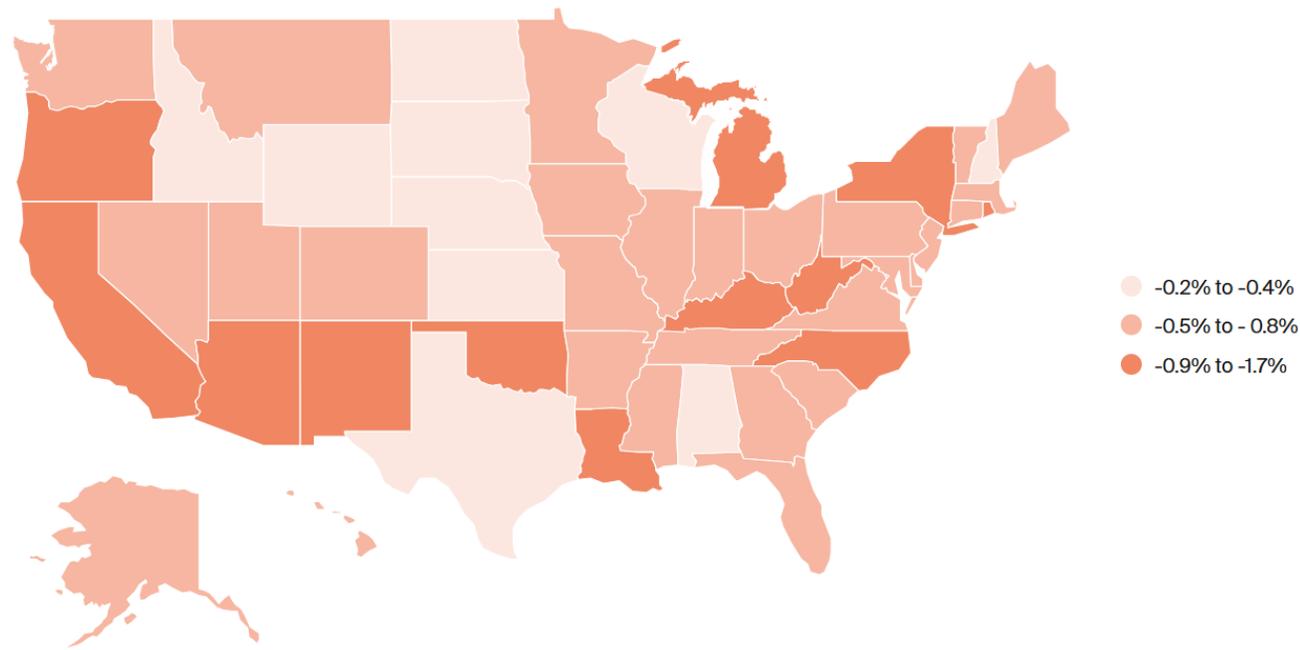
HR 1 (FEDERAL RECONCILIATION BILL) IMPACTS IN NEW MEXICO

CHANGES CONGRESS ENACTED ACROSS HCA'S PROGRAMS WILL AFFECT EVERY NEW MEXICAN

- Medicaid serves as NM's largest health care payor; reductions will impact access and cost across all providers.
 - Costs will be passed through to individuals with private insurance; limits HCA's ability to leverage purchasing power.
 - Potential closure of 6-8 rural hospitals mean reduced access to essential services for rural New Mexicans.
 - Uninsured individuals likely to forego preventive care, resulting in higher acuity and higher costs, more crowded ERs
- Nearly \$1.2B in SNAP revenue at stake for 1,700 NM grocery stores, farmers markets, gas stations, and convenience stores.
- NM has the highest rate of child food insecurity in the U.S. (23.3%), which is likely to worsen. Downstream impacts on school attendance and academic performance.
- Investments in NM's safety net have reduced child poverty from worst in nation (27.4%) to 17th in nation (8.9%); federal changes likely to reverse this positive trend.

Estimated Job Losses Caused by Medicaid and SNAP Funding Cuts in House Budget Reconciliation Bill, 2029 (%)

NM ranks highest in U.S. with a 1.7% decrease in jobs



Data: George Washington University analyses using IMPLAN, 2025.

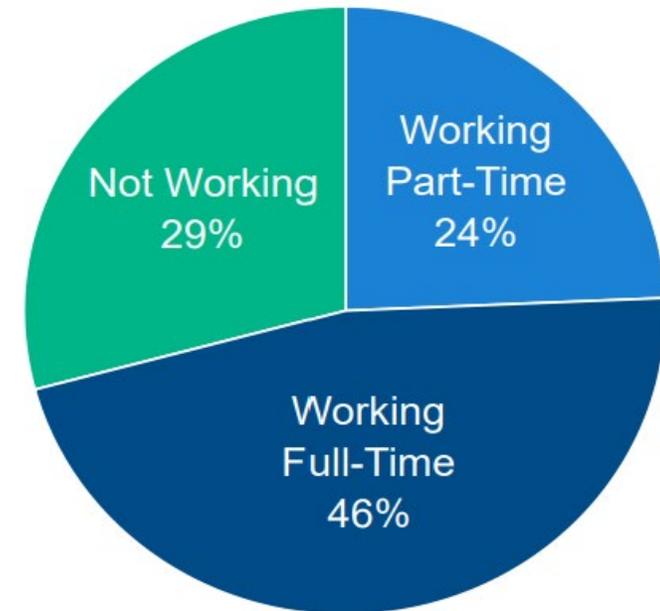
Source: Leighton Ku et al., *How Medicaid and SNAP Cutbacks in the "One Big Beautiful Bill" Would Trigger Big and Bigger Job Losses Across States* (Commonwealth Fund, June 2025). <https://doi.org/10.26099/tryd-ht51>

Source: <https://www.commonwealthfund.org/publications/issue-briefs/2025/jun/how-medicaid-snap-cutbacks-one-big-beautiful-bill-trigger-job-losses-states>

MEDICAID CHANGES IN FEDERAL RECONCILIATION BILL

1. Community/work engagement requirements starting 12/31/26
2. More frequent eligibility checks and additional documentation required to determine eligibility starting 12/31/26
3. Eligibility reductions
 - Reduced retroactive Medicaid period starting 1/1/27
 - Elimination of covered legal immigration statuses (i.e., refugees, asylees, and victims of human trafficking) starting 10/1/26
4. Reductions in provider payments to 100% of Medicare
 - Phased down provider taxes starting FY28
 - Phased down payments to hospitals starting CY28
 - Potential reductions to all provider rates through administrative action (primary care, behavioral health, maternal/child health)
5. Co-payments for certain services and populations starting 10/1/28

A majority (70%) of Medicaid adults are working in New Mexico



Source: Kaiser Family Foundation Snapshot of Medicaid in New Mexico, May 2025:
<https://files.kff.org/attachment/fact-sheet-medicaid-state-NM>

A single person in New Mexico would have to work more than 39.78 hours/week in a minimum wage job to make more than 138% FPL (using the statewide minimum wage)



IMPACTS OF POTENTIAL FEDERAL MEDICAID CHANGES

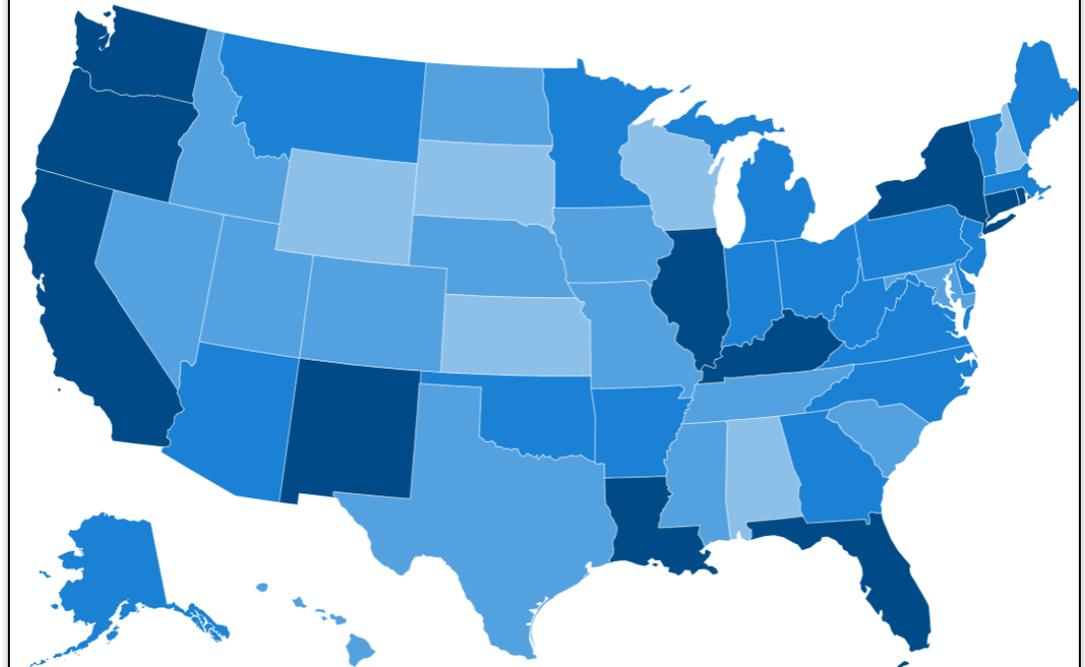
- Federal Medicaid funding to New Mexico totals \$9.56 billion annually.
- Under the Reconciliation bill:
 - More than **\$8.5 billion** in lost federal Medicaid funding to New Mexico from changes to provider payments alone over the period 2028-2037
 - At least **88,530 New Mexicans lose Medicaid coverage.**
 - An estimated **42,074 New Mexicans have new co-pays.**
 - **254,400 New Mexicans subject to administrative burden/increased paperwork** to stay enrolled, even though they still likely qualify.
 - **50+ safety-net providers including hospitals lose critical funding**
 - **6-8 rural NM hospitals likely to close.**

NM Projected to Experience a 4% Change in Uninsured

An Additional 10.9M People Nationwide Could be Uninsured if the One Big Beautiful Bill Act is Passed

Percentage Point Increase in the Uninsured Population if the One Big Beautiful Bill Act is Finalized Based on National CBO Estimates, by State, 2034

Percentage Point Increase



Note: This map takes into account the effects on the uninsured population of passing the One Big Beautiful Bill Act. See methods for details.

Source: KFF analysis of population data from [Weldon Cooper Center for Public Service](#); estimates of uninsured population growth by policy change from [CBO](#), and KFF estimates of how the uninsured increase would be allocated across states (see [Methods](#) for additional sources and details). • [Get the data](#) • [Download PNG](#)



HCA'S HEALTH CARE AFFORDABILITY FUND WILL NEED TO PROVIDE GREATER SUPPORTS TO BEWELL NM MEMBERS

- *Federal Reconciliation Bill Impact on BeWell Members*
 - Without HCAF programs, actuaries project between **23,400 and 38,200 New Mexicans** would lose Marketplace coverage under the federal reconciliation bill.
 - With HCAF programs and policy adjustments, Marketplace coverage losses could be **limited to between 3,200 and 8,600 New Mexicans.**
 - Elimination of premium tax credits for certain legal residents creates new coverage gaps.
 - Administrative barriers and shorter enrollment windows will reduce coverage access.
- *Financial Impact on the State*
 - Substantial increase in HCAF appropriations will be needed to maintain current coverage affordability levels
 - More acute patients likely to prioritize coverage; healthier patients may roll-off due to affordability; increased costs across-the-board

BeWell Impacts Under the Federal Reconciliation Bill

Without NM's Health Care Affordability Fund programs:

Annual premiums increase



Average \$1,800 premium increase per person

Uninsured rate increases



Up to 38,200 New Mexicans lose coverage

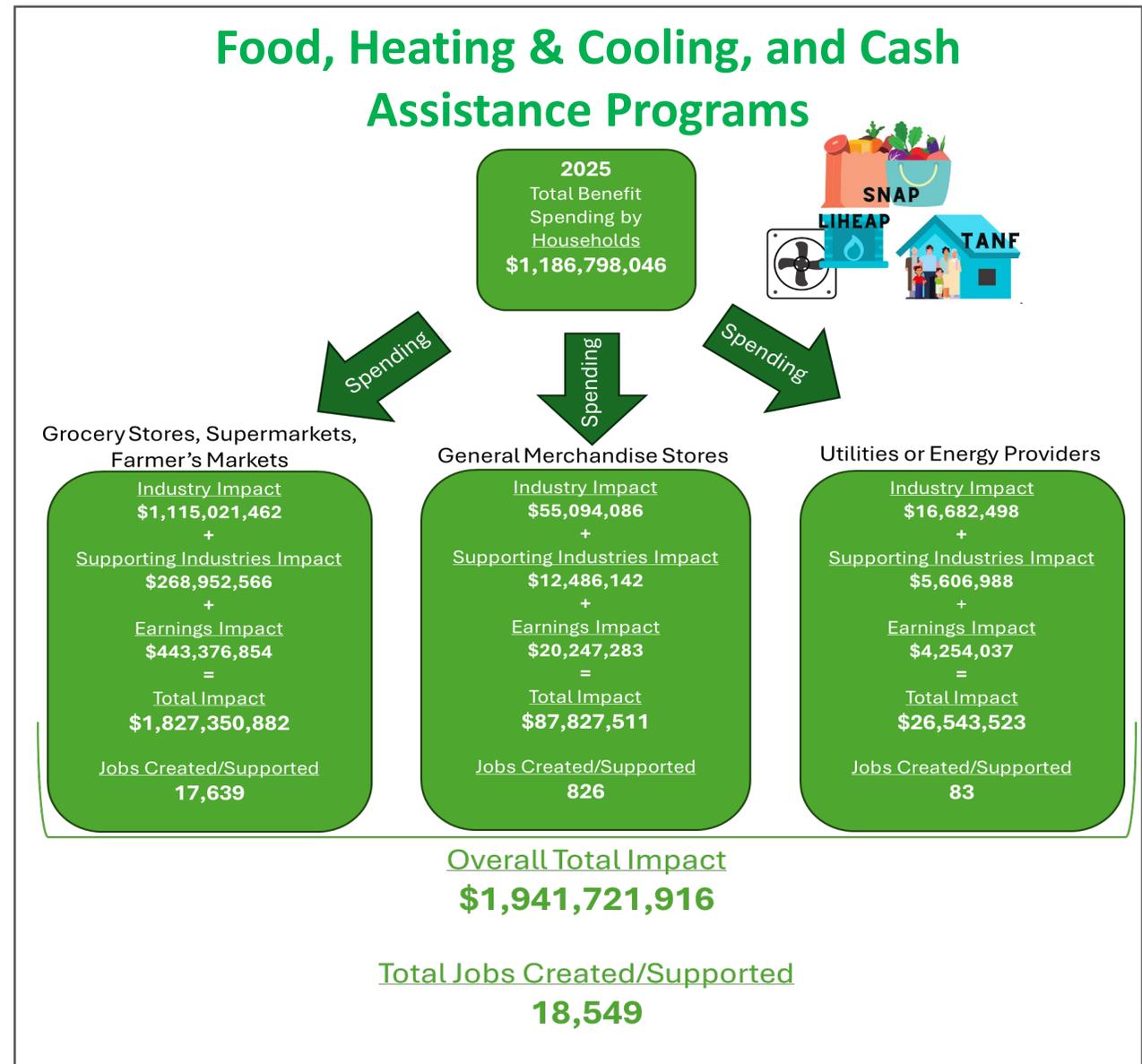
New Mexico's Health Care Affordability Fund can protect coverage gains

IMPACTS OF POTENTIAL FEDERAL SNAP CHANGES

- There are **459,065 SNAP participants** in New Mexico (21% of the state's population).
- 1,700 SNAP authorized retailers across the state are at risk of losing **\$1.2B** in SNAP revenue.

The Reconciliation Bill:

- Cuts up to **\$180M** in federal funds from New Mexico. The state will be required to pay this amount to run SNAP annually, depending on its Payment Error Rate.
- Loss of approximately **\$5.5 million in federal funds** due to the termination of SNAP – Ed funding.
- Requires the state to pay 75% of the administrative costs to run SNAP for an additional **\$47M** annually.
- An estimated **16,220** New Mexicans will lose SNAP benefits due to their immigration status being ineligible to receive SNAP (Jan. 2026)
- At least **55,750** New Mexicans receiving SNAP will be newly subject to **work requirements** (Jan. 2026),
- Approximately **20,070 New Mexicans likely to lose SNAP benefits** altogether due to work requirements.
- Approximately **20,077 New Mexicans will see a reduction in SNAP benefits** due changes in deduction allowances (November 2026)



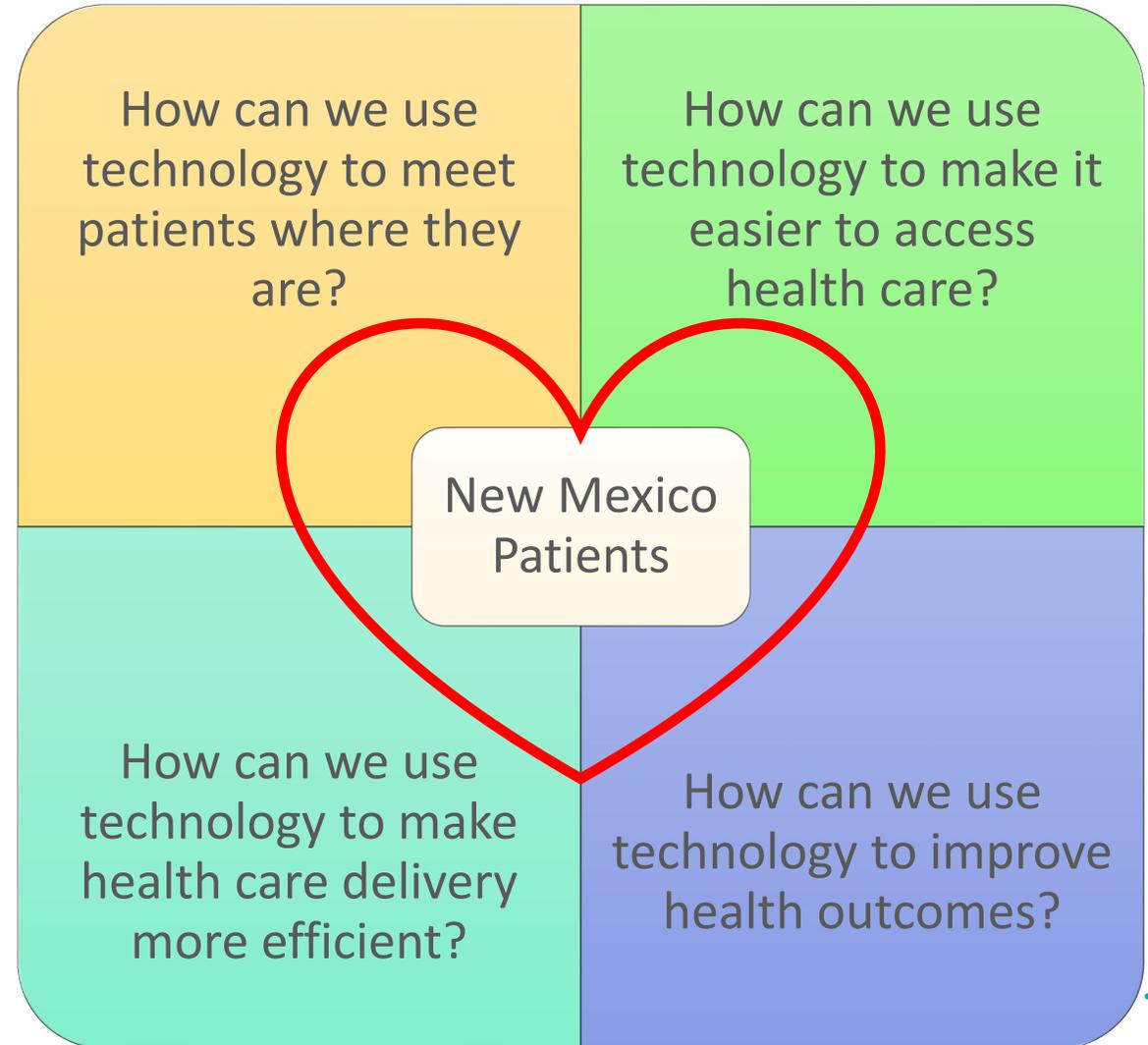
THE THREE-LEGGED STOOL THAT KEEPS US UP AT NIGHT



FEDERAL RURAL HEALTH TRANSFORMATION PROGRAM

HR1: RURAL HEALTH TRANSFORMATION PROGRAM

- Federal Notice of Funding Opportunity issued 9/15/25; responses due from states by 11/5/25
- \$50B over five years (\$10B per year; half distributed equally across all **approved** states)
- **HCA will issue a Request for Information and input to all stakeholders and providers no later than Monday 9/22**
- Five strategic goals:
 - Rural health innovations and new access points
 - Sustainable access
 - Workforce development
 - Innovative care models
 - Tech innovation
 - “Foster the use of innovative technologies that promote efficient care delivery, data security, and access to digital health tools by rural facilities, providers, and patients. Projects support access to remote care, improve data-sharing, strengthen cybersecurity, and invest in emerging technologies.”



SPECIAL SESSION

SPECIAL LEGISLATIVE SESSION BEGINS OCTOBER 1

Action Legislature may consider:

- Funding that allows the HCA to begin necessary IT system changes and hire Medicaid and Income Support Division staff for HR 1 activities.
- Rural Health Care Delivery funding to allow stabilization grants for quality health care providers.
- Making health insurance premiums more affordable in the marketplace.
- New investments in food assistance for children, older adults, and families in need.





HEALTH CARE
AUTHORITY



THANK YOU & QUESTIONS

INVESTING FOR TOMORROW, DELIVERING TODAY.