



**ACQ Executive Committee Listening Session**  
**Meeting Summary Notes**  
**May 8, 2025**  
**ZOOM Meeting**  
**9:00AM to 10:00AM**

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## **22 Participants**

**ACQ Executive Committee Attendees:** Scott Doan, *Deputy Director, Developmental Disabilities Supports Division (DDSD)*, Tracy Perry, *Co-Chair, ACQ Executive Committee and CEO, Direct Therapy Services*, Siri Guru Nam Khalsa, *Co-Chair, ACQ Executive Committee, Advocate and Nurse Educator*, Lisa Blue, *Special Education Consultant*,

### **I. Welcome/Introductions**

- A. Tracy Perry welcomed participants

### **II. Open Floor for Comments**

#### **A. Tracy Perry opened discussion on the following:**

1. How to improve the ACQ
2. Advice for DDSD
3. Other topics or questions

#### **B. Comments:**

1. Concerns about what is going to happen with Medicaid due to the Federal Government making changes. It is unknown what may happen and I would like to prepare our organization, particularly with a strong sustainability plan. Example, if there was a huge reduction in our Medicaid funding because 97% of our funding comes from Medicaid and making sure that our clients remain eligible to continue benefits. If Scott Doan could take this comment back and let the Governor know that we are concerned, but we are trying to ensure that our internal operation remains sustainable.
  - a) Scott followed up by stating that he will voice this concern through his chain of command and this is a concern as well because if there is a reduction in the Federal Medicaid match what is that going to look like. It would have a huge impact on all our programs.
2. There is a deadline approaching for applying for the Beneficiary Advisory Committee that is required as part of the CMS access rule, but the application process is widely distributed to beneficiaries who receive Medicaid benefits. The HCA is looking for applicants to serve on the committee of 15 people. It would be great if the development disability side of the Medicaid program had at least one representative on this committee.
  - a) ACQ Executive Committee Member Tracy Perry responded the deadline is May 30th, 2025 and more information can be found on

the HCA Beneficiary website. Currently, there are 45 applicants. The Council will hold quarterly meetings online, 5:30 to 7:30 p.m., beginning July 2025. To apply, visit Medicaid Beneficiary Advisory Council

<https://www.hca.nm.gov/medicaid-beneficiary-advisory-council/>

Applications will be reviewed, and selected members will be notified by June 30, 2025. Learn more at Medicaid Beneficiary Advisory Council

<https://www.hca.nm.gov/medicaid-beneficiary-advisory-council/>.

3. Question on funding that has been approved for the waiver programs that was inside House Bill 2 – How have parts of the funding that were allocated to the waivers are going to be implemented? Example, on the Provider Rate increases, how is the division planning to roll this out and will there be information shared?
  - a) Additional add-on to this comment: I also had the same question because in an MVAC meeting they said there was no \$26 million allocated for Provider Rate increase, which on House Bill 2, it said those increases were to cover the already implemented increases, which made absolutely no sense. I would like to request that we get a full detailed in our next ACQ on how that money will be allocated. There were 10 audit findings that were brought up and there may be a possibility to pay back \$120 millions due to these findings, but it did not specify what program these audit findings were from.
  - b) Follow-up from Scott, the funding in the House Bill 2 is for continuing to support the provider rate increase that went in from the 2023 PCG Rate Study and also to support continuous allocation. We recently sent out 700 allocation letters statewide, which may increase having more people come into the program and also to support the super allocation. This is our continued commitment to eliminating the waitlist. With more people in the program, we need extra funding to continue those services and also to provide support. For example, children who are on the waiver, as they age and start to access more services, our budgets begin to increase. Part of the funding for House Bill 2 is to support super allocation, the cost and anticipated increased costs.
    - (1) Scott reached out to Jennifer Rodriguez, Director of DDSD to confirm the information above. Jennifer agreed with what was stated by Scott and noted she would bring this to the attention of the HCA Cabinet Secretary.
4. Add-on comment from another ACQ member to comment # 3: My question on the allocations, for confirmation based on my understanding – this clears the waitlist for everyone who got their application in and approved by what date? Additionally, does this mean, the waitlist is back



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down to zero?

- a) Response from Scott: That is correct, but the waitlist is fluid and I do not have the exact date. I believe it was May 1st last week. We sent out 700 allocation letters and that would clear the wait list. However, of those 700 we anticipate they'll probably be around 500 to 550 acceptance rate. We also get applications daily, if not weekly. If we have someone who matches, they are going to go on the central registry, known as the waitlist until funding becomes available to allocate again. Our plan is to do a continuous allocation and you're never going to have a time where there's absolutely nobody on the waitlist because it's so fluid.

- (1) Response to Scott: This makes sense and I want to take a moment to recognize this enormous accomplishment because New Mexico was the shame of the Nation with the longest waitlist in the country.

- 5. Question on the Provider Rate increases: From my understanding, we were going to be increasing Provider Rates, what I think you're saying Scott and Tracy is the 26 million that appeared for the Provider Rate increases are to be sustain for past Provider Rate increases, which is saying not increasing Provider Rates.

- a) Response from Scott: Our last rate increases were based on the 2023 PCG recommended rates. We increased those effective July 1, 2024. For each budget cycle, you need to make sure there is enough money to continue to support rates and any increased rates that went into effect before the previous fiscal year. The 26 million has money in there to continue to support the 2023 rate increases. Now – we are getting ready to embark on a 2025 Rate Study and the recommendations from that Rate Study, we will review in terms of recommended rate increases.

- (1) Response to Scott: Do you think that was clear in House Bill 2? Do you think that was clear to the Legislature? Two years ago we had high inflation and those rate increases were eaten up as soon as it was issued and to say two years later, we are going to keep the rates at where they were two years ago is to say we are committed to keeping inadequate rates.

- (a) Response from Scott: I do not want to speak for everybody, I am speaking for myself, it was clear to me. The division believes it was and we are committed to completing a Rate Study every two years and we are getting ready to embark on the

2025 Rate Study. In order to increase rates, you need to know the methodology and recommendations, which is what we are committed to. Referring back to the waitlist we had for the longest time, that was a period in our history where we did not complete routine rate studies. We have corrected that now and we are committed to doing rate studies.

6. Follow-up question to question #5: Did the Healthcare Authority know there would be extra expenses involving items that we are not entirely sure of at the beginning of the fiscal year. Example, the Family Infant Toddler Program encounters this and they usually have to request supplements for funding toward services they are required to provide. Is the same thing happening with the Healthcare Authority in reference to the 1915C waivers? Is Secretary Armijo making supplemental requests to help fill in the gaps so the line items like in House Bill 2 related to Provider Rate increases can go to providing rate increases versus using the funds to be able to supplement something else?
  - a) Response from Scott: I do not believe we have asked for a supplement with respect to our programs. We do cost projections when we do projections for the budget and this is related to the number of people in the program, the ages of people, how the services become more expensive, the number of people who will be allocated – all of that is considered, but to answer your question directly, no. I am not aware of any supplemental being submitted.
  - b) Additional comment made on this topic: I do not have the details in front of me, but I am certain that Representative Cates brought a supplemental bill for additional funding, but those bill(s) did not pass. What passed was what was in House Bill 2.
    - (1) Response from Scott: That is correct, Representative Kathleen Cates submitted a bill for approximately 6 million, maybe more for additional funding for the waiver programs – but it did not pass.
    - (2) Response from ACQ members: It was intended for specific services that did not get rate increases on the last rate study. It was tabled in the House Appropriations and Finance Committee because there was a pool of funding in the HCA budget that could fund those rate increases.
    - (3) Additional response from ACQ member: For DDSD, 20 million for enrollee service utilization – there is lag time between getting allocated and getting your full budget expended. There was another 4 million for enrollment growth to cover the 700 people coming off the waitlist, so



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- that is 50 million the HCA has in House Bill 2 for services.
7. My career is winding down and one constant in my career the whole time I have been in my field is the fact that we are underfunded and nothing has changed in all these years. We are still underfunded and I do not understand. I will not understand how public funds for people with disabilities is the last thing on people's minds. It's never going to change. We are set up to continue to be underfunded because of our rate studies. We have given suggestions, but no change. We can't get employees and we can't keep employees. The people we serve are not getting what they deserve.
  8. I want to echo the previous comments. I do feel sorry and it feels like the response from the Healthcare Authority regarding the rate increases and the money we thought was going to support the providers. At the end of the day, it's about the clients that we serve. The issues that providers are facing are real time today. In the ICF world, we have the same struggle and we need to think about the needs of the people that we service. There is a target population that has severe behavioral health issues and their need for services has increased. Our system of care needs to be reviewed.
  9. Response to comments 7 and 8, I want to say I hear you. As a parent and professional in the field, it is frustrating. Our Nation and our world is looking concerned, but I want to say that from when my daughter was born to now, I am seeing progress, which I am grateful for. I am hoping that we do not go backwards. This is me speaking from a Mi Via program perspective. The program celebrates person-centered care and personal choice. We have more people signing on and seeing the benefits of self-direction. I want to encourage those who are working nonstop and tirelessly at the State level, I do care about you. You are trying to get things done as best as you can and you care about people.
  10. Referring back to House Bill 2, I want everyone to be aware about this. \$26,195,000. We can provide a DDSD quote to raise rates for developmental disability providers – the language there says the money is to raise rates. The explanation that it's not there to raise rates. I understand that that's exactly what Scott has represented and I trust him entirely.
  11. Related to the GRT Issue, how the implementation of what is being rolled out is that is there a switch that flips on July 1st or is there some other date?
    - a) Response from Scott: The GRT issue with respect to Mi Via, the gross receipts tax, is to make sure that the gross receipts tax is applied outside of the Mi Via Waiver budget and not inside as it

currently is. It is still on the table and there are plans to move this forward. DDSD is working with the Healthcare Authority in terms of system changes to allow that and there will be information sent out in the future on this.

- b) Additional response from Tracy: They need to change the system and the implementation could be by October 2025, other than that I do not have any further information. The whole goal was to make sure each individual on the Mi Via Waiver got their full \$85,000 budget and to not have budgets cut.

12. Related to comment 11, to provide consultant perspective on this, we brought this up in our last meeting with Healthcare Authority on any information on how it would roll out. I want to note that consultants have the ultimate responsibility at current until this changes for creating budgets, budget revisions, researching and adding information to every budget where the gross receipts tax is applicable and it's not easy. The system that is used to create budgets does not have that already pre-programmed. The consultants have to make sure it's accurate. A Lot of the Vendor agencies know that it changes twice a year and that is an issue. I have fears about what this will look like because we have to do the math for it and it varies significantly across the State. I am hopeful this process is smooth in transition.
13. I would like to talk about Authenticare. A case manager had told our care coordinator the MCO had not uploaded the budget into Authenticare. There seems to be issues that come from the DD Waiver and Mi Via with concerns about what the standards are. It comes from the DD Waiver budget. I would like to personally work with somebody on the systems so our team can better understand what the systems are for the waiver and also on incident reports. HCA is big on the incident reports, but the DD Waiver has a different process and they do not go through the Medicaid portal process. Is there someone who could help educate us?
  - a) Response from Scott: Please email me directly and we can work to set up with Blue Cross. We can have people present to you all the waivers, the differences, and the requirements. I can also place you in touch with the Division of Health Improvement and they will be able to answer your questions on the difference between critical incident reports and general event reports. Let's coordinate.
14. As a parent, I hope the Healthcare Authority and the Developmental Disability Supports Division (DDSD), can share reassurances about parents and people who might be impacted by the Federal level decisions. This includes the National Institutes of Health and the Centers for Medicare and Medicaid services who are creating a database of people who are on the spectrum or people with developmental disabilities and accessing their records or also about the potential Medicaid cuts.



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15. Related to documentation on the \$120 million repayment that the Healthcare Authority is looking at, it's from an Office of Inspector General (OIG) that was conducted in 2014 and 2015, that relates to payments for community benefit services and it's tied to the MCOs. There is no DD implementation or money in that \$120 million.
16. Additional comment to #14, we are having a registry announcement that has to do directly with Medicaid and they are going to get information about health records about people on Medicaid and Medicare. We had families call and ask if we can expunge their health record, if we can take away their child's autism diagnosis, which we cannot do. We have told them that we would do everything we can to keep things private and restrict records. And we've also had people who waited for autism diagnostic appointments now calling to cancel. And also people who come to the clinic having long conversations with us before we can start the process. It's an unsettling time for people, especially in the autism world and the autism world.
17. I've heard over the years paying for the Employment of Record Service in Mi Via and I don't know if that's just idle chatter or if there's some substance to it. Do you know anything?
  - a) Response from Scott: You're talking about the Employment of Employer of Record through Mi Via and whether or not we're moving forward. This is on the table and we are looking at it as a paid service again and this is another area that would have budget implications and implementation planning required. So we need to make sure there is a budget for that because currently it is not a paid service and how to implement it. I cannot give you a date of implementation.
18. Question on Mi Via Waiver: Has the new Mi Via Waiver been published for comment?
  - a) Response from Scott: No, you have not missed anything.
19. To follow up on question #18: The EOR paid service, can the ACQ see the proposal of what they have in writing? I have heard that MVAC has seen it, but we have not. I would like to see it.
  - a) Response from Scott: I'll share this question with Jennifer. I don't believe we have a proposed policy and I don't know what was shared with them
20. Related to EOR paid service, we saw a draft, not MVAC, but a consultant saw a draft a year and a half or maybe two years ago. There were many concerns about it. One was that the qualifications to be an EOR were severe – having a degree, which is not the case for a majority of our EORs. There were also concerns that the EOR would be a paid service



that would out of the budget. So, we would make gains like GRT, but then we lose it because of the EOR, which would be a significant chunk out of the budget. We need to look at what that means and what it would look like.

21. We have not heard anything about reducing community direct support hours to 40 hours a week maximum on a budget. Please remind people to advocate for this. There are a lot of individuals who use community direct support more than 40 hours a week as a de-escalation technique like car rides and change of scenery.
22. Shout out to Kate Nash who participates in the ACQ Public Comment and ACQ Meetings representing Blue Cross Blue Shield and the MCO. I want to say thank you Kate for your participation with us. We want the managed care organizations to know as much as they can about the DD work.
23. I want to provide positive feedback – I know I share suggestions of improvement, but I do appreciate the efforts of our Healthcare Authority partners at the Developmental Disabilities Supports Division to be available to answer and present information. I greatly appreciate the building of that partnership and continuing to spread the good word about the waivers and helping to inform people so they can make those informed decisions about how they want to proceed with things if they're not on waiver.
24. Follow-up comment to #23: We also need to remember that DDSD and the HCA have only been in business together for less than a year from July 1st, 2024. Scott, you guys have certainly come a long way and I don't think anybody that knows you would think you would ever misspeak intentionally. You have my total trust and confidence in what you say and what you relate to us is accurate and true. So thank you so much, Scott, for what you do.

### **C. Closure of Listening Session, 10AM MST**

1. Tracy Perry closed out session and stated transcript was completed

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#### **Follow-Up Points:**

- Next upcoming ACQ Meeting scheduled for June 12th, 2025 from 9AM to 1PM MST

**Zoom Information:** <https://us06web.zoom.us/j/88051246767>

#### **DDSD ACQ website:**

- [Advisory Council on Quality - New Mexico Human Services Department \(nm.gov\)](https://www.advisorycouncilonquality.org/)

#### **ACQ Public Comments:**

- <http://www.cdd.unm.edu/other-disability-programs/disability-health-policy/ddsd-courses/quality-public-comments.html>