

STATE OF NEW MEXICO
OFFICE OF SUPERINTENDENT OF INSURANCE

SUPERINTENDENT OF INSURANCE
Russell Toal



DEPUTY SUPERINTENDENT
Robert E. Doucette, Jr.

BULLETIN 2020-008

April 1, 2020

TO: ALL HEALTH INSURERS LICENSED IN NEW MEXICO

RE: SHORT-TERM SUPPORT OF HOSPITALS AND PROVIDERS DURING THE COVID-19 PUBLIC HEALTH EMERGENCY

Hospitals and their health care providers are on the front lines of the fight against COVID-19, and they have sacrificed revenues to so prepare. Hospitals have cancelled elective procedures to free up capacity as clinic and other patient visits have dropped precipitously. Because of these lost revenues many hospitals are running through cash reserves, and for smaller hospitals in particular, this is putting their very existence in peril.

Hospitals in need of financial support will get some relief from recent federal legislation and Medicare changes, but the timing and amounts of relief are unknown at present. Many of the facilities in New Mexico have limited or no cushion to pay salaries and purchase needed supplies to respond to the crisis. The hospitals need to realize some relief very soon.

Ensuring a steady supply of cash to the hospital community is perhaps one of the most important steps an insurer can take. For that reason, I urge insurers to immediately ramp up efforts to speed payment to hospitals and streamline administration as follows:

- Accelerate claims processing and payment times from 30 days to 10 or 15 days.
- Limit administrative burdens during the public health crisis period by significantly reducing or eliminating prior authorization requirements where possible and appropriate, suspending concurrent and retrospective reviews and taking similar action on other administrative requirements.
- Revise or enhance your discharge planning processes in order to facilitate speed to discharge to ensure hospitals can provide maximum access to all patients most in need of treatment.

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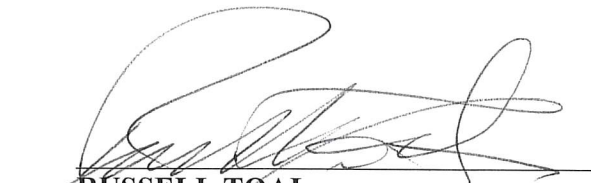
- Consider advancing payments to hospitals in the form of periodic interim payments based on historical payments, with the final settlement process occurring after the public health emergency is over.
- Implement emergency credentialing and enrollment to ensure all available providers are able to care for patients in response to this crisis.
- Clarify that coverage and cost sharing decisions will be made on presenting symptoms, not a final diagnosis.
- Enhance access to care by allowing members to use out-of-network providers utilizing their in-network benefits while paying providers directly for services rendered for:
 - (1) testing, diagnosis and treatment relating to COVID-19; and
 - (2) diagnosis and treatment of any other illnesses, injuries or conditions where in-network providers are not reasonably available due to staffing shortages, cancellation of surgeries or other procedures, closure of units, and other actions taken by providers as a result of the COVID-19 pandemic.

This Bulletin focuses on hospitals because of their central role in dealing with the anticipated surge. Each insurer will have to decide whether the recommended steps should be adopted for other provider types.

In addition to statutory obligations, health insurers have contractual and fiduciary obligations with their enrollees. Like the hospitals, health insurers in New Mexico are essential to the well-being of New Mexico. We recognize you have already responded to the COVID-19 crisis in many important ways. We hope you will take the steps outlined above to ensure the viability of the hospitals in our state, and the citizens who depend on their services.

I thank you for all you have done, and for your serious consideration of and action on the steps outlined herein.

ISSUED this 1st day of April, 2020.



RUSSELL TOAL
Superintendent of Insurance