

August 13, 2025

By Email To: gc.clerk@wca.nm.gov

New Mexico Workers' Compensation Administration
Office of General Counsel
2410 Centre Ave SE
Albuquerque, NM, 87106

RE: Proposed amendments to Part 7: Payments for Health Care Services

Dear WCA General Counsel,

Thank you for the opportunity to comment on the proposed amendments to Part 7: Payments for Health Care Services. Healthsystems is a pharmacy and ancillary benefit manager serving national and regional insurers, self-insured employers, state insurance funds, and third-party administrators. Accordingly, our comments will focus on physician dispensing and durable medical equipment. Although these topics are not currently addressed in the proposed amendments, we respectfully ask the Administration to include these recommendations in the final rulemaking of Part 7.

Physician Dispensed Medications

Section 11.4.7.9D(6) regarding physician dispensing uses complex language that may lead to varying interpretations. The current rule provision reads as follows:

11.4.7.9D Prescription Medication

(6) Health care provider dispensed medications shall not exceed a 10 day supply for new prescriptions only. The payment for health care provider dispensed medications shall not exceed the cost of a generic equivalent.

To ensure clarity and effective implementation we recommend the following revision:

11.4.7.9.D Prescription Medication

(6) Health care provider dispensed medications shall not exceed a 10-day supply for any new prescription. Subsequent refills for the same prescription must be filled by a licensed pharmacy. Reimbursement for renewal prescriptions dispensed by a health care provider is disallowed absent pre-authorization by the payer. The payment for health care provider dispensed medications shall not exceed the cost of a generic equivalent. Health care providers who dispense medications shall not receive a dispense fee.

These amendments maintain the 10-day supply limit, direct refills to licensed pharmacies, and ensure that physician dispensing fees under Part 7 are consistent with the guidelines specified in the Health Care Provider Fee Schedule and Billing Instructions.

Durable Medical Equipment

Durable Medical Equipment (DME) plays a critical role in supporting injured workers through recovery, rehabilitation, and ongoing injury management. However, the practice of automatically billing and shipping supplies, often without confirmation from the injured worker or prescribing provider, has become a growing concern. Items such as TENS unit electrodes, glucose test strips, dressings, canisters, and batteries may be billed based on usage and servicing needs. Yet when shipped without an affirmative request, these supplies frequently go unused, resulting in unnecessary cost to the system and leaving injured workers with surplus items they neither need nor requested. Addressing this issue is essential to promoting responsible billing practices and ensuring that care remains patient centered and cost-effective. For these reasons we recommend the following amendment:

11.4.7.8.B Authorization for treatment and services

(4) Pre-authorization is required prior to scheduling or performing any of the following services: (a) independent medical examinations; (b) physical impairment ratings; (c) functional capacities evaluations; (d) physical therapy; (e) caregiver services; and (f) durable medical equipment (DME)

(5) Pre-authorization, as outlines in (a) through (f) above, must be obtained by the HCP before services or equipment are provided or the payer will not be held liable for payment of the service or equipment provided.

(6) If an authorization, a pre-authorization or a denial is not received by the provider by the deadlines set forth in this rule, the requested service or treatment will be deemed authorized. The provider and the payer shall document all the attempts to obtain authorization from the date of the initial request.

(7) The auto-shipping of DME supplies is not allowed. An affirmative request by the injured worker or prescribing provider is required.

These changes aim to limit unnecessary shipments while ensuring injured workers receive supplies when needed.

We appreciate the Administration's diligent and thoughtful approach to rulemaking, as well as the careful consideration given to our recommendations. We remain available to offer further insights or information.

Sincerely,


Isabel Hernandez

Advocacy & Compliance Analyst

Healthsystems

813.367.2446

lhernandez@healthsystems.com