Mondragon, Tabitha, HCA

From: Christine Fallabel <CFallabel@diabetes.org>
Sent: Friday, October 16, 2026 11:11 AM
To: HCA-madrules
Cc: Skye Devore; Christine Fallabel
Subject: [EXTERNAL] ADA Comments: Proposed Amendments to 8.324.4 NMAC — Pharmacy Services
Attachments: new mexico comment letter 10 23.pdf

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Dear Secretary Armijo and Members of the New Mexico Health Care Authority,

On behalf of the American Diabetes Association (ADA), thank you for the opportunity to provide comments regarding proposed amendments to 8.324.4 NMAC governing pharmacy services under New Mexico Medicaid.

As the Health Care Authority considers updates to 8.324.4 NMAC, the ADA respectfully urges the agency to ensure that cost-containment and administrative efficiency do not come at the expense of timely access to medically necessary diabetes and obesity treatment.

Specifically, we encourage HCA to preserve access to evidence-based diabetes medications, clarify its policies regarding obesity pharmacotherapy, establish meaningful continuity-of-care protections, maintain clinically appropriate prior authorization and step therapy requirements, and promote transparency throughout the formulary development and implementation process. These safeguards are essential to ensuring that Medicaid beneficiaries living with diabetes can access the individualized treatment necessary to manage their condition, prevent complications, and maintain their health and quality of life.

Thank you for the opportunity to provide comments on these proposed amendments. The ADA welcomes continued collaboration with HCA and stands ready to serve as a resource as New Mexico works to improve diabetes care and medication access for Medicaid beneficiaries.

Please see our attached letter and let me know if you have any questions. We appreciate the opportunity for comment.

Sincerely,
Christine Fallabel

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October 23, 2026

New Mexico Health Care Authority
Medical Assistance Division
State of New Mexico

RE: Public Comments on Proposed Amendments to 8.324.4 NMAC — Pharmacy Services

Dear Health Care Authority Leadership:

On behalf of the American Diabetes Association (ADA), we appreciate the opportunity to submit comments regarding the New Mexico Health Care Authority's (HCA) proposed amendments to 8.324.4 NMAC, Pharmacy Services, scheduled to take effect January 1, 2027.

The ADA is the nation's leading voluntary health organization committed to preventing and curing diabetes and improving the lives of all people affected by diabetes. Through research, advocacy, education, and community engagement, the ADA works to ensure that people living with diabetes have access to affordable, evidence-based care, medications, and technologies necessary to manage their condition and prevent serious complications.

We appreciate HCA's efforts to modernize New Mexico's Medicaid pharmacy policies through implementation of a unified Preferred Drug List (PDL), updates to prior authorization requirements, expanded over-the-counter medication coverage, and revisions to diabetes-related supply coverage.

As New Mexico advances these changes, the ADA encourages HCA to prioritize patient access, clinical appropriateness, continuity of care, and transparency. Pharmacy policies should support individualized treatment decisions and avoid unnecessary administrative barriers that could delay or interrupt medically necessary diabetes care.

1. Preserve Access to GLP-1 Receptor Agonists and Other Evidence-Based Diabetes Medications

Glucagon-like peptide-1 (GLP-1) receptor agonists and related therapies have become important components of evidence-based treatment for type 2 diabetes. In addition to improving glycemic management, certain medications within this class have demonstrated cardiovascular, kidney, and other clinical benefits for appropriate patient populations.

The ADA recognizes that states must balance fiscal responsibility with the need to provide comprehensive Medicaid coverage. However, formulary decisions should be grounded in clinical evidence and current standards of care, rather than cost considerations alone.

As HCA implements its unified PDL, the ADA recommends that the agency:

- Maintain meaningful access to FDA-approved GLP-1 receptor agonists and other clinically appropriate medications prescribed for the treatment of type 2 diabetes.

- Ensure that formulary placement and utilization management requirements reflect current clinical evidence and nationally recognized diabetes treatment guidelines.
- Recognize that medications within the same therapeutic class are not necessarily interchangeable for every patient, particularly when clinical indications, demonstrated benefits, tolerability, and individual treatment responses differ.
- Establish accessible medical exception pathways when a nonpreferred medication is clinically necessary.

The ADA encourages HCA to ensure that implementation of the unified PDL does not inadvertently restrict access to medications that are essential to preventing diabetes-related complications and improving long-term health outcomes.

2. Clarify Coverage Policies for GLP-1 Medications Prescribed for Obesity and Weight Management

The ADA also encourages HCA to clarify how the proposed pharmacy amendments will affect access to FDA-approved medications prescribed for obesity and chronic weight management.

Obesity is a chronic, complex disease and a significant risk factor for developing type 2 diabetes and other serious health conditions. Evidence-based obesity treatment, including pharmacotherapy when clinically appropriate, can improve health outcomes and reduce the risk of obesity-related complications.

The ADA understands that existing provisions within New Mexico's Medicaid pharmacy regulations identify weight-loss or weight-control medications as noncovered services. The proposed rulemaking materials do not clearly indicate whether HCA intends to modify, retain, or reinterpret this exclusion.

Accordingly, the ADA requests that HCA clarify:

- Whether the existing exclusion for weight-loss and weight-control medications will remain in effect following implementation of the proposed amendments.
- How HCA will distinguish between GLP-1 medications prescribed for type 2 diabetes and those prescribed for obesity or chronic weight management.
- Whether medications with multiple FDA-approved indications will be evaluated according to the patient's documented diagnosis and medical necessity.
- Whether HCA anticipates future changes to obesity medication coverage, including through federal demonstration opportunities or other Medicaid initiatives.

The ADA supports equitable access to evidence-based obesity treatment and encourages New Mexico to consider coverage policies that recognize obesity as a chronic disease requiring appropriate medical management.

We further encourage HCA to avoid administrative policies that create unnecessary barriers for individuals with multiple chronic conditions, including those living with both obesity and type 2 diabetes.

3. Establish Strong Continuity-of-Care Protections During Formulary Changes

The ADA is particularly concerned about the potential impact of formulary transitions on Medicaid beneficiaries who are stable on existing diabetes medication regimens.

Changes to preferred drug status, manufacturer agreements, or utilization management criteria can result in nonmedical switching, requiring patients to change medications for reasons unrelated to clinical effectiveness, safety, or individual treatment needs.

For people living with diabetes, unnecessary medication changes may disrupt glycemic management, increase administrative burdens, and create avoidable risks to patient health.

The ADA recommends that HCA establish explicit continuity-of-care protections, including:

- Grandfathering protections, or clinically appropriate transition exceptions, for beneficiaries who are stable on an effective medication regimen.
- Advance notification to beneficiaries and prescribing clinicians before changes to formulary placement or coverage requirements take effect.
- Reasonable transition periods that allow patients and clinicians to evaluate alternatives without interruptions in treatment.
- Expedited exceptions and appeals processes when a preferred medication is clinically inappropriate or a patient has previously experienced treatment failure or adverse effects.
- Protections against abrupt medication discontinuation resulting solely from administrative or formulary changes.

The ADA strongly encourages HCA to avoid mandatory non-medical switching for beneficiaries who are achieving appropriate clinical outcomes on their current therapy.

4. Ensure Prior Authorization and Step Therapy Requirements Are Clinically Appropriate

The ADA recognizes that prior authorization and step therapy may serve as utilization management tools within Medicaid pharmacy programs. However, overly restrictive requirements can delay access to necessary treatment, increase administrative burdens, and interfere with individualized medical decision-making.

Diabetes treatment is not a one-size-fits-all approach. Medication selection must account for multiple factors, including glycemic management, cardiovascular and kidney health, hypoglycemia risk, medication tolerability, comorbid conditions, and patient preferences.

The ADA recommends HCA:

- Align prior authorization and step therapy criteria with current evidence-based clinical guidelines, including the ADA Standards of Care in Diabetes.
- Avoid requiring patients to fail medications that are clinically inappropriate or contraindicated before accessing prescribed treatment.
- Provide clear exceptions for patients with documented contraindications, adverse reactions, prior treatment failures, or other compelling medical circumstances.

- Establish timely authorization determinations and expedited review procedures when treatment delays could jeopardize patient health.
- Minimize duplicative prior authorization requirements for patients who have already demonstrated clinical benefit from an established therapy.
- Ensure that authorization and appeals processes are transparent, accessible, and administratively reasonable for patients and providers.

The ADA further encourages HCA to ensure that generic-first or preferred-product requirements do not supersede clinically appropriate prescribing decisions when meaningful therapeutic differences exist.

5. Promote Transparency and Stakeholder Engagement in the Unified Preferred Drug List

As HCA transitions to a unified PDL, the ADA encourages the agency to maintain transparency regarding the clinical criteria used to determine preferred and nonpreferred medications.

Clear and publicly accessible formulary policies are essential for patients, health care professionals, pharmacists, and advocates seeking to understand coverage requirements and navigate changes in treatment access.

Specifically, the ADA recommends HCA:

- Publish current diabetes-specific PDL criteria, including prior authorization requirements, step therapy protocols, and medical exception procedures.
- Provide advance public notice of significant formulary changes affecting diabetes medications.
- Clearly communicate differences in coverage requirements based on medication indication.
- Incorporate meaningful input from clinicians, pharmacists, patients, and diabetes advocacy organizations when developing or revising utilization management policies.
- Monitor the impact of formulary changes on medication access, treatment interruptions, and health outcomes.

Transparency and ongoing stakeholder engagement can help ensure that New Mexico's Medicaid pharmacy policies remain responsive to emerging clinical evidence and the needs of beneficiaries living with chronic disease.

6. Consider the Interaction Between State Pharmacy Policies and Future Federal Demonstration Opportunities

The ADA also encourages HCA to consider how the proposed amendments may interact with future federal initiatives designed to expand access to evidence-based obesity treatment.

In particular, the Centers for Medicare & Medicaid Services' Better Approaches to Lifestyle and Nutrition for Comprehensive hEalth (BALANCE) Model presents a potential opportunity for participating states to evaluate approaches to improving access to obesity treatment, including certain medications.

While New Mexico's participation in any future demonstration would be subject to applicable federal requirements and state decisions, the ADA encourages HCA to ensure that its pharmacy regulations provide sufficient flexibility to accommodate future coverage initiatives.

The ADA recommends that HCA clarify whether existing pharmacy exclusions, unified PDL requirements, or prior authorization provisions could create barriers to implementation of future federal demonstration models.

We further encourage the agency to consider how demonstration-related coverage policies could be coordinated with existing Medicaid pharmacy benefits to support consistent, equitable access to treatment.

7. Maintain Comprehensive Access to Diabetes Supplies and Technologies

Finally, the ADA appreciates HCA's attention to diabetes-related supplies within the proposed pharmacy amendments.

Effective diabetes management depends not only on access to medications but also on reliable access to necessary monitoring supplies and technologies.

The ADA encourages HCA to ensure that revisions to diabetes supply coverage preserve access to clinically appropriate products, including blood glucose monitoring supplies, continuous glucose monitoring systems, and insulin delivery supplies, as applicable under New Mexico Medicaid's pharmacy and durable medical equipment benefits.

Coverage policies should recognize the importance of individualized treatment needs and avoid unnecessary barriers resulting from differences in product classification, distribution channels, or benefit administration.

The ADA encourages HCA to maintain clear, consistent coverage pathways that support patient choice and timely access to prescribed diabetes technologies.

Conclusion

The American Diabetes Association appreciates the New Mexico Health Care Authority's continued efforts to strengthen and modernize its Medicaid pharmacy program.

As HCA implements the unified Preferred Drug List and related pharmacy policy changes, we urge the agency to ensure that cost-containment and administrative efficiency do not come at the expense of timely access to medically necessary diabetes treatment.

Specifically, we encourage HCA to preserve access to evidence-based diabetes medications, clarify its policies regarding obesity pharmacotherapy, establish meaningful continuity-of-care protections, maintain clinically appropriate prior authorization and step therapy requirements, and promote transparency throughout the formulary development and implementation process.

These safeguards are essential to ensuring that Medicaid beneficiaries living with diabetes can access the individualized treatment necessary to manage their condition, prevent complications, and maintain their health and quality of life.

Thank you for the opportunity to provide comments on these proposed amendments. The ADA welcomes continued collaboration with HCA and stands ready to serve as a resource as New Mexico works to improve diabetes care and medication access for Medicaid beneficiaries.

Sincerely,



Christine Fallabel, MPH
Managing Director, State Government Affairs
American Diabetes Association