State of New Mexico
Medical Assistance Program Manual

Supplement

HEALTH CARE AUTHORITY

DATE: October 9, 2026 **NUMBER: 26-07**

TO: ALL PRACTITIONERS

FROM: ALANNA DANCIS, ACTING DIRECTOR, MEDICAL ASSISTANCE DIVISION

THROUGH: KEENAN RYAN, ACTING CHIEF MEDICAL OFFICER

SUBJECT: GENDER AFFIRMING CARE

The purpose of this HCA Supplement is to provide guidance and directives to providers on modification of services and program standards related to gender affirming healthcare for individuals less than 18 years of age who would otherwise be eligible for Medicaid. The guidance in this supplement is **effective October 13, 2026.**

While members' needs should be considered holistically, payment for certain services (i.e. prescribing of specific classes of medications) will be reimbursed separately in alignment with federal guidance. New federal guidance precludes the use of federal funds for surgical or pharmaceutical procedures for gender affirming care for individuals under the age of 18.

The state of New Mexico covers pharmaceutical agents for select members less than 18 year of age for gender affirming care. These services will continue to be covered with state funds effective October 13, 2026, and have requirements listed below.

1. **Member Eligibility Requirements:** Requirements and indications must be documented in the member's medical record.
    a. Age:
        i. Members twelve years to seventeen years of age are eligible for hormone therapy only.
    b. Members **must** have a diagnosis of gender dysphoria.
        i. F64.2 - Gender identity disorder of childhood (ages 12-17)
    c. Note: This policy does not apply to newborn(s) born with atypical genitalia; patients born with this condition continue to be eligible for all medically necessary therapies including surgery in order to address the unique needs of this population
2. **Covered Services:**. Services, depending on age (see eligibility requirements in bullet 1), include:
    a. Pubertal blockage for youth
    b. Masculinizing and feminizing hormone therapy

c. Clinical visits where agents defined in (a) or (b) are prescribed.

3. **Provider Requirements:** New Mexico Medical Assistance Division (MAD) pays for medically necessary health care services furnished by a MAD enrolled medical provider. [NMAC 8.310.3]. Eligible providers are physicians or other qualified health care professionals (Certified Nurse Practitioners, Certified Nurse Specialists & Physician Assistants, Certified Nurse Midwives).

4. **Prior Authorization:** All agents in 2a and 2b prescribed to an individual 17 years of age or less will require a prior authorization of clinical documentation.

   a. If these agents are used for indications other that gender affirming care they will be paid through the members Medicaid benefit.

   b. All other pharmacy claims should be billed to the state's Pharmacy Benefit Administrator, Conduent.

      i. For claims to be paid with state funds the pharmacy must submit the claims with a submission clarification code 99.

5. **Billing and Coding:**

   a. All claims **must** include required diagnosis of gender dysphoria.

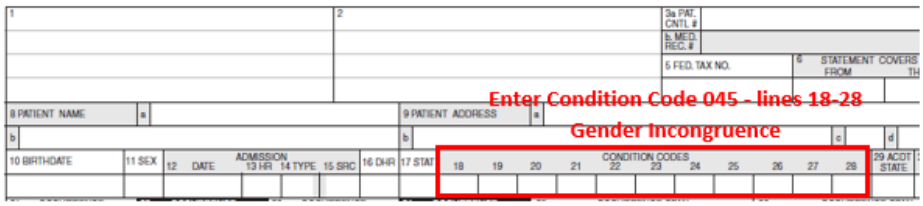
      i. F64.2 - Gender identity disorder of childhood (ages 12-17)

   b. Visits for prescribing of medications do not require prior authorization but should occur on a separate visit than all other care.

      i. FQHCs, IHS and Tribal 638 entities may not bill these services as part of their encounter rate and must bill these visits on a separate CMS 1500.

   c. Services billed on a UB-04 **must** include condition code 45: Gender incongruence

      Note: Effective July 1, 2023, the National Uniform Billing Committee revised Condition Code 45 to Gender Incongruence, defined as "characterized by a marked and persistent incongruence between an individual's experienced gender and sex at birth."



   d. Rates for services provided are required to reimburse the fee schedule rates at a minimum. Gender affirming procedure rates are found in the fee schedule at Fee Schedules – New Mexico Health Care Authority.

For questions regarding this guidance, please contact the Medical Assistance Division, Program Policy Bureau at madinfo.hca@hca.nm.gov