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State/Territory Name: New Mexico

State Plan Amendment (SPA) #: 14-04

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Superseding Page Listing
- 4) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

NOV 04 2014

Ms. Julie Weinberg, Director
New Mexico Human Services Department
Medical Assistance Division
Post Office Box 2348- ARK
Santa Fe, New Mexico 87504-2348

RE: New Mexico 14-04

Dear Ms. Weinberg:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 14-04. The purpose of this amendment is to delete the pages in the New Mexico state plan governing the methodology for computing inpatient supplemental Medicaid payments for Sole Community hospitals and a State hospital.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. As part of the review process the State was asked to provide information regarding access to care issues and the funding of the State share of expenditures under Attachment 4.19-A.

Based upon your assurances, Medicaid State plan amendment 14-04 is approved effective April 1, 2014. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Tamara Sampson at (214) 767-6431.

Sincerely,

A black rectangular box redacting the signature of Timothy Hill.

Timothy Hill
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 14-04	2. STATE New Mexico
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE April 1, 2014	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 42 CFR 412.92		7. FEDERAL BUDGET IMPACT: for FFY 2014: for FFY 2015 :	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A; page 18 Attachment 4.19-A; page 19 (intentionally left blank) Attachment 4.19-A; page 20 (intentionally left blank)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A, page 18; supersedes pages 18 (TN No. 92-14), 19 (TN No. 01-04), 19a, 19b, 19c, and 20 (TN No. 12-01) Attachment 4.18-A, pages 19 and 20 (intentionally left blank) supersedes page 20a (TN No. 00-09)	
10. SUBJECT OF AMENDMENT: Removal of Sole Community Provider Payment Adjustment and State Operated Teaching Hospital Adjustment			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		X OTHER, AS SPECIFIED: Authority Delegated to the Medicaid Director.	
12. SIGNATURE: [Redacted]		16. RETURN TO: Julie B. Weinberg, Director Medical Assistance Division P.O. Box 2348 Santa Fe, NM 87504 - 2348	
13. TYPED NAME: Julie B. Weinberg			
14. TITLE: Director, Medical Assistance Division			
15. DATE SUBMITTED: March 5, 2014 ; revised 9/25/14			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: March 26, 2014		18. DATE APPROVED: NOV 04 2014	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2014		20. SIGNATURE: [Redacted]	
21. TYPED NAME: Kristin Fan		22. TITLE: Deputy Director, FMG	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –
INPATIENT HOSPITAL SERVICES

Attachment 4.19 – A
Page 18

4. **Payment for Inappropriate Brief Admissions**

Hospital stays of up to two days in length will be reviewed for medical necessity and appropriateness of care. (Discharges involving health mothers and healthy newborns are excluded from this review requirement.) If it is determined that the inpatient stay was unnecessary or inappropriate, the prospective payment for the inpatient discharge will be denied. If the inpatient claim is denied, the hospital is permitted to resubmit an outpatient claim for the services rendered. Such review may be further focused to exempt certain cases at the sole discretion of the Department.

5. **Payment for Non-Medically Warranted Days**

- a. Reimbursement for hospital patients receiving services at an inappropriate level of care will be made at rates reflecting the level of care actually received. The number of days covered by the Medicaid program is determined based only upon medical necessity for an acute level of hospital care.
- b. When it is determined that an individual no longer requires acute-level care but does require a lower level of institutional care, and when placement in such care cannot be located, the hospital will be reimbursed for “awaiting placement” days. Reimbursement will be made at the weighted average rate paid by the Department in the preceding calendar year for the level of care needed. There is no limit on the number of covered “awaiting placement” days as long as those days are medically necessary. However, the hospital is encouraged to make every effort to secure appropriate placement for the individual as soon as possible. During “awaiting placement” days, no ancillary services will be paid, but medically necessary physician visits will be reimbursed.

6. **(Intentionally left blank)**

7. **(Intentionally left blank)**

STATE	New Mexico	A
DATE REC'D	3-26-2014	
DATE APP'D	NOV 04 2014	
DATE EFF	4-1-2014	
ISS# 179	14-04	

TN No. 14-04

Approval Date NOV 04 2014

Supersedes TN No. 92-14

Effective Date April 1, 2014

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL SERVICES

PAGES 19-20 INTENTIONALLY LEFT BLANK

STATE	New Mexico
DATE REC'D	3-26-2014
DATE APPV'D	NOV 04 2014
DATE EFF	4-1-2014
HCFA 179	14-04

A

TN No. 14-04

Supersedes TN No. 01-04 and 12-01

Approval Date NOV 04 2014

Effective Date April 1, 2014