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State/Territory Name: New Mexico

State Plan Amendment (SPA) #: 14-14

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

April 16, 2015

Ms. Nancy Smith-Leslie, Director  
Medical Assistance Division  
New Mexico Department of Human Services  
P.O. Box 2348  
Santa Fe, New Mexico 87504

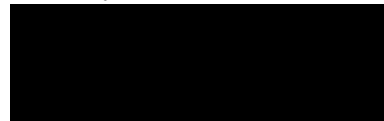
Dear Ms. Smith-Leslie:

We have reviewed the proposed amendment to your Medicaid State Plan submitted under Transmittal Number (TN) 14-14. With the approval of TN 14-14, the Centers for Medicare and Medicaid Services (CMS) has approved the State's request to continue making enhanced payments to primary care providers (PCP) as outlined in Sections 1902(a)(13), 1902(jj), 1905(dd) and 1932(f) of the Social Security Act (The Act), and as amended by the Affordable Care Act (ACA).

Transmittal Number 14-14 is approved with an effective date of January 1, 2015, as requested. A signed and dated copy of the Transmittal No. 14-14 summary is enclosed, along with the approved plan pages.



If you have any questions, please contact Stacey Shuman at (214) 767-6479.

Sincerely,



Bill Brooks  
Associate Regional Administrator  
Division of Medicaid & Children's Health  
Operations

Cc: Bill Bob Farrell, DMCH  
Linda Tavener, CMS Baltimore  
Mark Pahl, CMS Baltimore  
Dorothy Ferguson, DMCH

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 14-14	2. STATE New Mexico
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		4. PROPOSED EFFECTIVE DATE January 1, 2015	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ): <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 ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR Part 438, 441, and 447  Sections 1902(a)(13), 1902(jj), 1932(f), and 1905(dd) of the Social Security Act, as amended by the Affordable Care Act.		7. FEDERAL BUDGET IMPACT:  for FFY 2015: 11,025,000 for FFY 2016 : 14,700,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B; pages ii.d, ii e, and ii f.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Supersedes none; new pages	
10. SUBJECT OF AMENDMENT: Continuation of Primary Care Increase			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Authority Delegated to the Medicaid Director. <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF AGENCY OFFICIAL: 		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: November 20, 2014 Resubmitted January 7, 2015			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 25 November, 2014		18. DATE APPROVED: 16 April, 2015	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 January, 2015		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator (ARA) Division of Medicaid and Children's Health (DMCH)	
23. REMARKS:			

State: New Mexico

Date Received: 11/24/14

Date Approved: 4/16/15

Effective Date: 1/1/15

Transmittal Number: NM 14-14

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
State of NEW MEXICO  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES  
- OTHER TYPES OF CARE

Attachment 4.19 - B

Page ii.d

Physician Services  
Increased Primary Care Service Payment  
42 CFR 447.405, 447.410, 447.415 for dates of service beginning January 1, 2015

**Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment**

The state continues to reimburse for services provided by physicians meeting the requirements of 42 CFR 447.400(a) (with the exceptions noted below) at no less than the Medicare Part B fee schedule rate using the CMS Medicare physician fee schedule rate in effect for the date of service. If there is no applicable rate established by Medicare for the service, an enhanced primary care service payment rate is not applied.

- ☒ The rates reflect all Medicare site of service and locality adjustments.
- ☐ The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- ☐ The rates reflect all Medicare geographic/locality adjustments.
- ☐ The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

**Attestation Requirements:**

For 2015 and subsequent years (the extension years) of the Physician Services Increased Primary Care Services Payment, the state agency continues to follow the provider qualifying circumstances as described in 42 CFR 447.400(a) and used for the 2013-2014 increased payment program; that is, specified board certification or meeting the 60% threshold of services being primary care services identified by procedure codes.

*Board Certification*

New Mexico Medicaid-enrolled providers who attested and were approved for the 2013 and/or 2014 primary care provider (PCP) enhanced payments whose attestation is still in effect on December 31, 2014, who qualified because they met the board specialty requirements, and who continue to be an approved provider for the New Mexico Medicaid program, will continue to receive PCP enhanced payments for 2015 and subsequent years until their board certification expires, at which point they will be required to submit documentation of their renewed board certification if the state agency cannot verify their renewal with their board.

*Sixty Percent Claims Threshold*

To facilitate provider attestation for 2013 and 2014, the state agency produced reports that measured the percent of the provider's Medicaid billing history, including both fee for service and managed care paid claims. These reports showed the percent of the provider's billing that was for the primary care E&M procedure codes, including vaccinations, as a percent of all claims. The state agency will perform this same calculation based on 2014 claims for providers whose approved 2013/2014 attestation was still in effect on December 31, 2014. Any currently attested provider who continues to be an approved provider for the New Mexico Medicaid program will continue to receive the PCP enhanced payment for 2015 and subsequent years because of their previous attestation and agency approval as long as the provider continues to meet the threshold percentage of 60% primary care codes. This calculation would be performed again in each of the subsequent years in which the enhanced payment program is in effect.

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State: New Mexico  
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Any currently attested provider who does not meet the 60% threshold requirement will be notified that he or she must re-attest and must be re-approved as meeting the criteria in order to receive the PCP enhanced payment for 2015 and subsequent years. This same process will be performed each year that the PCP enhanced payment program continues subsequent to 2015.

Enhanced payment for primary care services is limited to providers who have enrolled through the state agency as approved providers for the Medicaid fee for service program, the Medicaid managed care programs, or both.

**New Providers and Providers Attesting for the First Time:**

Any provider not having an approved attestation in effect on December 31, 2014 must file a new attestation and be approved prior to receiving PCP enhanced payments for 2015. Any provider attesting for the first time for 2015 or subsequent years will not receive PCP enhanced payments for 2013 or 2014.

**Attestation Timing Requirements:**

Beginning January 1, 2015, in order to receive enhanced payments for part or all of the calendar year, any provider submitting a new attestation must submit the attestation by December 31 of the same calendar year. When the attestation is approved, enhanced payments may be made retroactive to the beginning of the calendar year but not prior to the effective date of the board certification or prior to the earliest date used to calculate their qualifying under the 60% threshold.

**Provider Qualifications**

Providers not previously allowed to qualify for the enhanced primary care payment increase per 42 CFR 447.400(a) will not be allowed to receive enhanced payments in 2015 or subsequent years, including:

- Providers whose services are reimbursed on the basis of an encounter rate, such as federally qualified health centers, rural health clinics, Indian health service and tribal 638 facilities, unless the service was paid at a fee schedule rate;
- Physician extenders, identified as physician assistants certified nurse practitioners, pharmacist clinicians, and certified nurse midwives unless their supervising physician attests to practicing in one of the specialty designations and qualifies with a board certification or meets the 60% primary care threshold. In the attestation, the supervising physician must accept professional responsibility and legal liability for the extenders; this is verified on the attestation form. The supervising physician must identify his or her NPI number and the form must have the supervising physician's signature.

**Method of Payment**

The state reimburses a supplemental amount equal to the difference between the Medicaid payment rate in effect on the date of service as published in the agency's fee schedule described in the State Plan Attachment 4.19B, pages 1 and 2, item I (Fee Schedule Pricing for Professional Services - Physician Services) and the CMS Medicare fee schedule in effect for the date the service was rendered. Initially, for calendar year 2015, the 2015 CMS Medicare fee schedule will be used. For each subsequent year this



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state plan provision is in place, the agency's fee schedule in effect for the date of service and the CMS Medicare fee schedule in effect for the date of service will be used.

The funding for the primary care increase made in these extension years will be at the federal match rate associated with the category of eligibility of the recipient receiving the service and the service.

Supplemental payment is made: ☐ monthly ☒ quarterly

Initially, the enhanced payment amounts will be made as a lump sum payment to the provider until such time that (1) the fee for service enhanced payment can be added on to the claim at the time of payment, and (2) the enhanced payment rate can be incorporated into the managed care capitation rate which will include obtaining federal approval for both the rates and the process.

**Primary Care Services Affected by this Payment Methodology**

The codes that qualify for the PCP enhanced payment are those that are a covered benefit of the state Medicaid program in the Evaluation and Management Current Procedural Terminology (CPT) code range 99201 through 99499.

These are the codes that were included in the 2013 and 2014 primary care enhanced payment and will continue to receive the enhanced payment in 2015 and subsequent years when they are a benefit of the Medicaid program.

**Effective Date of Payment**

**E & M Services**

This reimbursement methodology applies to services delivered on and after January 1, 2015. All rates are published at <http://www.hsd.state.nm.us/providers/fee-for-service.aspx> under the 'Fee Schedules' section of the 'Provider' section of the website.

**Vaccine Administration**

The state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the state regional maximum administration fee set by the Vaccines for Children (VFC) program and therefore vaccine administration is not included as a primary care increase but is included in counting toward the 60% primary care services volume required for providers who do not meet the board certification requirements.

State: New Mexico  
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*Supersedes Page: None*

TN No: NM 14-14

Approval Date: 4/16/15

Supersedes TN No: New Page

Effective Date: 1/1/15