DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
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CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID & CHIP SERVICES

State Demonstrations Group

January 14, 2025

Dana Flannery
Medicaid Director
New Mexico Health Care Authority
PO Box 2348
Santa Fe, NM 87504-2348

Dear Director Flannery:

New Mexico submitted a Health-Related Social Needs (HRSN) Implementation Plan on December 13, 2024, in accordance with special terms and conditions (STC), specifically STC 10.18. The Centers for Medicare and Medicaid Services is approving the Implementation Plan, as an attachment to the STCs for New Mexico's section 1115 demonstration project entitled, "New Mexico Turquoise Care" (Project Number 11-W-00285/6), effective through December 31, 2029. A copy of the approved attachment is enclosed and will be incorporated into the STCs as Attachment M.

This approval is conditioned upon compliance with the previously approved STCs, which set forth in detail the nature, character, and extent of anticipated federal involvement in the project.

The state's HRSN Rate Methodology submission (STC 10.14) is under review with CMS and once accepted, the state may claim FFP.

We look forward to our continued partnership on the Turquoise Care section 1115 demonstration. If you have any questions, please contact your CMS project officer, Sandra Phelps. Ms. Phelps can be reached by email at Sandra.Phelps@cms.hhs.gov.

Sincerely,

Angela D. Garner -S

Digitally signed by Angela D. Garner -S
Date: 2025.01.14 12:10:19 -05'00'

Angela Garner
Director
Division of System Reform Demonstrations

cc: Dana Brown, State Monitoring Lead, CMS Medicaid and CHIP Operations Group

Attachment M
Turquoise Care 1115 Waiver
Health-Related Social Needs Home Delivered Meals Rate Methodology

In accordance with New Mexico's Section 1115 Demonstration and Special Terms and Conditions (STCs), the Health-Related Social Needs (HRSN) Implementation Plan (Plan) provides additional detail on the strategic approach, timelines, system changes, partnerships, and other elements necessary to implement Turquoise Care HRSN Initiatives. This Plan is in alignment with the HRSN Services Protocol, submitted to CMS on October 23, 2024 and updated for CMS on December 13, 2024.

Through the Turquoise Care 1115 Demonstration extension, the New Mexico Health Care Authority (HCA) received approval for new HRSN services:

- **Housing Interventions:**
  - **Short-term post-hospitalization housing** (Medical Respite) with room and board for up to six months per year, only where integrated, clinically oriented recuperative or rehabilitative services and supports are provided. Post-hospitalization housing is limited to a clinically appropriate amount of time.
- **Nutrition Interventions:**
  - **Home delivered meals (medically-tailored meals),** tailored to health risk, or pantry stocking for pregnant individuals who meet risk and needs-based criteria. Additional meal support is permitted when provided to the household of a pregnant individual, as defined in the risk and needs-based criteria.
  - **Nutrition prescriptions**, tailored to health risk, certain nutrition-sensitive health conditions, and/or demonstrated outcome improvement, including, for example, fruit and vegetable prescriptions, protein box prescriptions, food pharmacies, and/or healthy food vouchers for pregnant individuals as defined in the risk and needs-based criteria.

This HRSN Implementation Plan has been organized into five sections, aligned with the requirements in STC 10.18:

Section 1: HRSN Services Strategic Approach, Timeline and Evaluation Considerations

Section 2: Key Partnerships and Capacity Building

Section 3: Launching and Operationalizing HRSN Services

Section 4: Technology, Data Sharing, and Monitoring

Section 5: Rate Methodology and Maintenance of Effort

Attachment M
Turquoise Care 1115 Waiver
Health-Related Social Needs Home Delivered Meals Rate Methodology

Section 1: HRSN Services Strategic Approach, Timeline and Evaluation Considerations (STC 10.18.b. and 10.18.b.1.v)

Medical Respite services and medically-tailored meals for pregnant members will be delivered to both managed care and fee-for-service (FFS) members[1]. For managed care members, medical respite will be paid for via a non-risk arrangement and medically-tailored meals will be included in capitation rates. Implementation of these services will leverage existing service delivery infrastructure where possible, and foster connections to other supportive resources and interventions. HCA will phase-in the implementation of initiatives beginning in the first year of the demonstration extension. Information for each initiative as required in the STCs is included below.

Housing Interventions (Medical Respite): Approach and Timeline

Medical Respite services are intended for unstably housed or homeless members who are discharging from a hospital setting and need a safe place to recuperate. For additional information on the Medical Respite program, please see the HRSN Protocols for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications: Medical Respite (Attachment N), submitted to CMS on October 23, 2024 and updated on December 13, 2024.

HCA will begin delivering Medical Respite services at one 50-bed site, operated by Albuquerque Healthcare for the Homeless (AHCH) a Federally Qualified Health Center, by February 1, 2025. This brand-new site in Albuquerque has been under development and will act as a pilot site for implementation, ensuring eligibility screening and referral, care delivery, billing, and oversight and monitoring processes are taking place effectively before expansion of the program to additional sites. HCA intends to expand Medical Respite services to nine additional sites over the course of the demonstration, with sites and phase-in schedule to be determined as provider capacity is developed and physical space is secured. We anticipate that the first site will be ready to accept Medicaid members in demonstration year (DY) 13 and beginning in DY14 an additional two to three sites per DY will be implemented.

HCA will require Medical Respite providers to maintain and report on key data elements related to Medical Respite service delivery, including data to support evaluation of the Medical Respite program. HCA anticipates including up to four Medical Respite sites in the 1115 evaluation.

Nutrition Interventions for Pregnant Members: Approval and Timeline

Medically-tailored meals and nutrition prescriptions for pregnant members are targeted interventions aimed at supporting the nutritional needs of pregnant members and improving health outcomes for their babies. For additional information on these services, please see the HRSN Protocol for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications: Nutrition Interventions (Attachment N), submitted to CMS on October 23, 2024, and updated on December 13, 2024.

HCA will phase-in the nutrition interventions by implementing a medically-tailored meals benefit for pregnant members with diabetes. Subject to state budget availability, HCA will begin providing these meals (or the food box equivalent) statewide through managed care and FFS by July 1, 2025. Subject to state budget availability, HCA will expand services based on several priorities:

- Inclusion of family members of pregnant members with diabetes.
- Addition of other qualifying clinical risk factors conditions for pregnant members.
- Addition of nutrition prescriptions.

- Expansion of services to all pregnant members to include their pregnancy period of 9 months and postpartum period of 12-months.

This expansion of services will be phased in over the course of the demonstration, with these additional clinical risk factors and any family size adjustments determined and phased in according to priority and budget availability. In DY13, HCA will implement medically-tailored meals to pregnant members with diabetes with an amendment to the managed care organization (MCO) contracts by July 1, 2025. In subsequent DYs, HCA anticipates expanding to additional clinical risk factors and/or family size adjustments each year thereafter in accordance with the managed care contract rating period. Subject to state budget availability, it is HCA's intent to expand to all pregnant members by the end of the demonstration period.

MCO members will receive these nutrition supports through their MCO. Native American members who opt out of managed care will receive these nutrition supports through FFS. HCA will enroll nutrition supports vendors in Medicaid that can deliver nutrition supports that meet generally accepted dietary guidelines for pregnant members and the clinical risk factors selected by HCA[2].

HCA will require providers of nutrition interventions, including Turquoise Care MCOs, to maintain and report on key data elements related to nutrition services, including data to support evaluation of the nutrition interventions program.

Section 2: Key Partnerships and Capacity Building (STC 10.16, STC 10.18.b.1.ii, and STC 10.18.b.1.viii)

Medical Respite

To design and plan the first medical respite site in New Mexico, tremendous partnerships were established in Albuquerque to develop clinical criteria and standards, find and convert a physical site, determine budgetary and financing needs, and engage hard-to-reach members from disenfranchised populations who would benefit most from these services. Key partners who committed time and resources to this partnership effort include AHCH leadership, First Nations Community Healthsource, the City of Albuquerque, and the University of New Mexico Hospital. This level of partnership is strategic and requires resources to be able to sustain. These partners have documented their roles, responsibilities, and contributions through a joint memo of understanding (MOU), setting a model for future sites to use. Moving forward, HCA's strategy is to continue to engage these and other key partners as the Medical Respite program expands to up to 10 sites. HCA plans to release capacity building funds to support necessary engagement and planning. Each site will be different, not only geographically but also in terms of the local partners, population served, scope of services and referral partnerships. Each site will require capacity building and collaboration among state and local partners to support readiness and successful implementation. For example, the City of Albuquerque has committed to reserving 40 housing vouchers per year for members exiting Medical Respite, a direct outcome of this partnership.

[2] In accordance with the CMS November 20, 2024 Dear State Medicaid Director letter on nutrition interventions.

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Turquoise Care 1115 Waiver
Health-Related Social Needs Home Delivered Meals Rate Methodology

Nutrition

For medically-tailored meals, key partners include primary care providers, Obstetricians, midwives, birth workers (including Doulas, lactation consultants, and others), community-based organizations, food banks, rural food providers, farms, farmer's markets, and commercial nutrition vendors. For all HRSN initiatives, additional foundational partners include managed care plans, Tribes, Nations, and Pueblos, other state agencies, and advocacy groups.

Additionally, in accordance with STC 10.16, New Mexico will work to have in place the appropriate partnerships with other state and local entities to assist members in obtaining non-Medicaid funded housing and nutrition supports, if available, upon the conclusion of temporary Medicaid payment for such supports, in alignment with beneficiary needs. New Mexico has robust resources in place to connect residents with federal, state, and local support programs. Yes New Mexico is a web-based resource that acts as a single site to find, apply for, and manage health and human services programs and services, including SNAP and TANF, and local field offices managed and staffed by the Income Support Division. Additionally, housing programs, WIC, and other resources will be offered to support members transition from waiver supported benefits. As the medically-tailored meals program is implemented, all participating entities will be required to facilitate enrollment in other needed services and programs, and track referrals to these programs for reporting and monitoring purposes.

Timeline for Medical Respite Partnerships

DY12:

- MOU between AHCH and Medical Respite partners, including City of Albuquerque, is finalized (December 2024).

DY13:

- AHCH Medical Respite provider site opens and begins providing care, including case management for connecting and referral to non-Medicaid resources such as the Linkages supportive housing program.
- HCA works with partners to develop processes and address technology needs for tracking and monitoring of referrals and enrollment in these programs.

DYs 14–17:

- Identify, engage, and phase in additional sites for Medical Respite in New Mexico.
- Leverage capacity building funds to engage partners in planning and implementation, including developing local referral partnerships to support members' ongoing social needs.
- Review data collected for evaluation purposes to determine program success and effectiveness, and make changes as needed to maximize member engagement, support and health outcomes.

Timeline for Nutrition Partnerships

DY12:

- Host two Food as Medicine stakeholder engagement sessions, including a Food as Medicine Summit.
- Continue to design and develop nutrition programs in alignment with New Mexico's Food as Medicine program, communicating and sharing progress with key partners.

DY13:

- Medically-tailored meals for pregnant members with diabetes begins (July 2025).
- Coordination with Yes New Mexico and WIC is initiated.
- HCA continues stakeholder engagement and outreach as part of Food is Medicine Initiative. This includes engagement with state and local entities such as counties, associations, food vendors, government agencies, and other partners.
- HCA works with partners to develop processes and address technology needs for tracking and monitoring of referrals and enrollment in these programs.

DYs 14–17:

- Leverage capacity building funds to engage partners in planning and implementation, including developing local referral partnerships to support members' ongoing social needs.
- Continue rollout of medically-tailored meals program, including assessment of additional conditions and/or family members to be included in program eligibility criteria.
- Assess effectiveness of referral patterns and monitoring and tracking of enrollment into non-waiver social needs programs.
- Review data collected for evaluation purposes to determine program success and effectiveness, and make changes as needed to maximize member engagement, support and health outcomes.

Capacity Building for Community Partners

Funding for HRSN infrastructure investments was approved in the Turquoise Care extension. For additional information on infrastructure investment strategies and planning, please refer to the HRSN Protocol for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications (Attachment N), which is currently pending with CMS.

Medical Respite*:*

This benefit includes onsite case management and care coordination support provided by community health workers, community support workers, engagement specialists, and other similarly qualified staff. Via a case management process, these workers will support members in making these longer lasting connections to critical social supports beyond the scope of Medicaid.

Nutrition:

HCA envisions every Medicaid member having a primary care provider, a core value of Turquoise Care. In this case, the provider may be a midwife, obstetrician, or a family medicine provider who will coordinate care for all of the member's needs, including their food insecurity needs, through this benefit. It is through this structure that pregnant members receiving nutrition interventions will be connected to more permanent non-Medicaid avenues for nutrition supports and other social service needs.

Section 3: Launching and Operationalizing HRSN

Outreach

HCA will partner with hospitals and Medical Respite sites to ensure hospitalized members are informed about the availability and benefits of Medical Respite services. As additional Medical Respite provider capacity grows in New Mexico, HCA will increase efforts to educate and outreach to members.

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Turquoise Care 1115 Waiver
Health-Related Social Needs Home Delivered Meals Rate Methodology

A key activity in implementation of nutrition services will be broad outreach and education around nutrition interventions to maximize participation of pregnant members in need of these services. Through our "Food as Medicine" initiative, HCA will work with state, local and community partners to increase awareness, screenings and referrals to Medicaid-funded nutrition interventions. These partners include primary care providers, care coordinators, MCOs, the New Mexico Department of Health's WIC Program, the New Mexico Farmers' Marketing Association, the Food Depot, New Mexico Aging and Long-term Service Department, Fresh Rx, the New Mexico Food and Agriculture Policy Council, Roadrunner Food Bank, Meals on Wheels, counties, Tribal partners, and the New Mexico Public Health Association.

In the first two years of the demonstration, New Mexico will focus on capacity building for foundational partners to deliver HRSN services effectively. HCA will leverage capacity building funds for partners in allowed areas for necessary activities, including the domains of:

- Technology
- Workforce development
- Development of business or operational practices
- Stakeholder engagement and outreach

For a full description of anticipated activities eligible entities can use infrastructure investments for, please see the New Mexico Turquoise Care 1115 Demonstration HRSN Protocol for Assessment of Beneficiary Eligibility and Needs, Infrastructure Planning, and Provider Qualifications.

Readiness Assessment

HCA will ensure MCOs and providers are ready to implement HRSN services before go-live. At a minimum, the readiness criteria services will include:

- Provider ability to deliver services according to the approved HRSN Protocol.
- Appropriate screening and referral processes.
- Ability of providers to develop person-centered care plans according to member need and state Medicaid requirements.
- Provider ability to meet privacy and other member protection standards.
- Ability to track and report encounter and other pertinent data as required by the Demonstration Extension STCs.
- The ability to bill according to the rate methodologies approved by CMS.

Section 4: Technology, Administrative Services, and Monitoring (STC 10.18.b.1.i and iii)

Technology and Data Sharing

Technology infrastructure and data sharing are key areas of focus for successful HRSN implementation in New Mexico. HCA will work with MCOs, providers, and community partners on an approach to data sharing that meets entities where they are today and supports them toward uptake and the use of shared systems.

New Mexico is currently implementing a statewide Closed Loop Referral System (FindHelp CLRS) with funding allocated to HCA in the 2023 Legislative session through House Bill 2. The CLRS will operate to

address the social needs of individuals and communities to improve the health and well-being of New Mexicans, including supporting resource and referral capabilities for Medical Respite and Nutrition interventions. Community Based Organizations (CBOs), health care organizations, and State agencies will use the CLRS to efficiently and easily communicate and coordinate these referrals and ensure the needs of members are met. As of DY12, the FindHelp system is operational as a local referral resource, with implementation occurring on the back end to ensure MCOs and providers have access to licenses for the purpose of documenting referrals and member uptake of services.

To successfully promote health information exchange and integration of HRSN services into electronic medical records, HCA intends to award infrastructure funding to entities for a range of technology needs. This includes interoperability with the New Mexico FindHelp CLRS, participation in health information exchange, and new or upgraded electronic medical records that include plans of care. Additionally, training and technical assistance on best practices for the use of technology to support HRSN will be offered to providers via publications and training tools.

HCA will also ensure appropriate updates to existing IT infrastructure to support and promote the successful delivery and monitoring of HRSN services. This includes updates to the MMIS-R system, eligibility systems, and other pertinent IT systems.

Additional data sharing between key entities may also include general social needs screenings, person-centered care plans, and HRSN service referral and service delivery status. The State will work with these entities to phase in the use of closed loop referral technology based on readiness and appropriateness, over the course of the demonstration.

Monitoring, Reporting, and Evaluation

HCA will require MCOs to partner with HRSN providers to maintain data and report on key data elements related to HRSN service delivery. The State, in collaboration with HRSN partners, will be required to track and report on the following key data elements, at a minimum:

1. Number of members who have been screened for HRSN services (i.e., the number of members who have had an HRSN service requested).
2. Number of members currently referred and authorized to receive an HRSN service (listed by service).
3. Number of members denied for HRSN services (listed by service).
4. Number of members who have received an HRSN service (listed by service).
5. Data to support evaluation of HRSN program, including, for example:
    a. Data on improvements in member health-related resource needs.
    b. Data on member health outcomes, if applicable.
6. Other data required by the State and the demonstration's STCs.

This information will inform implementation needs and provide data to monitor service uptake and utilization, parity across populations (for example, FFS vs managed care), and effectiveness of service delivery. Additionally, data collected via this monitoring process will allow for timely and accurate reporting of HRSN implementation to CMS as well as data collection for demonstration evaluation activities.

Tracking and Maximizing Enrollment in Other HRSN Programs

Medicaid funded HRSN services are meant to be a temporary bridge to other, more permanent social supports. As such, HCA is designing policies and procedures to ensure members are connected to housing and nutrition services that meet their longer-term needs. For Medical Respite, members will have access to case management services as part of the care model, and tracking data on connecting members to other federal, state, and local programs to support their housing and other HRSN needs will

be collected and kept for monitoring and reporting purposes. Pregnant members will be connected with programs to support nutritional needs after delivery, including SNAP and WIC, with enrollment data also collected for monitoring and reporting purposes. New Mexico also has many local programs that provide needed community and social supports for members, and case management and care coordination processes will help connect members to these resources in order to address social needs long term.

Several specific strategies and processes will be developed and implemented to ensure members receiving HRSN services are also applying for and maintaining other key benefits for which they may be eligible, and ensuring enrollment in other federal, state, and local program is maximized. These include:

- Initiating applications, referrals, and enrollment processes upon assessment for HRSN services.
- Requiring these referral and enrollment steps be completed as part of the person-centered care planning process.
- Offering hands-on assistance with application processes and benefit interview appointments (e.g., WIC enrollment that requires an appointment).
- Providing training and technical assistance to care coordinators and other individuals involved in the HRSN assessment, referral, or service delivery process.

Section 5: Rate Methodologies and Maintenance of Effort (STC.10.18.b.1.vi and vii, STCs 10.14 and 10.15.)

Rate Methodologies

In accordance with STC 10.14, HCA submitted a rate methodology for Medical Respite services to CMS on December 2, 2024. The rate methodology is currently under review by CMS.

Maintenance of Effort for HRSN Services

According to STC 10.15 Maintenance of Effort (MOE), the State must maintain a baseline level of state funding for ongoing social services related to housing transition supports and nutrition supports. New Mexico's plan for determining this baseline spending was submitted to CMS and is pending approval. The document as submitted is also included on the following page.

Attachment M
Turquoise Care 1115 Waiver
Health-Related Social Needs Maintenance of Effort Plan

Introduction

According to the STCs section 10.15 Maintenance of Effort (MOE), the State must maintain a baseline level of state funding for ongoing social services related to housing transition supports and nutrition supports comparable to those authorized under this demonstration, for the populations authorized under this demonstration, and for the duration of this demonstration, not including one time or non-recurring funding. This submission outlines New Mexico's plan for determining baseline spending on these services so the State can monitor and report annual MOE within the Annual Monitoring Report.

Program Inclusion Criteria

For program inclusion, the State will use the following criteria:

1. Programs that provide Medical Respite or nutrition support in the State, comparable to program descriptions in the HRSN Implementation Plan;
2. For the same targeted populations described in the HRSN Implementation Plan;
3. Does not depend on continuing federal funding;[3] and
4. For a duration that is not considered time-limited, i.e., there is no known end date for program funding.

Federally funded programs will not be included in the baseline due to federal funding uncertainties that are outside of the State's control and beyond the intent of the MOE requirement.

Baseline Calculation Methodology

Below are the parameters for the baseline calculation:

1. The State will use the most recent historical expenditures.
2. If any programs are identified in the inclusion criteria:
    a. The historical annual expenditures will be used to establish an average for the baseline.
    b. This approach will allow the State to establish an average annual expenditure amount to be included in the baseline while reducing the potential for the baseline to reflect any anomalies in the amount of State general fund appropriations.
    c. The average baseline and annual MOE will be reported in the Annual Monitoring Report with a summary of the inclusion criteria and MOE calculation approach.
3. If no programs are identified for one or both program categories according to the inclusion criteria above, the MOE section in the Annual Monitoring Report will include a summary of the criteria used and the outcome of the analysis.

[3] Federally funded programs will not be included in the baseline due to federal funding uncertainties that are outside of the State's control and beyond the intent of the MOE requirement.

Attachment M
Turquoise Care 1115 Waiver
Health-Related Social Needs Maintenance of Effort Plan

HRSN Baseline MOE

Nutrition Support Program	FY25	
Double Up Food Bucks		$633,000
Summer Food and Supper Enhancement	$	400,000
SNAP 200% FPL Enhancement	$	382,000
Healthy Food Financing Initiative	$	450,000
Baseline	**$**	**1,865,000**

Medical Respite Program	FY25	
None identified	$	-
Baseline	**$**	**-**

Notes and assumptions
Source: https://www.nmdfa.state.nm.us/dfa-dashboards/food-initiative-dashboard/
Reviewed FY24 and FY25 funding for nutrition supports. Did not include any FY24 funding in the calculation as FY24 only included non-recurring funding for the applicable programs. Included programs identified in FY25 as recurring programs, even if newly established in FY25.
Included only the FY25 programs with eligibility crossover to the applicable pregnant member population, i.e., excluding initiatives focused on school-aged children and seniors.
As anticipated, no Medical Respite programs were identified as only one Medical Respite program exists and is funded through a local partnership (no state funding).