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State/Territory Name: NM

State Plan Amendment (SPA) NM-23-0012

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

March 5, 2024

Kari Armijo
Acting Medicaid Director
Medical Assistance Division
New Mexico Human Services Department
2025 South Pacheco Drive
P.O. Box 2348
Santa Fe, New Mexico 87504-2348

Re: New Mexico State Plan Amendment (SPA)23-0012

Dear Director Kari Armijo:

We have reviewed the proposed New Mexico State Plan Amendment (SPA) to Attachment 4.19-B, NM#23-0012, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 25, 2023. This SPA proposes increase to Medicaid provider payment rates for multiple services.

Based upon the information provided by the State, we have approved the amendment with an effective date of July, 1, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Monica Neiman at: Monica.Neiman@cms.hhs.gov

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 2 3 — 0 0 1 2 2. STATE NM

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart F

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 23 \$ 0
b. FFY 24 \$ 213,985,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Please see attached bond paper

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Please see attached bond paper.

9. SUBJECT OF AMENDMENT
The New Mexico Human Services Department (HSD) Medical Assistance Division is raising Medicaid reimbursement rates for specific providers.

10. GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
 OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL


12. TYPED NAME
Lorelei Kellogg

13. TITLE
Acting Director, Medical Assistance Division

14. DATE SUBMITTED
08/25/2023

15. RETURN TO
**Lorelei Kellogg, Acting Director
Medical Assistance Division
P.O. Box 2348
Santa FE, NM 87504-2348**

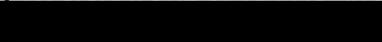
FOR CMS USE ONLY

16. DATE RECEIVED
08/25/2023

17. DATE APPROVED
March 5, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2023

19. SIGNATURE OF APPROVING OFFICIAL


20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

Attachments to Block 7 and Block 8

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT <i>(If Applicable)</i>
<p>Attachment 4.19-B Page 2 Attachment 4.19-B Page 2a Attachment 4.19-B Page 3 Attachment 4.19-B Page 3b Attachment 4.19-B Page 6aaa Attachment 4.19-B Page 6c Attachment 4.19-B Page 6d Attachment 4.19-B Page 6e Attachment 4.19-B Page 7 Attachment 4.19-B Page 7b Attachment 4.19 B Page 15 Attachment 4.19-B Page 22a1 Attachment 4.19 B Page 25 Attachment 4.19 B Page 3a</p>	<p>Attachment 4.19-B Page 2 (TN # 20-0003) Attachment 4.19-B Page 2a (TN #19-0011) Attachment 4.19-B Page 3 (TN# 19-0002) Attachment 4.19-B Page 3b (TN# 23-0010) Attachment 4.19-B Page 6aaa (TN# 15-016) Attachment 4.19-B Page 6c (TN# 11-01) Attachment 4.19-B Page 6d (TN# 11-01) Attachment 4.19-B Page 6e (TN# 19-0007) Attachment 4.19-B Page 7(TN# 11-01) Attachment 4.19-B Page 7b (TN # 19-0016) Attachment 4.19 B Page 15 (TN # 20-0020) Attachment 4.19-B Page 22a1 (TN # 19-0006) Attachment 4.19 B Page 25 (TN # 11-08) Attachment 4.19-B Page 3a (TN # 17-0002)</p>

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

Attachment 4.19-B Page 2

The average commercial rates are determined by:

- i. Calculating a commercial payment to charge ratio for all services paid to the eligible providers by commercial insurers using the providers' claims-specific data from the most currently available fiscal year period.
 - ii. Multiplying the Medicaid charges by the commercial payment to charge ratio to establish the estimated commercial payments to be made for these services; and
 - iii. Subtracting the interim Medicaid payments already made for these services to establish the supplemental payment amount.
- a. Providers eligible under Part (a) of this section will be paid on an interim claims-specific basis through the Department's claims processing system using the methodology outlined elsewhere in this state plan. The supplemental payment, which represents final payment for services, will be made on a quarterly basis subject to available claims data.

A. Medical and Dental Services

Medical and dental services are reimbursed on a fee schedule basis and include physicians, dentists, radiologists, and radiological facilities, licensed treatment and diagnostic centers and family planning clinics, podiatrists, optometrists, certified nurse midwives and certified nurse practitioners working under the direction of a physician.

Preventive services provided to alternative benefit plan recipients not otherwise covered under standard Medicaid benefits are also reimbursed using this methodology including annual preventive care physicals, expanded nutritional and dietary counseling, and expanded skin cancer and tobacco use counseling. Electroconvulsive therapy services provided to alternative benefit plan recipients not otherwise covered under standard Medicaid benefits are paid at the Medicare fee schedule rate.

Services rendered under the supervision of one of the above providers are paid at the fee schedule rate for the supervising provider when the service is performed by one of the following: a dietician; clinical pharmacist; physician assistant; dental hygienist; nurse; certified nurse practitioner; or clinical nurse specialist.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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--OTHER TYPES OF CARE

Attachment 4.19-B
Page 2a

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's dental fee schedule rates were set as of July 1, 2023, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: are published at <https://www.hsd.state.nm.us/providers/fee-schedules/> Notice of changes to rates will be made as required by 42 CPR 447.205.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
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Attachment 4.19-B

Page3

A. Other Practitioners Services

1. Behavioral health professional services are reimbursed on a fee schedule basis applicable to psychologists, counselors, therapists, licensed alcohol and drug abuse counselors, behavioral health agencies, licensed independent social workers and psychiatric clinical nurse specialists.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1, 2023, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

Non-independent behavioral health practitioners who are required by state law to be supervised are not paid directly for their services. Rather, payment is made to the supervising practitioner, or the appropriate group, licensed treatment and diagnostic center or agency to which the behavioral health worker belongs.

2. Independently practicing certified Nurse Practitioners and Clinical Nurse Specialists are reimbursed at 90% of the physician fee schedule as described in Item I. A of Attachment 4.19 B, including preventive services for alternative benefit plan recipients.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

3. Certified nurse anesthetists and anesthesiology assistants are reimbursed a rate per anesthesia unit for the procedure and for units of time for medically directed and non-medically directed services.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of ~~March 31, 2014~~ July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

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

Attachment 4.19-B
Page 3a

4. **Licensed Midwives (Lay Midwives):** Payments to licensed midwives are reimbursed at 77% of the physician fee schedule as described in Item I. A of Attachment 4.19 B for global delivery codes; payments for other codes are reimbursed at 100% of the physician fee schedule

The agency's fee schedule rates were set as of July 1, 2023, and are effective for services provided on or after those dates. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division Providers, Fee for Service, Under Fee Schedule at <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205. Reimbursement for governmental and non-governmental providers are paid the same, uniform rate unless otherwise noted on the payment pages.

C. Other Services

1. **Ambulatory Surgical Centers Services** - Free standing ambulatory surgical centers are paid at the Medicare fee schedule. For procedures not covered by Medicare, the Department establishes a fee schedule amount equivalent to the amount allowed for procedure of similar complexity.

The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

2. **Renal Dialysis Facilities** - Renal dialysis facilities are paid at the Medicare fee schedule. For procedures not covered by Medicare, the Department establishes a fee schedule amount equivalent to the amount allowed for procedure of similar complexity.

The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

3. **Licensed Birth Centers** - Licensed birth centers are paid at the Medicaid fee schedule. The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State of NEW MEXICO
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– OTHER TYPES OF CARE

Attachment 4.19 - B
Page 3b

D. Physical Therapy, Occupational Therapy and Services for Individuals with Speech, Hearing, and Language Disorders

1. Physical therapy, occupation therapy, and speech and language pathology services (including audiologists) are reimbursed on a fee schedule basis. Habilitation services for ABP recipients are also reimbursed using this methodology.

The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates to the fee schedule are published on the New Mexico Human Services Department website under Providers, Fee for Service, Fee Schedules at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

2. Physical therapy, occupational therapy and speech and language pathology services provided by a therapy assistant are reimbursed on a fee schedule basis. Habilitation services for ABP recipients are also reimbursed using this methodology.

The agency's fee schedule rates were set as of July, 1, 2023 and are effective for services provided on or after that date. All rates to the fee schedule are published on the New Mexico Human Services Department website under Providers, Fee for Service, Fee Schedules at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205

E. Special rehabilitation services (Family Infant Toddler program early intervention services)

Special rehabilitation services (Family Infant Toddler program early intervention services) are reimbursed on a fee schedule basis.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates are published at: <https://www.hsd.state.nm.us/providers/fee-schedules/> Notice of changes to rates are made as required by 42 CFR 447.205.

TN No. 23-0012

Supersedes TN. No. 23-0010

Approval Date March 5, 2024

Effective Date 7/1/2023

Attachment 4.19 B Page 6aaa

e. Outpatient hospital dental services provided to recipients under anesthesia are reimbursed at an outpatient prospective payment rate using Medicare Ambulatory Payment Classification (APC) groups and reimbursement principles at an amount which does not exceed federal upper payment limits. The agency's rates for dental services were set as of July 1, 2023 and are effective for dates of service on and after that date. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

TN No. 23-0012

Approved Date March 5, 2024

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Effective Date 07/01/2023

ATTACHMENT 4.19-B

PAGE6c

VI Clinical Diagnostic Lab Services

Laboratory services are covered under the laboratory benefit. Payment for clinical diagnostic laboratory services does not exceed payment levels specified by Section 1903(i) of the Social Security Act which is the Medicare fee schedule on a per test basis.

All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules at <https://www.hsd.state.nm.us/providers/fee-schedules/>.

The fee schedule is established by the state agency with consideration given to payment practices of Medicare, other third-party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items, and/or the usual charges of the providers for services to non-Medicaid patients.

These fees were set as of July 1st, 2023 and are effective for services provided on or after that date.

All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>.

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

Changes to the fee schedule are made with public notice, following the requirements of 42 CFR 447.205.

VII. Prescribed dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist:

(1) Dentures

Dentures are covered under the service benefit of "Prescribed Drugs, Dentures, and Prosthetic Devices; and Eyeglasses Prescribed by a Physician Skilled in Diseases of the Eye or by an Optometrist". Payment for dentures is made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

The Medicaid fee schedule is established by the state agency with consideration given to payment practices of other third-party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items and/or the usual charges of the providers for services to non-Medicaid patients,

The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

TN No. 23-0012

Approval Date March 5, 2024

Supersedes TN No. 11-01

Effective Date 7/01/2023

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Department, Medical Assistance Division, Provider Enrollment and Program Policy, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-for-service/>

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

Changes to the fee schedule are made with public notice, following the requirements of 42 CFR 447.205.

(2) Prosthetic and Orthotic Devices

Prosthetic devices and orthotics are covered under the service benefit of "Prescribed Drugs, Dentures, and Prosthetic Devices; and Eyeglasses Prescribed by a Physician Skilled in Diseases of the Eye or by an Optometrist".

Payment for prosthetic devices is made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

Payment for orthotics (which are supportive prosthetic devices as described in CPR 440.120(c)), is made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

The fee schedule is established by the state agency with consideration given to payment practices of Medicare, other third party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items, and/or the usual charges of the providers for services to non-Medicaid patients.

These fees were set as of July 1, 2023, and are effective for services provided on or after that date.

All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Provider Enrollment and Program Policy, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-for-service/>

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

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Approval Date March 5, 2024

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Effective Date 7/01/2023

Attachment 4.19-B

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Changes to the fee schedule are made with public notice, following the requirements of 42 CFR 447.205.

- (3) Medical Supplies, Oxygen, Durable Medical Equipment, Parenteral and Enteral Nutritional Products Suitable for Use in the Home

Medical Supplies, Oxygen, Durable Medical Equipment, Parenteral and Enteral Nutritional Products are covered under the home health agency benefit for recipient use in their residence. Payment for these items is made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

For items of DME provided in Medicare Competitive Bidding Areas (CBAs) where rates for specific items have been competitively bid under the Medicare program, the rate is set at the lower of the following:

1. The Medicare single payment amount specific to the geographic area where the item is being provided, that are in effect as of January 1 each year, and updated on a quarterly basis (April 1, July 1, October 1) as needed; or
2. The non-rural and rural DMEPOS fee schedule rate.

If there is no competitively bid payment rate for an item of DME in a CBA, reimbursement for DME provided in non-rural areas is set at the Medicare DMEPOS fee schedule rate for New Mexico geographic, non-rural areas that are in effect as of January 1 each year.

For items of DME provided in rural areas, the rate is set at the Medicare DMEPOS fee schedule rate for New Mexico geographic, rural areas, set as of January 1 each year.

For items and services for which there is not a Medicare fee schedule amount, the fee schedule is established by the state agency with consideration given to payment practices of other third party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items, and/or the usual charges of the providers for services to non-Medicaid patients.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1st, 2023 and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, are published at <https://www.hsd.state.nm.us/providers/fee-for-service/>.

Changes to the fee schedule are made with public notice, following the requirement of 42 CFR 447.205.

When there is no applicable fee schedule, payment is limited to the provider's acquisition invoice cost plus a percentage. For durable medical equipment, medical supplies and nutritional products for which the provider's actual acquisition cost, reflecting all discounts and rebates, is less than \$1,000 dollars, payment is limited to the provider's actual acquisition cost plus 20 percent. For items for which the provider's actual acquisition cost, reflecting all discounts and rebates, is \$1,000 or greater, payment is limited to the provider's actual acquisition cost plus 10 percent. For custom specialized wheelchairs and their customized related accessories: payment is limited to the provider's actual acquisition cost plus 15 percent.

- (4) Eyeglasses and vision appliances

TN No. 23-0012

Approval Date March 5, 2024

Supersedes 19-0007

Effective Date 7-01-2023

ATTACHMENT 4.19-B
PAGE 7

Eyeglasses and vision appliances are covered under the service benefit of "Prescribed Drugs, Dentures, and Prosthetic Devices; and Eyeglasses Prescribed by a Physician Skilled in Diseases of the Eye or by an Optometrist". Payment for eyeglasses and vision appliances are made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

The fee schedule is established by the state agency with consideration given to payment practices of Medicare, other third-party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items, and/or the usual charges of the providers for services to non-Medicaid patients.

All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Provider Enrollment and Program Policy, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-for-service/>

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

Changes to the fee schedule are made with public notice, following the requirements of 42 CFR 447.205.

TN No. 23-0012

Approval Date March 5, 2024

Supersedes 11-01

Effective Date 7/01/2023

ATTACHMENT 4.19-B

PAGE 7

Eyeglasses and vision appliances are covered under the service benefit of "Prescribed Drugs, Dentures, and Prosthetic Devices; and Eyeglasses Prescribed by a Physician Skilled in Diseases of the Eye or by an Optometrist". Payment for eyeglasses and vision appliances are made at the lesser of the provider's billed charge or the current Medicaid fee schedule.

The fee schedule is established by the state agency with consideration given to payment practices of Medicare, other third-party payers, comments from providers and appropriate professional societies, typical invoice costs from providers, comparison of fee schedule amounts for similar services and items, and/or the usual charges of the providers for services to non-Medicaid patients.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of (ex. Case management for persons with chronic mental illness). The agency's fee schedule rate was set as of July 1, 2023, and is effective for services provided on or after that date.

All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Provider Enrollment and Program Policy, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-for-service/>

Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers.

Changes to the fee schedule are made with public notice, following the requirements of 42 CFR 447.205.

TN No. 23-0012

Approval Date March 5, 2024

Supersedes 11-01

Effective Date 7/01/2023

Once the base period rate for each FQHC and RHC has been calculated, any claims paid for dates of service on or after January 1, 2001, that were paid an interim rate, will be reprocessed. This reprocessing will adjust the payment on each claim to the PPS base rate amount.

d. Updates to PPS base rates:

Beginning in Federal Fiscal Year (FFY) 2002, and each year thereafter, each FQHC and RHC payment amount (on a per visit basis) will be increased by the percentage increase in the Medicare Economic Index (MEI) for primary care services. This adjustment to the PPS rate will be effective each October 1.

FQHC and RHC payment amount (on a per visit basis) will receive a six percent increase effective July 1, 2023, based on a legislative appropriation.

e. Alternative Payment Methodology (APM)

An alternative payment methodology will be implemented effective April 1, 2003. This alternative methodology will re-index the PPS rates effective March 31, 2003 by the cumulative percentage difference between the increase in the Medical Care Component of the Consumer Price Index-Urban (CPI-U) for the 12 months in the calendar year 2001 and the increase in the Medicare Economic Index (MEI) effective for calendar year beginning January 1, 2002, and the increase in the Medical Care Component of the CPI-U for the 12 months in calendar year 2002 and the increase in the MEI effective for the calendar year beginning January 1, 2003. The new rates will be effective April 1, 2003. Beginning in Federal Fiscal Year 2021, the Department will calculate the APM by trending the PPS rate by the greater of either the MEI or the CPI-U. Providers must be notified of the APM rate and must agree to receive the APM. This APM will be at least equal to PPS.

Dental APM

Effective October 1, 2019, an alternative payment methodology will be paid for FQHC dental encounters. The alternative payment methodology is based on the national average cost of a dental encounter as established by the Health Resources and Services Administration (HRSA) Uniform Data system for 2017. Beginning in Federal Fiscal Year 2021, the Department will calculate the dental APM by trending the dental APM effective October 1, 2019 by the greater of either the MEI or the CPI-U. Providers must be notified of the dental APM rate and must agree to receiving the dental APM. The dental APM will be at least equal to PPS.

f. Change in Scope of Services

Once the PPS rates are determined as outlined in this section, adjustments to those rates will reflect changes in the scope of services will be made upon the written request of the provider and approval by the Medical Assistance Division (MAD). A provider's request for a PPS rate adjustment due to a change in scope of service must be received no later than 90 days after the provider's fiscal year end during which the change in scope of service occurred. The provider should notify MAD in advance of any impending changes. The provider will be required to submit data supporting that a change in the scope of service transpired. This documentation will include FQHC and RHC information report and any other supporting documentation considered necessary by MAD or its designee.

A minimum of six months should have elapsed since the change in the scope occurred to ensure the change was not temporary and that there is sufficient information upon which to base a rate adjustment. If the change in scope of service occurred in the last six months of a FQHC's and RHC's fiscal period, MAD may require the FQHC and RHC to submit an additional information report, covering at least six months since the change in scope of service transpired, to obtain the information necessary to evaluate the request.

MAD and/or its designee will review the request and determine if an adjustment to the established PPS rate is merited. The following criteria will be used to evaluate each FQHC request for a rate adjustment due to a change in scope of service. MAD's final determination will be communicated to the FQHC and RHC in writing.

Item XII. Transportation

Transportation providers are reimbursed at the lesser of the following:

- a. their usual and customary charge, not to exceed their tariff rates as approved by the state corporation commission; or
- b. the Department fee schedule.

The fee schedule base rate for ground ambulance includes reimbursement for the initial fifteen (15) miles of transport, non-reusable supplies, IV solution, emergency drugs and oxygen.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate was set as of July 1, 2023, and is effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Providers, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-schedules/>. Notice of changes to rates will be made as required by 42 CFR 447.205.

Item XIII. Services for EPSDT Participants

- a. Services Included in the State Plan

Services included in the state plan are described in Attachment 3.1-A. Payment for these services for treating a condition identified during a screen or partial screen is made using the same methodology described in the corresponding section of the state plan.

- b. Services Not Otherwise Included in the State Plan

Payment for services described in Attachment 3.1-A, Item 4.b. (EPSDT) and not otherwise covered under the state plan but reimbursed pursuant to OBRA 1989 provisions which require the state to treat a condition identified using a screen or partial screen, whether or not the service is included in the state plan, is made as follows:

1. The following services are considered to be professional services and are reimbursed on a fee for service basis according to the fee schedule in attachment 4.19-B, I.
 - (a) Therapy by a speech-language therapist, physical therapist, or occupational therapist, not covered under the state plan
 - (b) Other rehabilitative services and therapy services not covered under the state plan because they are considered maintenance rather than restorative.

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

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Autism Intervention Services (AIS)

Autism Intervention Services (AIS) are reimbursed on a fee schedule basis.

Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates are published at <https://www.hsd.state.nm.us/providers/fee-schedules/>.

Notice of changes to rates are made as required by 42 CFR 447.205.

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State/Territory: NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

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Item XVI Tobacco Cessation Services

Tobacco Cessation Counseling Services

To maximize the effectiveness of tobacco cessation medications, counseling services are available for Medicaid beneficiary use in conjunction with cessation medication.

The agency's fee schedule rates were set as of July 1, 2023 for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the agency's website for the New Mexico Human Services Department, Medical Assistance Division, Provider Enrollment and Program Policy, Fee for Service, under Fee Schedules, at: <https://www.hsd.state.nm.us/providers/fee-for-service/> Notice of changes to rates will be made as required by 42 CFR 447.205.

Assurances - Cost Sharing Exemption for Tobacco Cessation Services

The State assures that cost-sharing is prohibited for tobacco cessation services for pregnant women. In accordance with Section 1916(a)(2)(B) and section 1916A(b)(3)(B)(iii) of the Act, the State does not permit cost sharing for services furnished to pregnant women, if such services are non-related to the pregnancy or to any other medical condition which may complicate the pregnancy. The State assures that the prohibition on cost-sharing for pregnant women specifically includes "Counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1905(bb))."

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