

## **Table of Contents**

**State/Territory Name: New Mexico**

**State Plan Amendment (SPA) #: 25-0002**

This file contains the following documents in the order listed:

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

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services

601 E. 12th St., Room 355

Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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June 13, 2025

Dana Flannery

Director

Medical Assistance Division

New Mexico Human Services Department

2025 South Pacheco Drive

Santa Fe, New Mexico 87504-2348

Re: New Mexico State Plan Amendment (SPA) – 25-0002

Dear Director Flannery:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0002. This amendment proposes to assure coverage for clinic services outside of the "four walls" of IHS/Tribal clinics and provide optional exceptions for behavioral health clinics and clinics located in rural areas.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR 440.90. This letter informs you that New Mexico's Medicaid SPA TN 25-0002 was approved on June 13, 2025, with an effective date of January 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the New Mexico State Plan.

If you have any questions, please contact Dana Brown at (410) 786-0421 or via email at [Dana.Brown@cms.hhs.gov](mailto:Dana.Brown@cms.hhs.gov).

Sincerely,

Ruth A. Hughes, Acting Director  
Division of Program Operations

Enclosures

cc: Valerie Tapia  
Larisa Rodges

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 0 2

2. STATE

N M3. 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

01/01/2025

5. FEDERAL STATUTE/REGULATION CITATION

§1905(a)(2) and 1905(a)(9) of the Social Security Act and 42 C.F.R. 440.90

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 25 \$ 0b. FFY 26 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

State Supplement A to Attachment 3.1A Page 12  
State Supplement A to Attachment 3.1 A Page 12a-12e (NEW)8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)State Supplement A to Attachment 3.1 A Page 12 (TN:  
23-0014)

9. SUBJECT OF AMENDMENT

To comply with the Medicare Hospital Outpatient Prospective Payment System (OPPS) and Ambulatory Surgical Center (ASC) Payment System final rule 42 CFR 440.90 amendment to assure coverage for clinic services outside of the "four walls" of IHS/Tribal clinics.

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:

Authority Delegated to the Medicaid Director

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Dana Flannery

13. TITLE

Director, Medical Assistance Division

14. DATE SUBMITTED

3/21/2025

15. RETURN TO

Medical Assistance Division

P.O. Box 2348

Santa Fe, NM 87504-2348

**FOR CMS USE ONLY**

16. DATE RECEIVED

March 21, 2025

17. DATE APPROVED

June 13, 2025

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS



## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

The state provides coverage for this benefit as defined at section §1905(a)(9) of the Social Security Act (the Act) and 42 C.F.R. 440.90 and as described as follows:

**General Assurances****[Select all three checkboxes below.]**

- ☒ The state assures services are furnished by a facility that is not part of a hospital in accordance with 42 C.F.R. 440.90.
- ☒ The state assures that services are furnished by facilities that are organized and operated to provide medical care to outpatients in accordance with 42 C.F.R. 440.90.
- ☒ The state assures that services are furnished under the direction of a physician or dentist in accordance with 42 C.F.R. 440.90(a).

**Types of Clinic Services and Limitations in Amount, Duration, or Scope****[Select if applicable, describe below, and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

- ☒ Limitations apply to all services within the benefit category.

Limitations for physicians are described in item 5, which also apply to clinics.

PRA Disclosure Statement - This use of this form is mandatory and the information is being collected to assist the Centers for Medicare & Medicaid Services in implementing section §1905(a)(9) of the Social Security Act. Under the Privacy Act of 1974, any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 #91). Public burden for all of the collection of information requirements under this control number is estimated to take about 25 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

TN: 25-0002

Approval Date: 06/13/2025

Supersedes TN: 23-0014

Effective: 01/01/2025

## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

Types of Clinics and Services:

[Select all that apply and describe below as applicable]

- ☐ Behavioral Health Clinics [Describe the types of behavioral health clinics below and select below if applicable.]:

- ☐ Limitations apply only to this clinic type within the benefit category. [Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

- ☒ IHS and Tribal Clinics [Select below if applicable.]:

- ☐ Limitations apply only to this clinic type within the benefit category. [describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria].

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## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

☒ Renal Dialysis Clinics [Select below if applicable.]:☒ Limitations apply only to this clinic type within the benefit category.  
[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

## Dialysis Services:

- 1) The new Mexico Medicaid Program will cover services for renal dialysis for the first three months of dialysis if not covered by Medicare pending the establishment of Medicare eligibility.
- 2) The New Mexico Medicaid Program will cover fifteen sessions of dialysis training sessions without special medical justification. Additional Sessions require medical justification to be attached to the claim.

☒ Other Clinics [Describe the types of clinics, if any limitations apply, and select below if applicable.]:

Rural Emergency Hospital (REH) Services as certified by Medicare

Ambulatory surgical center (ASC) facility services

☒ Limitations apply only to this clinic type within the benefit category.  
[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

## REH

- Emergency Department Services and,
- Observation Care

ASC facility services are covered when all the following conditions are met:

- 1) The surgical procedure and use of the facility is medically necessary and is a benefit to the program.
- 2) All program requirements for the surgery are met by the physician such as valid consent forms, prior approval requirements, etc.

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## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

Four Walls Exceptions

The state assures that the following services may be furnished outside of the clinic. **[Select the first and second checkbox; Do not select the second checkbox if the state does not enroll IHS or Tribal facilities as providers of clinic services.]**

- ☒ Services furnished outside the clinic, by clinic personnel under the direction of a physician, to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address in accordance with 42 C.F.R. 440.90(b).
- ☒ Services furnished outside a clinic that is a facility of the Indian Health Service, whether operated by the Indian Health Service (IHS) or by a Tribe or Tribal organization (as authorized by the Indian Self-Determination and Education Assistance Act (ISDEAA), Pub. L. 93-638), by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(c).

The state elects to cover the following services outside of the clinic **[Select all that apply.]**:

- ☐ Services furnished outside of a clinic that is primarily organized for the care and treatment of outpatients with behavioral health disorders, including mental health and substance use disorders, by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(d) **[Describe the types of behavioral health clinics such exception applies to below.]**

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## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

☐ Services furnished outside of a clinic that is located in a rural area and is not a rural health clinic (as referenced in section §1905(a)(2)(B) of the Act and 42 C.F.R. 440.20(b) of this subpart) by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(e) **[Select one of the checkboxes below and describe the definition of a rural area that applies to this exception.]**:

☐ A definition adopted and used by a federal governmental agency for programmatic purposes **[Describe below.]**:

☐ A definition adopted by a state governmental agency with a role in setting state rural health policy **[Describe below.]**:

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## State Plan under Title XIX of the Social Security Act

State/Territory: New Mexico

## Section 1905(a)(9) Clinic Services

The state attests that **[Select the checkbox if the state elects to cover services outside of a clinic that is located in a rural area.]**:

- ☐ The selected definition of a rural area best captures the population of rural individuals that meets more of the four criteria that mirror the needs and barriers to access experienced by individuals who are unhoused:
- The population experiences high rates of behavioral health diagnoses or difficulty accessing behavioral health services;
  - The population experiences issues accessing services due to lack of transportation;
  - The population experiences a historical mistrust of the health care system; and
  - The population experiences high rates of poor health outcomes and mortality.

**Additional Benefit Description (Optional)**

At its option the state may provide additional descriptive information about the benefit, beyond what is included in the federal statutory and regulatory definitions and descriptions. **[Describe below.]**

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