The New Mexico Human Services Department (HSD) is announcing its intention to raise certain Medicaid provider payment rates effective January 1, 2020, as a critical next step in shifting Medicaid from silos to a person-centered system of supports in which individuals and families have unprecedented access to community-based supports and services. The purpose of the rate increase is to help fortify and protect New Mexico's health care delivery network by improving services to Medicaid members and their families. The proposed rate increase was supported, endorsed and championed by New Mexico’s governmental and investor-owned hospitals to ensure that payments are sufficiently adequate to help cover the costs associated with the ever-increasing care needs of New Mexico’s Medicaid members. HSD is committed to Native American New Mexicans. As a result of the proposed rate increase, HSD expects that the state general fund share of approximately $19 million. These costs are not new to HSD and are already built into the Medicaid base and will be covered by the federal government. Effective January 1, 2020, HSD proposes to implement a set of managed care directed payments for the State of New Mexico’s Tier 1 Transitioners for the 2020 calendar year. The service is highly effective contraception, including LARC products and devices, from their health care provider. As a way of supporting and fortifying the health care delivery network, this service will help to fortify and secure New Mexico’s health care delivery network.

1. Increase in Payment Rates for the Administration of Long-Acting Reversible Contraceptives (LARC)

One of Department of Children, Youth and Families’ (DCYF) commitments is to improve women’s access to reproductive health care services. New Mexico’s Medicaid State Plan that HSD must file with the federal Centers for Medicare and Medicaid Services (CMS) includes a provision to cover the administration of LARC. The statewide program covers the services provided by any Medicaid provider who is authorized by the member’s Medicaid Managed Care Organization (MCO). The program has been in place since January 1, 2017. The contract with the approved vendor is reviewed every year. The current contract is with the New Mexico Office of Substance Abuse and Mental Health Services (SAMH). Since the Medicaid State Plan was approved in January 2017, the Medicaid program has increased the administrative fee approximately 11 percent to account for the unique services provided by the SAMH program.

The anticipated annual fiscal impact to HSD for this increase is estimated to be $2.5 million total in state and federal funds combined, with a state general fund impact of $250,000. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

2. Increase in Payment Rates for Certain Hospitals through Managed Care Directed Payments

Effective January 1, 2020, HSD’s proposed increase reimburses a rate increase paid for the Centennial Care program to New Mexico’s hospitals that serve a high share of Native American Medicaid members. This proposal is consistent with HSD’s commitment to Native American New Mexicans.

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The anticipated annual fiscal impact to HSD for this increase is estimated to be $2.5 million total in state and federal funds combined, with a state general fund impact of $200,000. This increase is being done to help fortify and secure New Mexico’s health care delivery network. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

3. Safety Net Hospital’s Directened Payment Adjustment for the Adjusted Provider Care Services (PCS)

Effective January 1, 2020, HSD’s proposed increase reimburses a rate increase paid for the Centennial Care program to New Mexico’s hospitals that serve a high share of Native American Medicaid members. This proposal is consistent with HSD’s commitment to Native American New Mexicans.

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The anticipated annual fiscal impact to HSD for this increase is estimated to be $2.5 million total in state and federal funds combined, with a state general fund impact of $200,000. This increase is being done to help fortify and secure New Mexico’s health care delivery network. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

4. Increase in Payment Rates for the Administration of Long-Acting Reversible Contraceptives (LARC) Rates

The anticipated annual fiscal impact to HSD for this increase is estimated to be $2.5 million total in state and federal funds combined, with a state general fund impact of $200,000. This increase is being done to help fortify and secure New Mexico’s health care delivery network. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

5. Transnational In-justices-Based Services

HSD is proposing to add two new codes to the Non-Fast Emergency Medical Transportation (EMT) benefit for New Mexico Medicaid. These two new codes are not expected to be used frequently. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

6. Increase in Payment Rates for the Administration of Long-Acting Reversible Contraceptives (LARC) Rates

HSD is proposing to add two new codes to the Non-Fast Emergency Medical Transportation (EMT) benefit for New Mexico Medicaid. These two new codes are not expected to be used frequently. The proposed fee schedule changes to these codes and rates are posted at www.hsd.state.nm.us/providers/fee-schedules.aspx.

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OPPORTUNITY TO VIEW DOCUMENTS AND MAKE COMMENTS

To view the complete list of proposed provider payment rates and fee schedules, visit the HSD website at: www.hsd.state.nm.us/providers/fee-schedules.aspx. This list includes all codes and rates that the proposed changes will impact. Additionally, the fee schedule changes can be viewed by code on the HSD website at: www.hsd.state.nm.us/providers/fee-schedules.aspx.

WANT TO COMMENT?

HSD invites members of the public and provider community to comment on the proposed payment increases that will help fortify and protect New Mexico’s health care delivery network. The proposed rate increases, including those for SNCP, are available for review and comment at: www.hsd.state.nm.us/Providers-Rate-Changes. Interested persons may address written comments to: Medical Assistance Division Public Comments, P.O. Box 11983, Santa Fe, NM 87504-2348.