

The New Mexico Human Services Department (the Department) Medical Assistance Division (MAD) is accepting comments regarding its proposed State Plan Amendment (SPA) 15-05-Cost Settlement for Medicaid in the Schools to the Medicaid State Plan. The proposed amendment will implement a Direct Medical Cost Reporting and Settlement process to improve the Medicaid School Based Services (MSBS) program. HSD is proposing to have SPA 15-05 effective July 1, 2015. The Department does not anticipate a negative service or financial impact to individuals or health care providers with the proposed amendment. The Department anticipates expenditures of \$10,217,113 for FFY 2015 and \$10,900,861 for FFY 2016. SPA 15-05 and Attachment 4.19-B may be viewed on the Department's website at: <http://www.hsd.state.nm.us/public-notice-proposed-rule-and-waiver-changes-and-opportunities-to-comment.aspx> or <http://www.hsd.state.nm.us/LookingForInformation/medical-assistance-division-state-plan.aspx>

#### Highlights:

- Beginning with State Fiscal Year 2016, July 1, 2015, MAD will begin settling MAD reimbursement for direct medical services at cost for each local education agency (LEA), regional educational cooperative (REC), and another state-funded educational agency (SFEA) (collectively known as 'provider'). This reimbursement at cost methodology will include a quarterly Random Moment Time Study, an annual cost report and reconciled settlement.
- Once the first year's cost reports are received, and each subsequent year, MAD will examine the provider costs associated with providing direct medical services to help determine interim Fee-For-Service rates for providers.
- Effective dates of services on or after July 1, 2015, providers will be paid on an interim cost basis for transportation services.
- On an annual basis, each provider will certify, through its cost report, its total actual incurred MAD allowable costs/expenditures, including the federal share and the nonfederal share.
  - If a provider's interim payments exceed the actual, certified costs for MAD services provided in schools to eligible recipients, the provider will remit the federal share of the overpayment.
  - If the actual, certified costs of a provider exceed the interim payments, MAD will pay the federal share of the difference to the provider in accordance with the final actual certification agreement and submit claims to CMS for reimbursement of that payment in the federal fiscal quarter following payment to the provider.

Interested parties may submit written comments directly to: Human Services Department, Office of the Secretary, ATTN: Medical Assistance Division Public Comments P.O. Box 2348 Santa Fe, New Mexico 87504-2348. Recorded comments may be left by calling (505) 827-1337. Electronic comments may be submitted to [madrules@state.nm.us](mailto:madrules@state.nm.us) All comments must be received no later than July 1, 2015, 5:00 p.m. MDT.

If you are a person with a disability and you require this information in an alternative format, please contact MAD toll free at 1-888-997-2583 and ask for extension 7-7743. In Santa Fe call 827-7743. The Department's TDD system may be accessed toll-free at 1-800-659-8331 or in Santa Fe by calling 827-3184. The Department requests at least 10 working days advance notice to provide requested alternative formats.

If you do not have Internet access, a copy of proposed SPA 15-05 may be requested by contacting MAD at (505) 827-7743 or toll free at 1-888-997-2583.