



September 11, 2018

Human Services Department
Office of the Secretary
Attn: Medical Assistance Division Public Comments
P.O. Box 2348
Santa Fe, NM 87504-2348

RE: Comments on 8.311.3 NMAC, Methods and Standards for Establishing Payment-Inpatient Hospital Services

8.311.3.12 PROSPECTIVE PAYMENT METHODOLOGY FOR HOSPITALS:

C. Computation of hospital prospective payment rates:

The proposed language seems to create less transparency as to whether the Department adhered to the existing language stating "...the application of the MBI inflation factor will be reviewed..." Without a regular notice being sent, there is no consistent way for hospitals to know if a review was conducted. NMHA also offers to work with the Department to analyze the impacts of a potential return to a regular rebasing process.

F. Special prospective payment provisions:

(1) Outlier cases:

We support the removal of the age limitation for outlier cases and would recommend such action be applied to all hospitals not just the state teaching hospital. The increase of the dollar threshold is a reasonable offset to elimination of the age limit but movement to \$200,000 is too high. We recommend a more moderate increase to \$125,000 and that the Department consider a regular inflation adjustment for the dollar threshold in future years.

We support the proposed language to include nationally-accredited primary care residency programs as a qualifying factor for IME adjustment. This recognizes and rewards statewide initiatives to improve the physician workforce. To not harm existing eligible facilities, funding for newly eligible facilities must be provided in an additive fashion.

The proposed GME allocation is a reasonable adjustment to recognize the impact of the group VIII population.

8.311.3.13 DISPROPORTIONATE SHARE HOSPITALS:

E. DSH limits:

NMHA supports the 90 day requirement for hospitals to return an overpayment. However, we suggest that the language specify the opportunity for a hospital to seek an alternative payment timeline. Delete: "...unless otherwise directed by the department." Replace with: "...unless an alternative payment timeline is negotiated between the provider and the Department."

8.311.3.14 DETERMINATION OF ACTUAL, ALLOWABLE, AND REASONABLE COSTS:

C. Cost reporting:

This is a reasonable language adjustment to align with what has already been the standard practice for many years.

Thank you for your consideration.



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