

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

January 19, 2021

Ms. Nicole Comeaux, J.D., M.P.H.,
Director Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504-2348

RE: New Mexico State Plan Amendment (SPA) 20-0018

Dear Ms. Comeaux:

We have reviewed the proposed amendment submitted under transmittal number (TN) 20-0018, effective for services on or after October 1, 2020. The purpose of this state plan amendment is to rescind the temporary rate increases to nursing facilities for the treatment of Medicaid members who test positive for COVID-19 as approved under Disaster Relief SPA TN 20-0009. In addition, this amendment makes minor technical changes to Attachment 4.19-D of the Medicaid state plan.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act. We hereby inform you that Medicaid State plan amendment 20-0018 is approved effective October 1, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,
Francis T. McCullough
For
Rory Howe
Acting Director

Enclosure

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

1. TRANSMITTAL NUMBER <u>2</u> <u>0</u> <u>—</u> <u>0</u> <u>1</u> <u>8</u>	2. STATE New Mexico
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE October 1, 2020	

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (*Check One*)

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

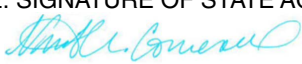
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447	7. FEDERAL BUDGET IMPACT a. FFY 20 \$0 b. FFY 21 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-D, Part 1, Page 1 DR 7.4.A.1	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) HCFA 179 92-07 page 1 New

10. SUBJECT OF AMENDMENT

Nursing Facility Payment

11. GOVERNOR'S REVIEW (*Check One*)

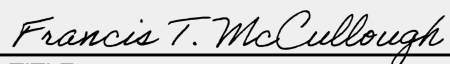
- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL 	16. RETURN TO Nicole Comeaux, J.D., M.P.H., Director Medical Assistance Division P.O. Box 2348 Santa Fe, NM 87504-2348
13. TYPED NAME Nicole Comeaux	
14. TITLE Director, Medical Assistance Division	
15. DATE SUBMITTED October 26, 2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED	18. DATE APPROVED 01/19/21
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL 10/1/20	20. SIGNATURE OF REGIONAL OFFICIAL  For
21. TYPED NAME Rory Howe	22. TITLE Acting Director, FMG

23. REMARKS

State/Territory: New Mexico

7.4.A.1 Rescissions to the State's Disaster Relief Policies for the COVID-19 National Emergency

Effective October 1, 2020, New Mexico Human Service Department rescinds the election at E.2.b.ii. of section 7.4 approved on May 22, 2020 in SPA Number NM-20-0009 of the state plan to provide Uniform rate increases to short term skilled and custodial nursing facility services. New Mexico applied a 30% rate increase for Medicaid members who test positive for COVID-19 and need inpatient care. The rate increase was equal to 30% of the individual facility's high NF rate. Thereafter, payment will revert to the reimbursement methodology described in Attachment 4.19-D.

TN: 20-0018
Supersedes: NEW

Approval Date: 01/19/21
Effective Date: 10-1-2020

COST RELATED REIMBURSEMENT OF NURSING FACILITIES

The New Mexico Title XIX Program make reimbursement for appropriately licensed and certified Nursing Facility (NF) services as outlined in this material.

I. GENERAL REIMBURSEMENT POLICY:

The Human Services Department will reimburse Nursing Facilities (effective October 1, 1990, the SNF/ICF distinction is eliminated; see section VIII) the lower of the following, effective July 1, 1984:

A. Billed Charges;

B. The prospective rate as constrained by the ceilings (Section V) established by the Department as described in this plan.

II. DEFINITIONS

Accrual Basis of Accounting – Under the accrual basis of accounting, revenue is recorded in the period when it is earned, regardless of when it is collected. The expenditures for expense and asset items are recorded in the period in which they are incurred, regardless of when they are paid.

Cash Basis of Accounting – Under the cash basis of accounting, revenues are recognized only when cash is received and expenditures for expense and asset items are not recorded until cash is disbursed for them.

Governmental Institution – A provider of services owned and operated by a federal, state or local governmental agency.

Allocable Costs – An item or group of items of cost chargeable to one or more objects, processes, or operations in accordance with cost responsibilities, benefits received, or other identifiable measure of application or consumption.

Applicable Credits – Those receipts or types of transactions which offset or reduce expense items that are allocable to cost centers as direct or indirect costs. Typical examples of such transactions are: purchase