

**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

---

February 12, 2024

Ms. Lorelei Kellogg  
Acting Director  
Medical Assistance Division  
New Mexico Human Services Department  
2025 South Pacheco Drive  
P.O. Box 2348  
Santa Fe, New Mexico 87504-2348

Re: New Mexico State Plan Amendment (SPA) 23-0011

Dear Lorelei Kellogg:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 23-0011. This amendment proposes to add coverage for Community Health Workers/Community Health Representatives as a new reimbursable preventive service at 42 CFR 440.60.

We conducted our review of your submittal according to statutory requirements in 42 CFR 440.60. This letter is to inform you that New Mexico Medicaid SPA 23-0011 was approved on February 12, 2024, with an effective date of July 1, 2023.

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

cc: Valerie Tapia  
Julie Lovato  
Erika Price

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

1. TRANSMITTAL NUMBER

2 3 — 0 0 1 1

2. STATE

NM

3. 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

July 1, 2023

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 440.60

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 23 \$ 49,678  
b. FFY 24 \$ 198,713

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

State Supplement A to Attachment 3.1-A, pages 21, 21.1

Attachment 4.19-B, pages 3aa, 3aaa

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

State Supplement A to Attachment 3.1-A, pages 21, 21.1 (TN 19-0002)

Attachment 4.19-B, pages 3aa, 3aaa (TN 23-0006)

9. SUBJECT OF AMENDMENT

Effective July 1, 2023, New Mexico Medicaid is adding coverage for Community Health Workers/ Community Health Representatives as a new reimbursable preventive service at 42 CFR 440.60.

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  
Lorelei Kellogg

13. TITLE  
Acting Director, Medical Assistance Division

14. DATE SUBMITTED  
8/22/2023

15. RETURN TO

Lorelei Kellogg, Acting Director  
Medical Assistance Division  
P.O. Box 2348  
Santa Fe, NM 87504-2348

**FOR CMS USE ONLY**

16. DATE RECEIVED  
08/22/2023

17. DATE APPROVED  
February 12, 2024

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
07/01/2023

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

The state authorized a pen & ink change to also include Attachment A, page 21.1 and Attachment 4.19-B, page 3aaa in Box 7 & 8, per email with the state dated 2/12/2024.

4. Contact Lenses, except when prior authorized.
5. Glass cases, anti-scratch lenses, anti-reflective coatings, progressive lenses, trifocals and other items not related to medical necessity.
6. Routine vision exams and glasses are allowed only once in a 24-month period except as provided as an EPSDT service or the medical condition of the client requires more frequent examination, treatment or follow up.

Item 13c Preventive Services

Specified preventive services, as listed on the state’s website, that are assigned a grade of A or B by the U.S. Preventive Services Task Force (USPSTF), and all approved adult vaccines recommended by the Advisory Committee on Immunization Practices (ACIP), and their administration, are covered and reimbursed. As changes are made to ACIP recommendations, the state will update coverage and billing codes to comply with those revisions.

Preventive services must be recommended by a physician or other licensed practitioner of the healing arts acting within their scope of practice. Per 42 CFR § 440.130(c): “Preventive services” means services recommended by a physician or other licensed practitioner of the healing arts acting within the scope of authorized practice under State law to - (1) Prevent disease, disability, and other health conditions or their progression; (2) Prolong life; and (3) Promote physical and mental health and efficiency.

**Community Health Worker (CHW)/Community Health Representative (CHR) Services.**

Effective July 1, 2023, New Mexico Medicaid is adding coverage for CHW/CHR services as a new reimbursable preventive service. CHW/CHR services include health promotions and coaching, health system navigation and clinical support.

**System Navigation** to provide information and support to access, understand and navigate the health and social systems and other community resources necessary to promote health, address health care barriers and health related social needs.

**Health Promotion and Health Coaching** includes identifying strengths and needs, setting goals, and providing action planning, coaching, and training.

**Clinical Support including assessments**, measuring, and responding to vital signs, providing feedback to the medical providers, and care coordination.

**Non-covered CHW/CHR services**

- i. Population health activities such as community outreach, community organizing, community needs assessments, and community advocacy.
- ii. Duplicative services such as care coordination activities including performing Health Risk Assessments (HRAs) and Comprehensive Needs Assessments (CNAs). These services may be covered when a contract is in place with an MCO to take this responsibility on as a delegated care coordination entity.
- iii. Transportation of members.
- iv. Personal and in-home care services such as childcare, assistance with Activities of Daily Living (ADLs), and housekeeping.

CHW are required to obtain credentialing through the NM Department of Health in either a grandfathering or training track. CHRs are required to obtain credentials through Indian Health Services. Credentialing includes mastery of the following core competencies: effective communication, interpersonal skills, health coaching, service coordination, advocacy, community health outreach, community knowledge and assessment and clinical support skills. The grandfathering tracks requires 2000 hours of paid or volunteer work as a CHW. The training track requires 100 hours of classes followed by 40 hours of experiential learning. An individual certification is required but there is a 3-year rollout to certify organizations as well. The organization certification will include oversight of the supervision the agencies provide for their CHWs.

The rehabilitative services listed below must be recommended by a physician or OLP.

Services are limited to mental health rehabilitation services for eligible recipients for whom the medical necessity of such services has been determined and who are not residents of an institution for mental illness.

The services are limited to goal oriented mental health rehabilitative services individually designed to accommodate the level of the recipient's functioning and which reduce the disability and to restore the recipient to his/her best possible level of functioning.

Services are limited to assessment, treatment planning, and specific services which reduce symptomatology and restore basic skills necessary to function independently in the community including:

1. Therapeutic interventions: Provides face to face therapeutic services which include assessments, treatment planning, ongoing treatment, and transition planning.
2. Medication Services: Provides for the assessment of the efficacy of medication and evaluation of side effects, and administration of medication by qualified personnel when it cannot be self-administered. Also provides educationally structured face to face activities delivered to patients, their families and others who provide care to patients regarding medication management.
3. Community Based Crisis Interventions: Provides coordinated services utilizing a crisis team. The service includes immediate access, evaluation, crisis intervention and respite care to patients.
4. Professional Consultation: Provides consultation services by mental health professionals as part of treatment team, to patients for the purpose of clinical case review, treatment plan development and ongoing treatment.

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE OF NEW MEXICO  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES –  
OTHER TYPES OF CARE**

Attachment 4.19 – B Page 3aa

4. **Accredited Residential Treatment Centers for Adults with Substance Use Disorders** – Reimbursement is made at a daily rate established by the agency state audit agent after analyzing the costs to provide services. Room and board costs are not included in the rate and are not reimbursable. Cost that are considered in the rate are: direct service costs, direct supervision costs, therapy costs including all salaries, wages, and benefits associated with health care personnel, admission discharge planning, clinical support costs, non-personnel operating costs including expenses incurred for program related supplies and general administration costs. ARTC’s have a cost-based reimbursement and is specific to each agency these rates are not publicly published. During the rate calculation process several key factors are reviewed by the agency and the providers upon approval of rates.

Except as otherwise noted in the State Plan, the State-developed rates are the same for both governmental and private providers.

5. **Crisis Triage Centers** – Reimbursement is made at service rates that are uniquely determined for each provider based on provider costs as determined by the state agency contracted audit agency. Costs are determined by considering: direct service costs, direct supervision costs, therapy costs including all salaries, wages and benefits associated with health care personnel, clinical support costs, non-personnel operating costs and general administration costs. CTC’s have a cost-based reimbursement and is specific to each agency these rates are not publicly published. During the rate calculation process, several key factors are reviewed by the agency and the providers upon approval of the rates.

Except as otherwise noted in the State Plan, the State-developed rates are the same for both governmental and private providers.

6. **Evidence-based Practices including Functional Family Therapy, Dialectical Behavior Therapy, Trauma Focused Cognitive Behavior Therapy, and Eye Movement Desensitization and Reprocessing-** Reimbursement for Evidence-based Rehabilitative Services as outlined in item 13.d per Attachment 3.1-A, are paid based upon Medicaid rates established by the State of New Mexico.

Except as otherwise noted in the State Plan, the State-developed rates are the same for both governmental and private providers. The provider agency’s rates were set as of January 1, 2023, and are effective for these services provided on or after that date. All rates are published on the Human Services Department website: <https://www.hsd.state.nm.us/providers/fee-for-service/>

The rate development methodology will primarily be composed of provider cost modeling, through New Mexico provider compensation studies and cost data. Rates from similar State Medicaid programs may be considered, as well. The following list outlines the major components of the cost model to be used in rate development.

- Staffing assumptions and staff wages.
- Employee-related expenses—benefits, employer taxes (e.g., Federal Insurance Contributions Act (FICA), unemployment, and workers compensation).
- Program-related expenses (e.g., supplies).
- Provider overhead expenses.
- Program billable units.
- Rural rates will include additional travel considerations for community and home-based services.

The rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units.

7. **Mobile Crisis and Stabilization Rehabilitative Services** - Reimbursement for Mobile Crisis and Stabilization Rehabilitative Services as outlined in item 13.d per Attachment 3.1-A, are paid based upon Medicaid rates established by the State of New Mexico.

Except as otherwise noted in the State Plan, the State-developed rates are the same for both governmental and private providers. The provider agency’s rates were set as of July 1, 2023 and are effective for these services provided on or after that date. All rates are published on the Human Services Department website:

<https://www.hsd.state.nm.us/providers/fee-for-service/>

The rate development methodology will primarily be composed of provider cost modeling, through New Mexico provider compensation studies and cost data. Rates from similar State Medicaid programs may be considered, as well. The following list outlines the major components of the cost model to be used in rate development.

- Staffing assumptions and staff wages.
- Employee-related expenses—benefits, employer taxes (e.g., Federal Insurance Contributions Act (FICA), unemployment, and workers compensation).
- Program-related expenses (e.g., supplies).
- Provider overhead expenses.
- Program billable units.

The rates will be developed as the ratio of total annual modeled provider costs to the estimated annual billable units.

8. **Community Health Worker (CHW)/Community Health Representative (CHR)** – CHWs and CHRs are reimbursed on a fee schedule basis. Except as otherwise noted in the state plan, state developed fee schedule rates are the same for both governmental and private providers. The agency’s fee schedule rates were set as of July 1, 2023 and are effective for services provided on or after that date. All rates are published at: <https://www.hsd.state.nm.us/providers/fee-schedules/>