

**New Mexico Human Services Department**  
**Draft Medicaid Turquoise Care 1115 Demonstration Waiver Renewal Supplemental Proposal**

**Full Public Notice**

**Purpose of this Public Notice:**

In response to the end of the COVID-19 Public Health Emergency (PHE) and the announcement by Centers for Medicare and Medicaid Services (CMS) of new opportunities to extend certain PHE-related flexibilities<sup>1</sup>, the New Mexico Human Services Department (HSD) is proposing to supplement and enhance the Medicaid Turquoise Care 1115 renewal application to make permanent the 1115 demonstration authority to allow State-authorized legally responsible individuals (LRIs), such as relatives and guardians, to render Personal Care Services (PCS) under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit and ensure no gap in 1115 waiver authority occurs.

**Background:**

On December 15, 2022, the HSD submitted a 5-year Medicaid 1115 demonstration waiver renewal application to CMS for an anticipated effective date of January 1, 2024 through December 31, 2028, seeking federal approval to renew and enhance the current Centennial Care 2.0 waiver (Project Number 11-W-00285/9). The renewal period is referred to by the demonstration's new name: Turquoise Care. New Mexico provided an opportunity for public input on the draft Turquoise Care 1115 application in September and October 2022 and responded to those comments in the final application submitted to CMS. New Mexico's December 2022 Turquoise Care Medicaid 1115 waiver renewal application for Turquoise Care can be found here (for information only): <https://www.hsd.state.nm.us/wp-content/uploads/New-Mexico-Turquoise-Care-1115-Waiver-Renewal-Application.pdf>. HSD is now supplementing the original Turquoise Care 1115 renewal request to add permanent authority for LRIs providing PCS under EPSDT. To review and provide public comment on HSD's supplemental proposal to the renewal application, please visit our dedicated webpage at <https://www.hsd.state.nm.us/medicaid-1115-waiver-renewal/>.

**A. Renewal and Supplemental Proposal Goals and Objectives**

The Turquoise Care waiver renewal request is constructed around three goals:

- **Goal 1:** Build a New Mexico health care delivery system where every Medicaid member has a dedicated health care team that is accessible for both preventive and emergency care that supports the whole person - their physical, behavioral, and social drivers of health.
- **Goal 2:** Strengthen the New Mexico health care delivery system through the expansion and implementation of innovative payment reforms and value-based initiatives.

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<sup>1</sup> New CMS Guidance to Ensure Continuity of Key Flexibilities Implemented During the COVID-19 PHE  
<https://www.medicare.gov/sites/default/files/2023-08/smd23004.pdf>

- **Goal 3:** Identify groups that have been historically and intentionally disenfranchised and address health disparities through strategic program changes to enable an equitable chance at living healthy lives.

Turquoise Care will target initiatives focused on the following populations:

1. Prenatal, postpartum, and members parenting children, including children in state custody;
2. Seniors and members with long-term services and supports (LTSS) needs;
3. Members with behavioral health conditions;
4. Native American members; and
5. Justice-involved individuals.

This supplemental proposal to allow families to use LRIs as providers of EPSDT personal care services supports our focus on children and members with LTSS needs, and the goals under Turquoise Care to address health disparities through strategic program changes to enable an equitable chance at living healthy lives.

## **B. Eligibility, Enrollment, Benefits, Cost Sharing, and Delivery System for the Turquoise Care Supplemental Proposal for EPSDT LRIs**

### **1. Eligibility and Enrollment**

This supplemental proposal for PCS LRIs under EPSDT has no impact on the Medicaid State Plan eligibility groups, the Centennial Care eligibility groups, or the proposed eligibility under the Turquoise Care renewal. HSD estimates an average of 1,248 members will use LRI for EPSDT PCS each year.

### **2. Premiums and Cost Sharing**

Premiums and cost-sharing will continue to follow the approved Medicaid State Plan. There are no premiums or cost-sharing for EPSDT PCS.

### **3. Benefits**

#### **Enhanced Services and Supports for Members in Need of EPSDT Personal Care**

The COVID-19 pandemic created a notable shortage of health care workers and made it more difficult for individuals under 21 years of age find support in their homes and communities for activities of daily living (ADLs). As a result of the COVID-19 PHE, HSD received a number of CMS approved emergency waivers, permitting the state to temporarily allow payment for services rendered by family caregivers or LRIs under the Fee for Service and Managed Care delivery systems. Emergency Waivers included the following:

- Appendix K: Emergency Preparedness and Response and COVID-19 Addendum for Managed Care Delivery System
  - Approval Timeframe: January 27, 2020 – November 11, 2023
- CMS 1135 Waiver for Fee for Service Delivery System
  - Approval Timeframe: March 1, 2020 – May 11, 2023

- COVID-19 PHE Demonstration Application for Fee for Service and Managed Care Delivery Systems
  - Approval Timeframe: Pending CMS retroactive approval effective May 11, 2023 – November 11, 2023

HSD is proposing to permanently allow State-authorized legally responsible individuals (LRIs), such as relatives and guardians, to render Personal Care Services (PCS) under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit.

HSD’s objectives in expanding the types of individuals eligible to render PCS under the EPSDT benefit include:

- Supporting access to PCS by allowing a wider pool of qualified providers;
- Enabling individuals to receive medically necessary services in the event the traditional provider workforce is diminished or there is inadequate capacity;
- Strengthening the provision of supports in the community using a cost-effective person-centered approach; and
- Ensuring that legally responsible individuals can be justly compensated for their caregiving work.

HSD is now proposing to permanently allow LRIs to render PCS under Fee for Service and Managed Care Delivery systems for the EPSDT Benefit. This authority is currently granted under the applicable temporary emergency authorities above. Continuing this authorization is important to continue the State’s support to unpaid caregivers and ensuring that individuals eligible for PCS can get their needs met in the community.

Members accessing services must coordinate with appropriate provider agencies to ensure the LRI’s provision of service is authorized by the Managed Care Organization or Third-Party Assessor (TPA). The LRI must meet all personal care service requirements, personal care service training, and extraordinary care requirements.

#### 4. Delivery System

LRIs will be permitted to serve as providers of EPSDT personal care services in both Fee-for-Service and Managed Care Delivery Systems.

### C. Supplemental Request for Waiver and Expenditure Authorities

**Table 1: Requested Waiver Authorities**

|    | Waiver Authorities                                | Use for Waiver Authority  | Currently Approved Authority? |
|----|---|---|-------------------------------|
| 1. | Self-Direction of Care<br><br>Section 1902(a)(32) | To permit persons receiving certain services to self-direct their care for such services.<br><br>To permit state-authorized relatives, guardians, and or legally responsible individuals to provide EPSDT personal care services. | Current/New                   |

**Table 2: Requested Expenditure Authorities**

| Use for Expenditure Authority |  | Currently Approved Expenditure Authority? |
|-------------------------------|--|---|
| 1.                            | Expenditures to provide self-directed personal care for children under the state plan EPSDT benefit. | New                                       |

**D. Impact on Enrollment and Expenditures**

**Table 3: Projected Expenditures for Turquoise Care Renewal Period –Supplemental Proposal**

|  | DY11                 | DY12                 | DY13                 | DY14                 | DY15                 | Five Year Total      |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | CY 2024              | CY 2025              | CY 2026              | CY 2027              | CY 2028              |                      |
| <b>Projected Enrollment for Supplemental Turquoise Care Proposal: LRIs for EPSDT Personal Care</b>   | 861                  | 1,057                | 1,235                | 1,434                | 1,654                | 6,241                |
| <b>Projected Expenditures for Supplemental Turquoise Care Proposal: LRIs for EPSDT Personal Care</b> | \$15,172,128         | \$19,557,205         | \$23,993,135         | \$29,252,223         | \$35,427,092         | \$123,401,783        |
| <b>Original Turquoise Care Proposals</b>   | \$91,147,000         | \$110,979,000        | \$132,961,000        | \$136,625,000        | \$140,487,000        | \$612,199,000        |
| <b>Total</b>   | <b>\$106,319,128</b> | <b>\$130,536,205</b> | <b>\$156,954,135</b> | <b>\$165,877,223</b> | <b>\$175,914,092</b> | <b>\$735,600,783</b> |

**E. Hypotheses and Evaluation Parameters**

**Table 4: Demonstration Goals and Evaluation Hypotheses**

| Goal  | Hypothesis   | Methodology   | Data Sources               | New/Continuing? |
|---|--|---|----------------------------|-----------------|
| <b>Goal 1:</b> Build a New Mexico health care delivery system where every Medicaid member has a dedicated health care team that is accessible for both preventive and emergency care that supports the whole person - their physical, behavioral, and social drivers of health. |  |   |                            |                 |
| 1.7   | The ability for legally responsible individuals to provide personal care services to individuals receiving EPSDT PCS services will ensure member access to EPSDT PCS services. | Members receiving personal care EPSDT services from legally responsible individuals will have the same or greater utilization of necessary EPSDT PCS services annually throughout the demonstration in comparison to service utilization prior to implementation of this benefit. | Administrative claims data | New             |

## F. State Public Notice and Comment Period

The draft Medicaid 1115 demonstration waiver renewal **supplemental proposal** application is open for public comment from August 18, 2023 to September 17, 2023. Public comment on the supplemental proposal is open to anyone who would like to share feedback. We encourage health care and social service providers, Medicaid beneficiaries, Tribal leadership, Indian Health Service, Tribal Nations, Tribal health providers, Urban Indian healthcare providers, Managed Care Organizations, hospitals and health systems, medical associations, community-based organizations, the public, and others to provide input.

To review and provide public comment on New Mexico's draft supplemental proposal, please visit our dedicated webpage at <https://www.hsd.state.nm.us/medicaid-1115-waiver-renewal/>. All information and materials pertaining to the Turquoise Care draft supplemental proposal, including public hearing dates and times, public comment submission instructions, and a copy of HSD's full 1115 Waiver Renewal application (for information only), are available at this dedicated webpage.

If you do not have internet access, a copy of the draft supplemental proposal may be requested by contacting HSD's Medical Assistance Division (MAD) at 505-827-1337. If you are a person with a disability and require this information in an alternative format or require a special accommodation to participate in the public hearing, please contact MAD in Santa Fe at 505-827-1337.

Share your feedback by:

- Participating in a public hearing. HSD will hold two public hearings to receive comments:

August 21, 2023

1:00 p.m. – 4:00 p.m. Mountain Standard Time (MST)

*In-Person Attendance*

Human Services Department

1 Plaza La Prensa

Santa Fe, New Mexico 87507

*Virtual Attendance*

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Or dial directly: [336384117@67.217.95.2](tel:336384117@67.217.95.2) or 67.217.95.2##336384117

August 29, 2023

4:00 p.m. – 5:00 p.m. MST

*In-Person Attendance*

Human Services Department

1474 Rodeo Road

Santa Fe, New Mexico 87507

*Virtual Attendance*

Zoom Webinar Information:

Dial In: (669) 900-6833

Meeting ID: 967 7249 3243

Password: 943031

Link: <https://mmc.zoom.us/j/96772493243?pwd=Sy91dm84WXBoU2FtUWxOaFhZeGkydz09>

- Email: [1115.PublicComments@state.nm.us](mailto:1115.PublicComments@state.nm.us)
- Mail:  
Human Services Department  
ATTN: HSD/MAD 1115 Public Comments  
P.O. Box 2348  
Santa Fe, New Mexico 87504-2348

HSD has notified tribal partners of this opportunity to provide feedback. Tribal Notification is located at <https://www.hsd.state.nm.us/providers/written-tribal-notification-letters/>. Tribal partners may request a formal tribal consultation during this 30-day public comment period. HSD respectfully asks that this request for consultation be made no later than August 31, 2023.

**The deadline to provide public comment is Sunday, September 17, 2023 at 5:00 pm MST.**