

January 26, 2018

RE: Tribal Notification to Request Advice and Comments Letter 18-001 Home Equity Exclusion

Dear Tribal Leadership, Indian Health Service, Tribal Health Providers, and Other Interested Parties:

Seeking advice and comments from New Mexico's Indian Nations, Tribes, Pueblos and their health care providers is an important component of the government-to-government relationship with the State of New Mexico. In accordance with the New Mexico Human Services Department's (HSD's) Tribal Notification to Request Advice and Comments process, this letter is to inform you that HSD, through the Medical Assistance Division (MAD), is accepting written comments until 5:00pm Mountain Standard Time (MST) on February 28, 2018 regarding State Plan Amendment (SPA) 18-001.

The Department, through this State Plan Amendment, is changing the amount of home equity that will be used in determining eligibility for Medicaid long-term care assistance by lowering the allowed home equity from the federal maximum of \$840,000 to the federal minimum of \$560,000. Home equity is the value of a home minus the total amount owed on it in mortgages, liens, and other encumbrances. If an applicant's or recipient's home equity value exceeds the \$560,000 amount allowed, the entire valued amount of his or her home is a countable resource. The home equity amount will continue to be increased each year by the urban component of the consumer price index as required by the State Plan.

Changing the home equity exclusion requires a State Plan Amendment that the Centers for Medicare and Medicaid Services (CMS) must approve. A draft of that State Plan Amendment is available as indicated below. It is the intent of HSD to file the State Plan Amendment by March 1, 2018, requesting an effective date of March 1, 2018.

The primary reason for this change is to have more appropriate criteria for determining Medicaid eligibility for long-term care assistance while minimally affecting those who have already been determined to be eligible. No significant financial impact is expected and it is believed the change will affect few, if any, current Native American recipients.

If an applicant's or recipient's home equity value exceeds the \$560,000 amount allowed, the entire valued amount of his or her home is a countable resource.

Estimated Total Financial Impact

The Department anticipates that few, if any, recipients will lose Medicaid eligibility with this change. Therefore, the Department anticipates no fiscal impact from reducing the home equity amount from \$840,000 down to \$560,000.

Tribal Impact

The impact on Native Americans is that rather than having a home equity exclusion of \$840,000, the exclusion is reduced to \$560,000. If a Native American has home equity that exceeds the \$560,000 amount allowed, the entire valued amount of his or her home is a countable resource. Again, it is anticipated that few, if any, Native Americans will lose Medicaid eligibility because of this change.

Tribal Advice and Comments

A copy of the proposed amendment is attached. Tribes and tribal health care providers may also view State Plan Amendment (SPA) 18-001 on the HSD web page at <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx>


A written copy of these documents may be requested by contacting the HSD Medical Assistance Division (HSD/MAD) in Santa Fe at (505) 827-6252.

Important Dates

Written advice and comments must be received no later than 5:00pm Mountain Standard Time (MST) on February 28, 2018. Please send your advice, comments or questions to the MAD Native American Liaison, Theresa Belanger, at (505) 827-3122 or by email to theresa.belanger@state.nm.us.

All comments and responses will be compiled and made available after March 9, 2018.

Sincerely,



Nancy Smith-Leslie
Director

cc: Kari Armijo, HSD/MAD Deputy Director
Theresa Belanger, Native American Liaison, HSD/MAD
HSD/MAD Centennial Care Bureau
HSD/MAD Program Policy Bureau