



Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Lorelei Kellogg, Acting Director

January 5, 2024

Daniel Tsai
Deputy Administrator and Director
Centers for Medicare & Medicaid Services
Center for Medicaid and CHIP Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, Maryland 21244-1850

Dear Deputy Administrator and Director:

The New Mexico Human Services Department, Medical Assistance Division received the Centers for Medicare & Medicaid Services' (CMS) approval to amend its section 1115(a) demonstration entitled, "New Mexico Centennial Care 2.0" (Project Number 11-W00285/6) on December 15, 2023, in accordance with section 1115(a) of the Social Security Act. The approved requests under the amendment were submitted with New Mexico's demonstration extension application on December 15, 2022. On September 5, 2023, CMS approved a temporary extension of the state's section 1115 demonstration in order to allow the state and CMS to continue negotiations over the state's demonstration extension application. Through this approval, the demonstration amendment is effective January 1, 2024 through December 31, 2024 and provides the following authorities:

- Continuous Eligibility for Children up to Age – Enabling New Mexico to provide continuous eligibility for Medicaid children from the time of initial eligibility determination until they reach age six, regardless of changes in circumstances that would otherwise cause a loss of eligibility.
- Personal Care Services – Enabling New Mexico to provide payment for legally responsible individuals (LRIs) providing personal care services (PCS) to individuals receiving benefits under the Community Benefit and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) programs.
- Community Benefit Enrollment Expansion – Increasing the total enrollment limit for the Community Benefit program from 6,789 to 7,789 beneficiaries.
- Housing Supports Expansion – Increasing the annual enrollment limit for the Supportive Housing program from 180 to 450 beneficiaries with serious mental illness (SMI).
- Centennial Home Visiting Program Model Expansion – Expanding the Centennial Home Visiting Pilot program to incorporate four additional evidence-based models.

New Mexico provides the following acknowledgements and assurances to CMS:

- This approval is subject to the limitations specified in the attached waivers, expenditure authorities, Special Terms and Conditions (STCs), and any supplemental attachments defining the nature, character, and extent of federal involvement in this project.

- New Mexico may deviate from the Medicaid state plan requirements only to the extent such requirements have been specifically listed as waived or not applicable to expenditures authorized under the demonstration.
- New Mexico will adhere to the STCs and 1115 demonstration requirements pertaining to budget neutrality, monitoring, and evaluation.

New Mexico looks forward to its continued collaboration with CMS on requests pending under New Mexico's demonstration extension application submitted December 15, 2022, which include:

- Additional Supportive Housing Expansions;
- Medicaid Services for High-Need Justice-Involved Populations before Release;
- Member-Directed Traditional Healing Benefits for Native Americans;
- Waiver Investments in Small-Home Assisted Living and Nursing Facility Pilots;
- Medicaid funding for room and board payments to Assisted Living Facilities;
- Home-Delivered Meals Pilot Programs;
- Medical Respite for Members Experiencing Homelessness;
- Expenditure and Waiver Authority to support Rural Hospitals; and
- Workforce Initiatives.

New Mexico is no longer requesting waiver approval for a Chiropractic Services Pilot and Closed Loop Referral System. New Mexico has elected to pursue state plan authority to implement Chiropractic Services statewide and will implement a statewide Closed Loop Referral System with funding allocated in the 2023 Legislative session through House Bill 2.

Please accept this letter as formal written acknowledgement of the award and acceptance of the STCs.

We appreciate CMS' continued support and partnership to advance the objectives of New Mexico's Medicaid program, and improve the health and well-being of New Mexicans. For questions concerning this acceptance, please feel free to contact New Mexico's CMS Liaison, Valerie Tapia at 505-257-8420 or Valerie.Tapia@hsd.nm.gov.

Sincerely,



Lorelei Kellogg
Acting Medicaid Director
Medical Assistance Division

Cc: Dana Brown, State Monitoring Lead, CMS Medicaid and CHIP Operations Group
Julie Sharp, Technical Director, State Demonstrations Group
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