

## **Table of Contents**

**State/Territory Name: New Mexico**

**State Plan Amendment (SPA) #: 13-02**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Dallas Regional Office  
1301 Young Street, Suite 833  
Dallas, Texas 75202



**DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI**

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June 24, 2013

Our Reference: SPA-NM-13-02

Ms. Julie Weinberg, Director  
New Mexico Human Services Department  
Medical Assistance Division  
Post Office Box 2348- ARK  
Santa Fe, New Mexico 87504-2348

Dear Ms. Weinberg:

We have reviewed the State's proposed amendment to the New Mexico State Plan submitted under Transmittal Number 13-02, dated March 28, 2013. This state plan amendment updates the fee schedule for physicians and other licensed practitioners as required under Section 1202 of the Health Care and Education Reconciliation Act of 2010.

Based on the information submitted, we have approved the amendment for incorporation into the official New Mexico State Plan with an effective date change of January 1, 2013. A copy of the CMS-179 and approved plan pages are enclosed with this letter.

As we are working in partnership to implement this important provision, we would greatly appreciate if you can inform us when your State begins to pay the increased rates to your providers. Additionally, to the extent you have information regarding the number of providers receiving the enhanced payments; we would appreciate that information as well.

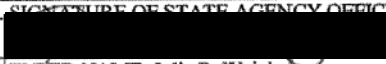

If you have any questions, please contact Suzette Seng at (214) 767-6478.

Sincerely,

A black rectangular redaction box covering the signature of Bill Brooks.

Bill Brooks  
Associate Regional Administrator  
Division of Medicaid and Children's Health

Enclosure

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 13-02	2. STATE New Mexico
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE January 1, 2013	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR Part 438, 441, and 447  Sections 1902(a)(13), 1902(jj), 1932(f), and 1905(dd) of the Social Security Act, as amended by the Affordable Care Act.		7. FEDERAL BUDGET IMPACT: \$ 12,000,000 FFY 2013: We are not able to determine the impact because we are still receiving provider attestations. FFY 2014: We are not able to determine the impact because we are still receiving provider attestations. \$ 3,500,000	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B; pages ii.a, ii.b and ii.c		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Supercedes none; new pages	
10. SUBJECT OF AMENDMENT: Primary Care Increase and Vaccines for Children (VFC) Program			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		X OTHER, AS SPECIFIED: Authority Delegated to the Medicaid Director.	
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Julie B. Weinberg, Director Medical Assistance Division P.O. Box 2348 Santa Fe, NM 87504 - 2348	
13. TYPED NAME: Julie B. Weinberg			
14. TITLE: Director, Medical Assistance Division			
15. DATE SUBMITTED: March 28, 2013			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 28 March, 2013		18. DATE APPROVED: 24 June, 2013	
PLAN APPROVED - ONE COPY AT			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 January, 2013		20. SIGNATURE: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health	
23. REMARKS:  * Per email dated June 19, 2013, the state has requested a Pen and ink change to block 7 in order to specify the Federal Budget Impact.			

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

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Attachment 4.19 - B  
Page ii.a

**Reimbursement Template -Physician Services Increased Primary Care Service Payment 42**

**CFR 447.405, 447.410, 447.415**

**Attachment 4.19-B: Physician Services 42 CFR 447.405 Amount of Minimum Payment**

The state reimburses for services provided by physicians meeting the requirements of 42 CFR 447.400(a) at the Medicare Part B fee schedule rate using the Medicare physician fee schedule rate in effect in calendar years 2013 and 2014 or, if greater, the payment rates that would be applicable in those years using the calendar year 2009 Medicare physician fee schedule conversion factor. If there is no applicable rate established by Medicare, the state uses the rate specified in a fee schedule established and announced by CMS.

- The rates reflect all Medicare site of service and locality adjustments.
- The rates do not reflect site of service adjustments, but reimburse at the Medicare rate applicable to the office setting.
- The rates reflect all Medicare geographic/locality adjustments.
- The rates are statewide and reflect the mean value over all counties for each of the specified evaluation and management and vaccine billing codes.

The following formula was used to determine the mean rate over all counties for each code:

**Method of Payment**

- The state has adjusted its fee schedule to make payment at the higher rate for each E&M and vaccine administration code.
- The state reimburses a supplemental amount equal to the difference between the Medicaid rate in effect on the date of service as published in the agency's fee schedule described in Attachment 4.19B, page 3ab - 3b, item 9 (approved 07/09/2007) Physician Services of the State plan and the minimum payment required at 42CFR 447.405.

Supplemental payment is made:                       monthly                       quarterly

**Primary Care Services Affected by this Payment Methodology**

- This payment applies to all Evaluation and Management (E&M) billing codes 99201 through 99499.
- The State did not make payment as of July 1, 2009 for the following codes and will not make payment for those codes under this SPA (specify codes):

99339, 99340, 99363, 99358, 99359, 99360, 99364, 99366, 99367, 99368, 99374, 99375, 99377, 99378, 99379, 99380, 99386, 99387, 99396, 99397, 99401, 99402, 99403, 99404, 99408, 99409, 99411, 99412, 99420, 99429, 99441, 99442, 99443, 99444, 99450, 99455, 99456, 99485, 99486, 99487, 99488, 99489, 99495, 99496, and 99499.

SUPERSEDES: NONE - NEW PAGE

STATE <u>New Mexico</u>	A
DATE REC'D <u>3-28-13</u>	
DATE APPV'D <u>6-24-13</u>	
DATE EFF <u>1-1-13</u>	
NOFA 179 <u>13-02</u>	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
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Attachment 4.19 - B  
Page ii.b

**(Primary Care Services Affected by this Payment Methodology - continued)**

- The state will make payment under this SPA for the following codes which have been added to the fee schedule since July 1, 2009 (specify code and date added):  
99224, 99225 and 99226. All were added on 01/01/2011.

**Physician Services - Vaccine Administration**

For calendar years (CYs) 2013 and 2014, the state reimburses vaccine administration services furnished by physicians meeting the requirements of 42 CFR 447.400(a) at the lesser of the state regional maximum administration fee set by the Vaccines for Children (VFC) program or the Medicare rate in effect in CYs 2013 and 2014 or, if higher, the rate using the CY 2009 conversion factor.

- Medicare Physician Fee Schedule rate  
 State regional maximum administration fee set by the Vaccines for Children program  
 Rate using the CY 2009 conversion factor

**Documentation of Vaccine Administration Rates in Effect 7/1/09**

The state uses one of the following methodologies to impute the payment rate in effect at 7/1/09 for code 90460, which was introduced in 2011 as a successor billing code for billing codes 90465 and 90471.

- The imputed rate in effect at 7/1/09 for code 90460 equals the rate in effect at 7/1/09 for billing codes 90465 and 90471 times their respective claims volume for a 12 month period which encompasses July 1, 2009. Using this methodology, the imputed rate in effect for code 90460 at 7/1/09 is: \_\_\_\_\_.
- A single rate was in effect on 7/1/09 for all vaccine administration services, regardless of billing code. This 2009 rate is: \$10.94.

Alternative methodology to calculate the vaccine administration rate in effect 7/1/09:  
Note: This section contains a description of the state's methodology and specifies the affected billing codes.

STATE <u>New Mexico</u>	A
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SUPERSEDES: NONE - NEW PAGE

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Attachment 4.19 - B  
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**Effective Date of Payment**

**E & M Services**

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014 but not prior to December 31, 2014. All rates are published at <http://www.hsd.state.nm.us/mad/PFeeSchedules.html> or under the 'Fee Schedules' section of the 'Provider' section of the Medical Assistance Division website.

**Vaccine Administration**

This reimbursement methodology applies to services delivered on and after January 1, 2013, ending on December 31, 2014 but not prior to December 31, 2014. All rates are published at <http://www.hsd.state.nm.us/mad/PFeeSchedules.html> or under the 'Fee Schedules' section of the 'Provider' section of the Medical Assistance Division website.

Supersedes Page: None

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NOFA 179 <u>NM 13-02</u>	

SUPERSEDES: NONE - NEW PAGE

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