



Susana Martinez, Governor
Brent Earnest, Secretary
Nancy Smith-Leslie, Director

June 1, 2015

Interested Parties

RE: Tribal Notification Letter 15-09: NM State Plan Amendment (SPA) 15-05, New Mexico Medicaid School-Based Services

Dear Tribal Leadership, Indian Health Services, Tribal Facilities and other interested parties:

Consultation with New Mexico's Indian Nations, Tribe, Pueblos, and their healthcare 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) Tribal Consultation requirements, this letter is to inform you that HSD, through the Medical Assistance Division (MAD), is accepting written comments through July 1, 2015, regarding SPA 15-005 School-Based Services for Medicaid Assistance Program (MAP) Eligible Recipients Under Twenty-One Years of Age to the Medicaid State Plan.

SPA 15-005 is anticipated to have expenditures of \$10,217,113 for FFY 2015 and \$10,900,861 for FFY 2016. MAD is proposing to have the amendment effective July 1, 2015.

HSD's proposed amendment will produce a Direct Medical Services Cost Reporting and Settlement process that will improve the Medicaid School Based Services (MSBS) program.

Highlights:

- Beginning with State Fiscal Year 2016, July 1, 2015, MAD will begin settling MAD reimbursement for direct medical services at cost for each local education agency (LEA), regional educational cooperative (REC), and another state-funded educational agency (SFEA) (collectively known as 'provider'). This reimbursement at cost methodology will include a quarterly Random Moment Time Study, an annual cost report and reconciled settlement.

- Once the first year's cost reports are received, and each subsequent year, MAD will examine the provider costs associated with providing direct medical services to help determine interim Fee-For-Service rates for providers.
- Effective dates of services on or after July 1, 2015, providers will be paid on an interim cost basis for transportation services.
- On an annual basis, each provider will certify, through its cost report, its total actual incurred MAD allowable costs/expenditures, including the federal share and the nonfederal share.
 - If a provider's interim payments exceed the actual, certified costs for MAD services provided in schools to eligible recipients, the provider will remit the federal share of the overpayment.
 - If the actual, certified costs of a provider exceed the interim payments, MAD will pay the federal share of the difference to the provider in accordance with the final actual certification agreement and submit claims to CMS for reimbursement of that payment in the federal fiscal quarter following payment to the provider.
- **Tribal Impact:** *HSD does not anticipate a negative service or financial impact to individuals, tribes or their healthcare providers upon SPA 15-05 implementation.*

Tribal Consultation Comments -

Tribes and their healthcare providers may view proposed SPA 15-05 and Attachment 4.19-B on the HSD webpage at: <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx>, ***Consultation Letter 15-09.***

IMPORTANT DATES:

- Written comments must be submitted by 5:00 p.m. Mountain Daylight Time (MDT) on July 1, 2015. Please send your comments and questions to the MAD Native American Liaison, Theresa Belanger, Medical Assistance Division, P.O. Box 2348, Santa Fe, New Mexico 87504-2348, by phone at (505) 827.3122 or by email at: Theresa.Belanger@state.nm.us.
- All tribal consultation comments and responses will be compiled and available ***after July 13, 2015.***
- HSD plans to submit SPA 15-05 no later than July 1, 2015.

Sincerely,



Nancy Smith-Leslie, Director
Medical Assistance Division

Cc: Theresa Belanger, Native American Liaison, HSD/MAD
Russell Toal, MAD Deputy Director
Christie Guinn, School Health Manager, MAD/Exempt Services & Programs
HSD/MAD/PPB/PMCU