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

Item XIV Rehabilitation Option Services

1. Mental Health Rehabilitation Services (Psychosocial Rehabilitation)

Reimbursement is made at fee schedule rates for the service.

The agency’s fee schedule rates were set as of January 1, 2015, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the New Mexico Human Services Department website at http://www.hsd.state.nm.us/providers/fee-for-service.aspx

Notice of changes to rates will be made as required by 42 CFR 447.205.

Reimbursement for psychosocial rehabilitation services is consistent with the requirements of Section 1902(a)(30) of the Act and 42 CFR 447.200 which stipulate that payments for services must be consistent with efficiency, economy, and quality of care. It was also determined the rates are in conformance with OMB Circular A-87.

TN No. ______________ Approval Date ______________

Supersedes TN No. ______________ Effective Date ______________
2. Rehabilitative Services - Assertive Community Treatment

Initially, to establish a fee schedule amount, the Department used cost studies to determine the average actual costs to providers to perform Assertive Community Treatment services. Allowable costs included salaries plus fringe benefits, costs for supervision, costs for direct operating expenses, facility related costs, and staff costs for indirect administration. The rates do not include room and board.

Using these factors, an amount was determined that evaluated further for reasonableness by considering prevailing charges and the existing fee schedule for services similar to Assertive Community Treatment services with regards to complexity, time, and level of responsibility.

Specifically, the Department (1) examined rates being charged by providers who were already rendering services to other agencies and payers; and, (2) evaluated the reasonableness of the rates by comparing the complexity of the tasks and the necessary training and experience of staff who carry out the tasks with payment levels for comparable tasks. The reasonableness of the fee was also verified by comparing the fees to those paid by several other state Medicaid programs for similar services.

Reimbursement for Assertive Community Treatment services is consistent with the requirements of Section 1902(a)(30) of the Act and 42 CFR 447.200 which stipulate that payments for services must be consistent with efficiency, economy, and quality of care. It was also determined the rates are in conformance with OMB Circular A-87.

The rates that were established became fee schedule 15-minute unit rates.

The agency’s fee schedule rates were set as of January 1, 2015, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the New Mexico Human Services Department website at http://www.hsd.state.nm.us/providers/fee-for-service.aspx

Notice of changes to rates are made as required by 42 CFR 447.205.
3. Comprehensive Community Support Services

Comprehensive Community Support Services are paid at fee schedule rates. The fee schedule has three rate levels; one for each level of practitioner: masters, bachelors and paraprofessionals/peers specialists.

The agency's fee schedule rates were set as of January 1, 2015, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the New Mexico Human Services Department website at http://www.hsd.state.nm.us/providers/fee-for-service.aspx

Notice of changes to rates are made as required by 42 CFR 447.205.
4. Multi-Systemic Therapy

Initially, Multi-Systemic Therapy rates were based on actual salaries for the two levels of staff (licensed masters, bachelors) that can provide that service. The rate included direct, general and administrative costs for providing MST. Information was obtained on salaries, direct personnel costs, including benefits and taxes from a sample of agencies that were currently providing MST services.

Productivity projections were developed using the service requirements and from the actual experience of current MST teams. Once total costs were calculated, those costs were distributed to billable time for each MST team member. Paid hours were reduced by average paid time off for vacation, holiday and sick time to yield available time per staff person. Available hours time the productivity rate yields billable hours, and the total program costs are then divided by billable time to arrive at an hourly or 15 minute rate.

Two rates were developed, one for each of the two levels or practitioners: masters and bachelors.

The rates that were established became fee schedule 15-minute unit rates.

The agency's fee schedule rates were set as of January 1, 2015, and are effective for services provided on or after that date. All rates and any updates or periodic adjustments to the fee schedule are published on the New Mexico Human Services Department website at http://www.hsd.state.nm.us/providers/fee-for-service.aspx

Notice of changes to rates are made as required by 42 CFR 447.205.
5. **Intensive Outpatient**

Intensive Outpatient (IOP) services furnished by an IOP team member are billed by and reimbursed to an IOP agency whether the team member is under contract with or employed by the IOP agency.

Intensive Outpatient Services are paid at fee schedule diem rates.

The agency's fee schedule rates were set as of January 1, 2015, and are effective for services provided on or after that date.

All rates and any updates or periodic adjustments to the fee schedule are published on the New Mexico Human Services Department website at [http://www.hsd.state.nm.us/providers/fee-for-service.aspx](http://www.hsd.state.nm.us/providers/fee-for-service.aspx)

Notice of changes to rates are made as required by 42 CFR 447.205.
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REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 HEALTH FACILITIES

Inpatient and outpatient facility services to Native Americans by a qualified facility operated by the Indian Health Service or tribal 638 facility, are paid at the applicable OMB rate as published in the Federal Register. These rates are applied retroactively to their effective date.

1. Some services are covered when occurring within an IHS or a tribal facility but are not paid or billed as the OMB rate but are paid at Medicaid fee schedule rates. These services are reimbursed as described under applicable state plan sections and including:

   a) anesthesia (professional charges);
   b) ambulatory surgical center facility services;
   c) targeted case management;
   d) hearing appliances (hearing testing is reimbursed at the OMB rate);
   e) physician inpatient hospital visits and surgeries;
   f) smoking cessation services;
   g) vision appliances, including frames, lenses, dispensing, and contacts (vision exams are at the OMB rate);
   h) telemedicine’s originating site facility fee; and
   i) specialized and residential behavioral health services
   j) services not included in the OMB rate as determined by CMS

2. Inpatient hospital services are reimbursed at the OMB hospital inpatient per diem rate. The inpatient OMB rate also applies when an eligible recipient has been under outpatient care observation or is receiving extended outpatient medical services, and the time period has been for 24 hours or more. Risk factors such as distance of the facility from the eligible recipient’s residence for potential emergency follow up care, as well as lack of availability of step-down care providers (home health services, nursing facilities, and acute long term care hospital facilities) may be considered in making discharge decisions regarding the eligible recipient.

3. Reimbursement following Medicare payment is made at the full copayment, deductible and co-insurance amounts determined by Medicare. Reimbursement following payment by other insurance is made at the OMB rate, if applicable, less the payment received from the other insurer.