TO: All Interested Parties

FROM: Megan Pfeffer, Acting Deputy Director

DATE: February 11, 2019

RE: NM.0223.R05.00 Medically Fragile Waiver Amendment and Fee Schedule

The State of New Mexico Human Services Department (HSD) through the Medical Assistance Division (MAD) is accepting written and recorded comments for a period of 30 calendar days ending Thursday, March 14, 2019 regarding the Medically Fragile Home and Community-Based Services (HCBS) 1915 (c) Waiver amendment and proposed fee schedule.

The purpose of the amendment to the Medically Fragile Waiver (MFW) is to: 1.) Update the estimated number of individuals to be served under the waiver; 2.) Implement a provider rate increase effective July 1, 2019; and 3.) Add the home accessibility adaptations service, known as “Environmental Modifications”. The State intends to submit this amendment to the Centers for Medicare and Medicaid Services (CMS) in April 2019.

The key components of proposed changes under this waiver amendment are as follows:

1. Update the number of participants projected to be served in the waiver program to reflect the increase in the volume of waiver allocations for State Fiscal Years (SFYs) 2019, 2020, and 2021. The number of MFW participants in SFY 2019 is higher than projections previously approved in the 2016 waiver renewal. The number of individuals to be served under the MFW for future time periods is developed based on data that is available at the time of the projection. When the number of actual participants served through the waiver is higher than the projections, HSD/MAD is required by CMS to update its projection accordingly.

**Impact: HSD does not anticipate a service or financial impact to participants currently receiving services under approved Individual Service Plans/budgets or to their healthcare providers.**

2. Implement a rate increase, effective July 1, 2019, to sustain the provider network within the current waiver system. Reimbursement rates for nursing RN, nursing LPN, occupational therapy, physical therapy, speech language pathology, and case management services will be increased for MFW providers.

**Impact: HSD anticipates a positive financial impact to MFW service providers.**

3. Add Environmental Modifications as a covered waiver service to ensure health, welfare and safety of the participant or enable the participant to function with greater independence in their home.

**Impact: HSD anticipates the inclusion of this service will have a positive impact for MFW recipients.**
The draft waiver amendment application and proposed fee schedule is available on the HSD webpage at: http://www.hsd.state.nm.us/2017-comment-period-open.aspx.

IMPORTANT DATES

- Written comments must be submitted by 5:00 pm Mountain Standard Time (MST) on Thursday March 14, 2019. Comments may be submitted as follows:

  By mail to:
  Kresta Opperman-Snow, Human Services Department
  Medical Assistance Division
  Exempt Services & Programs Bureau
  P.O. Box 2348
  Santa Fe, New Mexico 87504

  Recorded messages may be left at:
  (505) 827-7776

  Emails may be directed to:
  madrules@state.nm.us

- A public hearing for HSD to accept comments on the DDW amendment is scheduled to be held from 9:00 am to 10:00 am on Thursday March 14, 2019 at the Toney Anaya Building, Rio Grande Room, 2550 Cerrillos Road, Santa Fe, New Mexico.

- All public comments and HSD responses will be compiled and posted on the HSD website following the public hearing.

CC: Jim Copeland, Director, Developmental Disabilities Supports Division (DDSD), Department of Health (DOH)
Megan Pfeffer, Acting Deputy Director, Medical Assistance Division, MAD/HSD
Elizabeth Finely, Bureau Chief, DDSD/DOH
Sharilyn Roanhorse-Aguilar, Bureau Chief, MAD/HSD
Kresta Opperman-Snow, Staff Manager, MAD/HSD
Iris Clevenger, Program Manager, DDSD/DOH