

September 6, 2022

RE: Tribal Notification to Request Advice and Comments Letter 22-25: Draft Medicaid 1115 Demonstration Waiver Renewal Application

Dear Tribal Leadership, Indian Health Service, Tribal Health Providers, and Other Interested Parties:

Seeking advice and comments from New Mexico's Indian Nations, Tribes, Pueblos and their health care 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's) Tribal Notification to Request Advice and Comments process, this letter is to inform you that HSD, through the Medical Assistance Division (MAD), is accepting written comments until **5:00 p.m., Mountain Standard Time (MST) on October 31, 2022** regarding its draft Medicaid 1115 demonstration waiver renewal application.

HSD's current Centennial Care 2.0 waiver (Project Number 11-W-00285/6) will expire on December 31, 2023 and HSD will submit a 5-year Medicaid 1115 demonstration waiver renewal application under the name **Turquoise Care** to the Centers for Medicare and Medicaid Services (CMS) in 2022 for an anticipated effective date of January 1, 2024 through December 31, 2028, seeking federal approval to renew and enhance the current Centennial Care 2.0 waiver.

In addition to providing critical health coverage and access to care, Turquoise Care's goals and initiatives center on improving core health outcomes and attending to the social and economic determinants of health, particularly centered on addressing the needs of the State's historically underserved populations. Our vision is that every New Mexico Medicaid member has high-quality, well-coordinated, person-centered care to achieve their personally defined health and wellness goals.

The following continuations and additions are being considered for the renewal:

1. Eligibility and Enrollment

A. Continuing Demonstration Features

The State will continue to include the Medicaid and CHIP State Plan eligibility groups approved in Appendix F of the Centennial Care 2.0 approved demonstration, including the 217-like eligibility groups made eligible through demonstration authority.

Tribal Impact: *HSD does not anticipate an adverse service or financial impact to individual tribes or their health care providers.*

B. New Demonstration Proposals

The State aims to expand eligibility and strengthen access to coverage, while also improving care delivery. In addition to the Medicaid eligibility groups currently enrolled in Centennial Care 2.0, the State will:

1) Provide Continuous Enrollment for Children up to Age Six

In order to maximize other efforts to improve access to care and services for children, New Mexico is seeking authority under the 1115 waiver demonstration to provide continuous enrollment in Medicaid for children from the time of application up to age six.

Tribal Impact: *HSD anticipates expanded access to services for Native American children covered by Medicaid upon implementation of this initiative.*

2) Expand Home and Community Based Services (HCBS) Community Benefit (CB) Enrollment Opportunities through Additional Waiver Slots

HSD’s goal is the elimination of the CB Waitlist by the end of 2028. To start, HSD will permanently add 1,000 CB enrollment “slots,” which have already been approved through New Mexico’s American Rescue Plan Section 9817 HCBS Spending Plan. Over the course of the five-year waiver renewal period, HSD will evaluate and make targeted requests for new capacity to eliminate the current waitlist for CB services.

Tribal Impact: *HSD anticipates expanded access to HCBS under the CB for Native American members.*

2. Premiums and Cost-Sharing

Premiums and cost-sharing will continue to follow the approved Medicaid State Plan. New Mexico removed premiums and cost-sharing elements from Centennial Care 2.0 in the amendment approved in February 2020 and there will continue to be no cost sharing elements.

Tribal Impact: *HSD does not anticipate an adverse service or financial impact to individual tribes or their health care providers.*

3. Benefits

A. Continuing Demonstration Benefits

Benefits will continue to include those approved in Centennial Care 2.0, including: Community Intervener services, Medicaid home visiting services, Pre-Tenancy and Tenancy Support services, Participant Direction for select CB services, opioid use disorder (OUD)/substance use disorder (SUD) treatment services and withdrawal management during short-term residential and inpatient stays in Institution for Mental Diseases (IMDs), the Member Rewards Program approved in Centennial Care 2.0, and family planning-only eligibility to otherwise ineligible individuals age 50 and under who do not have other health insurance coverage and individuals who are under age 65 who have only Medicare coverage that does not include family planning benefits.

The State will also continue to include the approved Centennial Care 2.0 benefits, including the CB services described in [Attachment B of the Centennial Care 2.0 approved waiver](#) and expanded benefits described in Appendix G of the draft Turquoise Care renewal application.

These include comprehensive benefits that are at least equal in amount, duration, and scope to those described in the State Plan, with the exception of the Adult Group, who receive the benefits in their approved Alternative Benefit Plan (ABP). Those in the Adult Group who are medically frail will continue to have a choice of the approved ABP with the ten essential health benefits required by the Affordable Care Act, or the ABP with the approved State Plan benefit package.

Tribal Impact: *HSD does not anticipate an adverse service or financial impact to individual tribes or their health care providers.*

B. New Demonstration Benefits Proposals

The State aims to expand eligibility and strengthen access to coverage, while also improving care delivery. In addition to the Medicaid benefits currently included in Centennial Care 2.0, HSD is requesting:

1) Expanded Centennial Home Visiting Pilot Programs

HSD requests continuation and expansion of the Centennial Home Visiting program. It is proposed that the State will continue the two existing evidence-based models and expand the program to also include four new evidence-based programs on a pilot basis. The four new programs are Child First, Healthy Families America, Family Connects, and Safe Care Augmented.

Tribal Impact: *HSD anticipates expanded access to home visiting programs for Native American members, and increased support for Tribal providers participating in these programs.*

2) Expanded Access to Supportive Housing

Under the demonstration renewal, the Supportive Housing Program will continue providing pre-tenancy and tenancy support activities to members with serious mental illness (SMI) that are part of the Linkages Supportive Housing Program approved in Centennial Care 2.0. HSD also requests to increase enrollment of this program from 180 to 450 annually to provide services to members who are associated with a Local Lead Agency and provider, and the Special Needs/Set Aside Housing Program (SAHP).

Tribal Impact: *HSD anticipates increased access to Pre-Tenancy and Tenancy supports for Native American members.*

3) Medicaid Services for High-Need Justice-Involved Populations 30 Days Before Release

Expanding on the State's previous efforts to support the justice-involved population, New Mexico is proposing to provide active Medicaid coverage and a targeted set of benefits 30 days prior to exiting incarceration for a defined high-needs population. This population includes incarcerated persons in state prisons, local jails, youth correctional facilities, Department of Health forensic unit state hospitals, tribal holding facilities, or tribal jails targeting members with high needs, including but not limited to SMI, serious emotional disturbance (SED), or SUD. The proposed benefits are commensurate to the population's needs, including enhanced care management and coordination, medication assisted treatment (MAT), and 30-day supplies of medications and durable medical equipment

(DME), as appropriate.

Tribal Impact: *HSD anticipates increased access to services for Native American members who are incarcerated.*

4) **Chiropractic Services Pilot**

In order to provide a robust benefit package to support the State's focus on person-centered care, HSD is requesting to implement a pilot program to improve quality, access, and cost-effectiveness of needed chiropractic services for eligible members, up to \$2,000 per year.

Tribal Impact: *HSD anticipates expanded access to chiropractic care for Native American members who qualify for these services under the pilot.*

5) **Member-Directed Traditional Healing Benefits for Native Americans**

HSD is proposing to expand the availability of culturally competent, traditional healing benefits to Native American members enrolled in managed care, up to \$500 per year.

(Note: The State has hosted Tribal Listening Sessions to gather feedback on the new Member-Directed Traditional Healing Benefits for Native Americans. The State will continue to engage Tribal leaders while finalizing this proposal.)

Tribal Impact: *HSD anticipates that Native American members selecting to use this benefit will have expanded health care options and providers may have new processes for reimbursement.*

6) **Enhanced Services and Supports for Members in Need of Long-Term Care**

HSD is proposing to implement two new waiver initiatives to transform the experience members have when accessing assisted living and nursing facility services, including:

- a) ***Legally responsible individuals as providers of HCBS CB Services.*** HSD is proposing to permanently allow State-authorized relatives, guardians, and/or legally responsible individuals to render CB Personal Care Services.
- b) ***LTSS Transformation: Expanding Access to Assisted Living Services and Promoting a person-centered LTSS Experience for New Mexicans.*** HSD is proposing to implement two new waiver strategies to transform the experience members have when accessing assisted living and nursing facility services, including:
 - Waiver Investments in Small-Home Assisted Living and Nursing Facility Pilots to incentivize the growth of smaller, more community-based spaces in both Nursing Facilities and Assisted Living Facilities and to implement person-centered concepts through a quality incentive process to enhance living arrangements and care for members.
 - Medicaid funding for room and board payments to Assisted Living Facilities for Medicaid members receiving the assisted living service through the CB package when person-centered, cost-effective, and clinically appropriate.

These proposals compliment the preceding request to increase CB slots.

Tribal Impact: *HSD anticipates expanded supports for Native American members and providers within LTSS.*

7) Environmental Modifications Benefit Limit Increase

HSD proposes to increase HCBS environmental modifications benefit limits from \$5,000 to \$6,000 every five years for the CB population authorized expressly by New Mexico's 1115 demonstration (i.e., the 217-like group).

Tribal Impact: *HSD anticipates expanded financial resources for environmental modifications for Native American members in need of these services.*

8) Transitional Services Benefit Limit Increase

HSD proposes to increase limits on Community-Based Transition Services from \$3,500 to \$4,000 every five years for CB population authorized expressly by New Mexico's 1115 demonstration (i.e., the 217-like group).

Tribal Impact: *HSD anticipates expanded financial resources for the transitional services benefit for Native American members in need of these services.*

9) Home-Delivered Meals Pilot Programs

HSD is proposing two new home-delivered meals pilots through the Waiver. These pilots aim to serve:

- a) CB members who are facing food insecurity that jeopardizes the member's ability to remain in a community-based setting.
- b) Pregnant members with gestational diabetes.

MCOs will provide up to two meals a day for eligible members.

Tribal Impact: *HSD anticipates expanded access to home delivered meals for Native American members who qualify under the pilot.*

10) Addition of a Closed-Loop Referral System

HSD seeks to establish an integrated closed-loop referral system to allow providers to securely and efficiently refer members with complex health and social needs to other organizations or services as needed. This system would be developed through a technological-based platform that electronically and securely exchanges information through a referral network of providers and organizations.

Tribal Impact: *HSD anticipates a time-limited administrative impact on providers who choose to use this system. Once established, HSD anticipates improved care coordination for Native American members experiencing complex health and social needs.*

11) Medical Respite for Members Experiencing Homelessness

HSD seeks reimbursement for medical respite for members experiencing homelessness after discharge from the hospital. The state proposes a medical respite pilot in Albuquerque, New Mexico, operated by Healthcare for the Homeless, an FQHC in the process of constructing a medical respite unit. The payment delivery system is through Managed Care Organizations (MCOs) with an adjustment to their capitated rate. Services will include care coordination, medical care on site, personal care services, and 24-hour staffing.

Tribal Impact: *HSD anticipates increased access for Native American members in need of Medical Respite services in the Albuquerque area.*

The following two Medicaid initiatives are still pending approval under a waiver amendment request that is under CMS review:

1. Medicaid Reimbursement for IMD Settings for Individuals with SMI/SED.
2. High-fidelity “wraparound” Services for Children and Youth with Complex Care Needs, including Behavioral Health and LTSS needs.

Tribal Impact: *HSD anticipates expanded access to services for Native American members with behavioral health and LTSS needs.*

4. Delivery System

A. Continuing Demonstration Elements

With the exception of Native American members, New Mexico will continue to direct mandatory managed care through Managed Care Organizations in order to deliver quality care through integrated physical health, behavioral health, and managed LTSS to members. The future Medicaid program will build upon the successes of Centennial Care 2.0 and will continue to include care coordination, targeted care coordination for high needs populations and transitions of care for high-needs populations, value-based payment (VBP) arrangements and telehealth through MCO contract requirements. All managed care contracts will continue to comply with federal managed care requirements at 42 CFR Part 438 except that HSD will continue to request a waiver of federal regulations at 42 CFR 438.56(g) to allow HSD to automatically reenroll an individual who loses eligibility or whose eligibility is suspended for a period of three months or less in the same managed care plan in which the individual was previously enrolled. HSD will also continue to seek expenditure authority to allow HSD to include costs associated with the provision of beneficiary rewards program incentives in the calculation of the MCO capitation rates.

Tribal Impact: *HSD does not anticipate an adverse service or financial impact to individual tribes or their health care providers.*

B. New Demonstration Proposals

1) Graduate Medical Education (GME) funding and technical assistance for new and/or expanded primary care medical residency programs

HSD has a pending waiver amendment under CMS review to provide funding and

technical assistance to new and/or expanded primary care medical residency programs in community-based primary care settings, such as Federally Qualified Health Centers (FQHCs), rural health clinics (RHCs), and Tribal health centers. If approved, the State will include this proposal in the renewal.

Tribal Impact: *HSD anticipates this expanded funding will support new Tribal providers working in certain clinic settings, therefore expanding access and helping with provider shortages.*

2) Request for expenditure and waiver authority to support rural hospitals

HSD is requesting expenditure authority for payment flexibility to support rural hospitals, with an additional focus on obstetric care and other services that support parents with infants or young children. This request has two parts: 1) stabilize the rural hospital system through investments and 2) transform the rural health system to support continued access in rural communities through sustainable models and innovative reimbursement strategies that recognize the resources required of rural providers.

Tribal Impact: *HSD does not anticipate an adverse service or financial impact to individual tribes or their health care providers.*

Tribal Advice and Comments

The draft Medicaid 1115 demonstration waiver renewal application is open for public comment from September 6, 2022 to October 31, 2022. Public comment is open to anyone who would like to share feedback. We encourage health care and social service providers, Tribal leadership, Indian Health Service, Tribal Nations, Tribal health providers, Urban Indian healthcare providers, Managed Care Organizations, hospitals and health systems, medical associations, community-based organizations, the public, and others to provide input.

All information and materials pertaining to the renewal, including public hearing dates and times, tribal consultation date and time, public comment submission instructions, and a copy of HSD's full draft demonstration renewal application are available at: <https://www.hsd.state.nm.us/medicaid-1115-waiver-renewal/>.

If you do not have internet access, a copy of the draft waiver application may be requested by contacting HSD's Medical Assistance Division (MAD) at 505-827-1337. If you are a person with a disability and require this information in an alternative format or require a special accommodation to participate in the public hearing, please contact MAD in Santa Fe at 505-827-1337. The Department requests at least ten (10) calendar days advance notice to provide requested alternative formats and special accommodations.

Share your feedback by:

Tribal Consultation

HSD has scheduled a virtual government-to-government Tribal Consultation on October 14, 2022 from 10:00 am to 12:00 pm. Please contact Theresa Belanger at Theresa.Belanger@state.nm.us and/or Shelly Begay at Shelly.Begay@state.nm.us with any questions or needs before the consultation.

Meeting information for the Tribal Consultation is as follows:

October 14, 2022

10:00 am – 12:00 pm Mountain Standard Time (MST)

Zoom Meeting Information:

Dial In: 312-626-6799

Meeting ID: 924 8429 8381

Password: 304364

Link: <https://mmc.zoom.us/j/92484298381>

Public Hearings

HSD will hold two public hearings to receive comments by teleconference due to the Public Health Emergency (PHE):

September 30, 2022

10:00 a.m. – 12:00 p.m. Mountain Standard Time (MST)

Zoom Webinar Information:

Dial In: 312-626-6799

Meeting ID: 952 6881 1134

Password: 759475

Link: <https://mmc.zoom.us/j/95268811134>

October 7, 2022

10:00 a.m. – 12:00 p.m. MST

Zoom Webinar Information:

Dial In: 312-626-6799

Meeting ID: 914 0081 8765

Password: 197908

Link: <https://mmc.zoom.us/j/91400818765>

Email: 1115.PublicComments@state.nm.us

Mail:

Human Services Department

ATTN: HSD/MAD 1115 Public Comments

P.O. Box 2348

Santa Fe, New Mexico 87504-2348

The deadline to provide public comment is Monday, October 31, 2022 at 5:00 pm MST.

Sincerely,



Nicole Comeaux, J.D., M.P.H, Director
Medical Assistance Division