

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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May 11, 2018

**Our Reference: SPA NM 18-0001**

Ms. Nancy Smith-Leslie, Director  
Medical Assistance Division  
New Mexico Department of Human Services  
P.O. Box 2348  
Santa Fe, New Mexico 87504

Dear Ms. Smith-Leslie,

We have reviewed the State's proposed amendment to your Medicaid State Plan submitted under Transmittal Number (TN) 18-0001, dated February 28, 2018. This plan amendment purposes to reduce New Mexico's home equity limits for Medicaid coverage of long-term services and supports (LTSS) from \$858,000 (the maximum amount permitted under law) to \$572,000 (the minimum amount permitted under law).

During review of this SPA, it became clear that New Mexico sought to grandfather in the prior home equity limit of \$858,000 for any individual who was eligible for Medicaid coverage of LTSS as of February 28, 2018, and to impose against those who apply for LTSS coverage beginning March 1, 2018 the new home equity standard of \$572,000. While generally requiring two different benefit standards to similarly situated residents is inconsistent with the Medicaid comparability requirement described at section 1902(a)(10)(B) of the Social Security Act (the Act), under which states must provide benefits that are comparable for all beneficiaries with regard to amount, duration and scope, the statutory language describing the home equity limits, at section 1917(f)(1)(B) of the Act, specifically provides for the non-application of the benefit comparability requirement. As such, we are able to approve this SPA.

Based on the information submitted, we have approved the amendment for incorporation into the official New Mexico State Plan with an effective date of March 1, 2018, as requested. A copy of the CMS-179 and the approved plan pages are included with this letter.



If you have any questions please contact Ford Blunt of my staff. Mr. Blunt may be reached at (214) 767-6381 or by e-mail at [Ford.Blunt@cms.hhs.gov](mailto:Ford.Blunt@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive, slightly slanted style.

Bill Brooks  
Associate Regional Administrator

Cc: Jennifer Mondragon

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		18 - 001	2. STATE New Mexico
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE  March 1, 2018	
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:  Social Security Act 1917(f)		7. FEDERAL BUDGET IMPACT:  for FFY 2018: \$0 (no impact) for FFY 2019: \$0 (no impact)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Supplement 17 to attachment 2.6-A Page 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Supplement 17 to attachment 2.6-A Page 1	
10. SUBJECT OF AMENDMENT: Change to disqualification for long-term care assistance for individuals with substantial home equity.			
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: Nancy Smith-Leslie, Director Medical Assistance Division P.O. Box 2348 Santa Fe, NM 87504 - 2348	
13. TYPED NAME: Nancy Smith-Leslie			
14. TITLE: Director, Medical Assistance Division			
15. DATE SUBMITTED:			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: February 28, 2018		18. DATE APPROVED: May 11, 2018	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL: March 1, 2018		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Bill Brooks		22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: NEW MEXICO

DISQUALIFICATION FOR LONG-TERM CARE ASSISTANCE FOR INDIVIDUALS WITH  
SUBSTANTIAL HOME EQUITY

1917(f) The State agency denies reimbursement for nursing facility services and other long-term care services covered under the State plan for an individual who does not have a spouse, child under 21 or adult disabled child residing in the individual's home, when the individual's equity interest in the home exceeds the following amount:

\$500,000 (increased by the annual percentage increase in the urban component of the consumer price index beginning with 2011, rounded to the nearest \$1,000).

An amount that exceeds \$500,000 but does not exceed \$750,000 (increased by the annual percentage in the urban component of the consumer price index beginning with 2011, rounded to the nearest \$1,000).

The amount chosen by the State is \_\_\_\_\_.

This higher standard applies statewide.

This higher standard does not apply statewide. It only applies in the following areas of the State:

This higher standard applies to all eligibility groups.

This higher standard only applies to the following eligibility groups:

The State has a process under which this limitation will be waived in cases of undue hardship.

TN No. 18-0001  
Supersedes  
TN No. 08-09

Approval Date 5-11-18 Effective Date 3-01-18

State: New Mexico
Date Received: 02-28-18
Date Approved: 05-11-18
Date Effective: 03-01-18
Transmittal Number: 18-0001