



Michelle Lujan Grisham, Governor
David R. Scrase, M.D., Secretary
Nicole Comeaux, J.D., M.P.H, Director

December 15, 2020

Mr. Bill Brooks, Medicaid Associate Regional Administrator
Division of Medicaid and Children's Health
Centers for Medicare and Medicaid Services
1301 Young Street
Dallas, Texas 75202

Dear Mr. Brooks:

Enclosed please find documents related to New Mexico State Plan Amendment (SPA) 20-0020 Air Ambulance Rates.

Effective November 15, 2020, HSD increased rates for Air Ambulance services to seventy-five percent of the current Medicare Air Ambulance fee schedule. Air Ambulance rates have not changed since 2008; however, operating costs have increased, which has put a burden on Medicaid providers. The proposed increases are intended to offset expenses to Medicaid providers while providing needed funds for critical life-saving services.

The HCPCS codes affected by the rate increases are as follows:

- **A0430** - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (FIXED WING)
- **A0431** - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (ROTARY WING)
- **A0436** - ROTARY WING AIR MILEAGE, PER STATUTE MILE

Current and proposed rates are as follows:

Procedure Code	Medicaid Rate	Medicare Rate	Percent of Medicare	New Rate
A0430	\$1,836.38	\$3,147.90	75%	\$2,360.93
A0431	\$2,025.70	\$3,659.90	75%	\$2,744.93
A0436	\$10.63	\$23.83	75%	\$17.87

HSD followed a process that included public notification, tribal notification, web posting, and consulting with providers and provider associations. Documentation of these activities is attached.

Please refer to the attachments for the transmittal form and notices.

We appreciate your consideration of this state plan amendment. Should you have any questions on this amendment, please contact Jennifer Vigil at: JenniferR.Vigil@state.nm.us or (505) 827-3106.

Sincerely,



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

cc: Peter Banks, CMS
Lorelei Kellogg, HSD/MAD Deputy Director
Devi Gajapathi, Bureau Chief, Benefits and Reimbursement Bureau

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 0 — 0 2 0

2. STATE

New Mexico

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
November 15, 2020

5. TYPE OF PLAN MATERIAL (*Check One*)

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION

Title 14 of the Code of Federal Regulations (14 CFR) part 119, § 119.5(k)

7. FEDERAL BUDGET IMPACT

a. FFY 2021 \$ \$892,138
b. FFY 2022 \$ \$1,045,076

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, page 15

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (*If Applicable*)

Attachment 4.19-B, page 15 (96-05)

10. SUBJECT OF AMENDMENT

Air Ambulance Rates

11. GOVERNOR'S REVIEW (*Check One*)

GOVERNOR'S OFFICE REPORTED NO COMMENT

OTHER, AS SPECIFIED

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL



16. RETURN TO

Nicole Comeaux, J.D., M.P.H., Director
Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504-2348

13. TYPED NAME

Nicole Comeaux

14. TITLE

Director, Medical Assistance Division

15. DATE SUBMITTED

December 15, 2020

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

18. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

20. SIGNATURE OF REGIONAL OFFICIAL

21. TYPED NAME

22. TITLE

23. REMARKS

Item XII. Transportation

Transportation providers are reimbursed at the lesser of the following:

- a. their usual and customary charge, not to exceed their tariff rates as approved by the state corporation commission; or
- b. the Department fee schedule.

The fee schedule base rate for ground ambulance includes reimbursement for the initial fifteen (15) miles of transport, non-reusable supplies, IV solution, emergency drugs and oxygen.

Effective November 15, 2020, air ambulance procedure codes will be reimbursed at seventy-five percent of the Medicare Air Ambulance fee schedule rate.

Item XIII. Services for EPSDT Participants

- a. Services Included in the State Plan

Services included in the state plan are described in Attachment 3.1-A. Payment for these services for treating a condition identified during a screen or partial screen is made using the same methodology described in the corresponding section of the state plan.

- b. Services Not Otherwise Included in the State Plan

Payment for services described in Attachment 3.1-A, Item 4.b. (EPSDT) and not otherwise covered under the state plan but reimbursed pursuant to OBRA 1989 provisions which require the state to treat a condition identified using a screen or partial screen, whether or not the service is included in the state plan, is made as follows:

- 1. The following services are considered to be professional services and are reimbursed on a fee for service basis according to the fee schedule in attachment 4.19-B, I.
 - (a) Therapy by a speech-language therapist, physical therapist, or occupational therapist, not covered under the state plan
 - (b) Other rehabilitative services and therapy services not covered under the state plan because they are considered maintenance rather than restorative.

NEWSPAPER PUBLIC NOTICE AND PROOF OF PUBLICATION

Newspaper Notice for Air Ambulance Rates

The New Mexico Human Services Department (HSD) Medical Assistance Division is providing this notice of opportunity to comment on proposed State Plan Amendment (SPA) 20-0020, which increases Air Ambulance rates.

Effective November 15, 2020, HSD proposes to increase rates for Air Ambulance to seventy-five percent of the current Medicare Air Ambulance fee schedule. Air Ambulance rates have not changed since 2008; however, operating costs have increased, which has put a burden on Medicaid providers. The proposed increases are intended to offset expenses to Medicaid providers while providing needed funds for critical life-saving services.

The HCPCS codes affected by the rate increases are as follows:

- **A0430** - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (FIXED WING)
- **A0431** - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (ROTARY WING)
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Current and proposed rates are as follows:

Procedure Code	Medicaid Rate	Medicare Rate	Percent of Medicare	New Rate
A0430	\$1,836.38	\$3,147.90	75%	\$2,360.93
A0431	\$2,025.70	\$3,659.90	75%	\$2,744.93
A0436	\$10.63	\$23.83	75%	\$17.87

The anticipated annual fiscal impact to HSD for this change is estimated to be \$6.6 million in state and federal funds combined, with a state general fund impact of \$1.3 million. This expenditure includes both fee-for-service and managed care organizations (MCOs).

OPPORTUNITY TO VIEW DOCUMENTS AND MAKE COMMENTS

Medicaid providers, Medicaid recipients, and other interested parties may submit written comments directly to: Human Services Department, ATTN: Medical Assistance Division Public Comments, P.O. Box 2348, Santa Fe, New Mexico 87504-2348. Recorded comments may be left at (505) 827-1337. Interested persons may also address comments via electronic mail to: madrules@state.nm.us. All comments must be received no later than **5:00 pm Mountain Time, December 14, 2020**.

If you are a person with a disability and you require this information in an alternative format, please contact MAD at (505) 827-1337. The Department requests at least 10 working days advance notice to provide alternative formats and special accommodations.

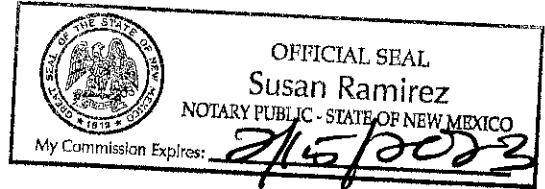
AFFIDAVIT OF PUBLICATION

STATE OF NEW MEXICO

County of Bernalillo SS

Elise Rodriguez, the undersigned, on oath states that she is an authorized Representative of The Albuquerque Journal, and that this newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Session Laws of 1937, and that payment therefore has been made of assessed as court cost; that the notice, copy of which hereto attached, was published in said paper in the regular daily edition, for 1 time(s) on the following date(s):

11/13/2020



[Signature]

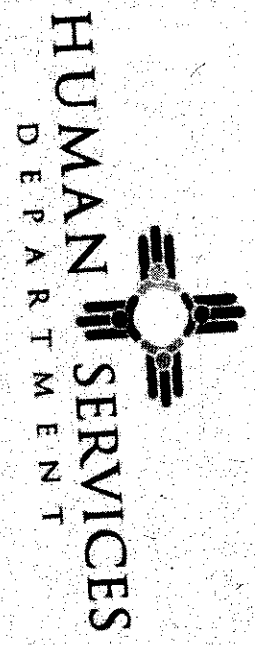
[Signature]

Sworn and subscribed before me, a Notary Public, in and for the County of Bernalillo and State of New Mexico this 13 day of November of 2020

PRICE \$257.26

Statement to come at the end of month.

ACCOUNT NUMBER 1009565



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 - A0431 - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (ROTARY WING)
 - A0436 - ROTARY WING AIR MILEAGE, PER STATUTE MILE

Current and proposed rates are as follows:

Code	Current Rate	Proposed Rate	Rate Increase	Current Rate	Proposed Rate
A0430	\$1,836.38	\$3,147.90	75%	\$2,360.93	\$2,744.93
A0431	\$2,025.70	\$3,659.90	75%	\$17.87	\$17.87
A0436	\$10.63	\$23.83	75%		

The anticipated annual fiscal impact to HSD for this change is estimated to be \$6.6 million in state and federal funds combined, with a state general fund impact of \$1.3 million. This expenditure includes both fee-for-service and managed care organizations (MCOs).

OPPORTUNITY TO VIEW DOCUMENTS AND MAKE COMMENTS
Medicaid providers, Medicaid recipients, and other interested parties may submit written comments directly to: Human Services Department, ATTN: Medical Assistance Division, Public Comments, P.O. Box 2348, Santa Fe, New Mexico 87504-2348. Recorded comments may be left at (505) 827-1337. Interested persons may also address comments via electronic mail to: madrfiles@state.nm.us. All comments must be received no later than 5:00 pm Mountain Time, December 14, 2020.

If you are a person with a disability and you require this information in an alternative format, please contact MAD at (505) 827-1337. The Department requests at least 10 working days advance notice to provide alternative formats and special accommodations.

Las Cruces Sun News.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004425518

This is not an invoice

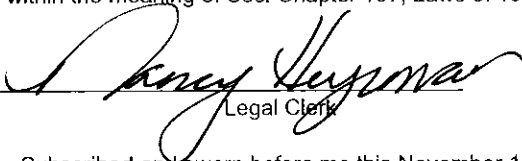
HUMAN SVCS DEPT - ME D ASSIST DIV
PO BOX 2348

SANTA FE, NM 87504-2348

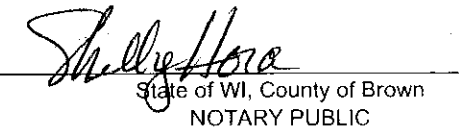
I, a legal clerk of the **Las Cruces Sun News**, a newspaper published daily at the county of Dona Ana, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

11/13/2020

Despondent further states this newspaper is duly qualified to publish legal notice or advertisements within the meaning of Sec. Chapter 167, Laws of 1937.


Legal Clerk

Subscribed and sworn before me this November 13,
2020:


State of WI, County of Brown
NOTARY PUBLIC

8-25-23

My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

Ad # 0004425518

PO #: 63000-0000035662

of Affidavits 1

This is not an invoice

The New Mexico Human Services Department (HSD) Medical Assistance Division is providing this notice of opportunity to comment on proposed State Plan Amendment (SPA) 20-0020, which increases Air Ambulance rates.

Effective November 15, 2020, HSD proposes to increase rates for Air Ambulance to seventy-five percent of the current Medicare Air Ambulance fee schedule. Air Ambulance rates have not changed since 2008; however, operating costs have increased, which has put a burden on Medicaid providers. The proposed increases are intended to offset expenses to Medicaid providers while providing needed funds for critical life-saving services.

The HCPCS codes affected by the rate increases are as follows:

- * A0430 - AMBULANCE SERVICE, CONVENTIONAL AIR SERVICES, TRANSPORT, ONE WAY (FIXED WING)
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Current and proposed rates are as follows:

Procedure Code A0430
Medicaid Rate \$1,836.38
Medicare Rate \$3,147.90
Percent of Medicare 75%
New Rate \$2,360.93

Procedure Code A0431
Medicaid Rate \$2,025.70
Medicare Rate \$3,659.90
Percent of Medicare 75%
New Rate \$2,744.93

Procedure Code A0436
Medicaid Rate \$10.63
Medicare Rate \$23.83
Percent of Medicare 75%
New Rate \$17.87

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Final, December 14, 2020.

If you are a person with a disability and you require this information in an alternative format, please contact MAD at (505) 827-1337. The Department requests at least 10 working days advance notice to provide alternative formats and special accommodations.
#4425518, Sun-News,
November 13, 2020

PROVIDER, INTERESTED PARTIES, STAKEHOLDERS ASSOCIATIONS NOTICE



Michelle Lujan Grisham, Governor
David R. Scrase, M.D., Secretary
Nicole Comeaux, J.D., M.P.H., Director

November 14, 2020

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WRITTEN TRIBAL NOTIFICATION



Michelle Lujan Grisham, Governor
David R. Scruse, M.D., Secretary
Nicole Comeaux, J.D., M.P.H., Director

November 14, 2020

RE: Tribal Notification to Request Advice and Comments Letter 20-25: Air Ambulance Rates

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 **5:00pm Mountain Time (MT) on December 14, 2020**, regarding proposed increases to Air Ambulance rates.

Effective November 15, 2020, HSD proposes to increase rates for Air Ambulance to seventy-five percent of the current Medicare Air Ambulance fee schedule. Air Ambulance rates have not changed since 2008; however, operating costs have increased, which has put a burden on Medicaid providers. The proposed increases are intended to offset expenses to Medicaid providers while providing needed funds for critical life-saving services.

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Tribal Impact

The Human Services Department does not anticipate a service or financial impact to Indian Nations, Tribes, Pueblos or their health care providers with these proposed Air Ambulance rate increases.

Tribal Advice and Comments

Tribes and tribal health care providers may view the proposed changes on the HSD website at: <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx>, Tribal Notification **20-25**.

Important Dates

Written comments must be submitted by 5:00pm Mountain Time (MT) on December 14, 2020. Please send your comments to the MAD Native American Liaison, Theresa Belanger, at (505) 827-3122 or by email to Theresa.Belanger@state.nm.us. All written comments received will be posted as they are received on the HSD website at: <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx> along with the applicable notification letter. The public posting will include the name and any contact information provided by the commenter.

Tribal Leadership may request a government-to-government consultation by December 14, 2020. This request may be made to: Theresa.Belanger@state.nm.us or by calling (505) 827-3122.

Sincerely,



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

cc: Lorelei Kellogg, HSD/MAD Deputy Director
Theresa Belanger, Native American Liaison, HSD/MAD

NO COMMENTS RECEIVED

STANDARD FUNDING QUESTIONS

Standard Funding Questions

NM SPA 20-0020 Air Ambulance Rates

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-B of this SPA. For SPAs that provide for changes to payments for clinic or outpatient hospital services or for enhanced or supplemental payments to physician or other practitioners, the questions must be answered for all payments made under the state plan for such service.

1. Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the payments, a complete listing of providers that return a portion of their payments, the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.)

STATE RESPONSE: Providers are not required to return any portion of payments for these services.

2. Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either through an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local governmental entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:

- (i) a complete list of the names of entities transferring or certifying funds;
- (ii) the operational nature of the entity (state, county, city, other);
- (iii) the total amounts transferred or certified by each entity;
- (iv) clarify whether the certifying or transferring entity has general taxing authority: and,
- (v) whether the certifying or transferring entity received appropriations (identify level of appropriations).

STATE RESPONSE: These services are paid using appropriations from the state legislature from funds received by broad-based taxes levied by the state.

3. Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.

STATE RESPONSE: No supplemental or enhanced payments are made.

4. For clinic or outpatient hospital services please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (State owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e., applicable to the current rate year) UPL demonstration.

STATE RESPONSE: These fee schedule changes do not apply to any provider subject to the UPL calculations.

5. Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?

STATE RESPONSE: If governmental providers were to receive payments that exceed their reasonable cost of providing services, the excess payment would be recovered and the federal share of the excess would be reported and returned to CMS.