

May 21, 2018

## NOTICE OF MEDICAID FEE SCHEDULE AND RATE INCREASES

The Human Services Department (HSD), through the Medical Assistance Division (MAD), is providing this notice of opportunity to comment on proposed rate increases and revisions to the Medicaid program fee schedule as described below. Please refer to the fee schedule on the HSD website, as indicated below, to view the details of these proposed changes.

1. MAD is proposing to increase payment for the office visit evaluation and management code 99213 from \$50.52 to \$53.19, which is 75 percent of the 2016 Medicare fee schedule. This code is being updated because, in relation to Medicare payment levels, it was lower than any other office visit code and is a commonly billed code for primary care visits. The anticipated annual financial impact to HSD for this increase is estimated to be \$2.25 million total in state and federal funds combined. The proposed effective date is July 1, 2018. This proposed increase is open for public comment. This change is being proposed after considering how to best implement an appropriation in the 2018 General Appropriation Act that was specifically designated for a primary care rate increase.
2. MAD has constructed a new behavioral health fee schedule for July 1, 2018, that consists primarily of existing fee schedule rates for existing services with no changes. There are some services that HSD is proposing to add to the fee schedule that are already program benefits with existing rates. Some new services and rates are also being proposed based on rates for similar services. A small number of corrections and clarifications are noted on the new behavioral health fee schedule. The information on the chart is open for public comment. A summary of the proposed increased rates and other revisions to the fee schedule are described below.
  - a. For Assertive Community Treatment (ACT) Services, the rate for 15 minutes of service is being increased by 20 percent, from \$41.74 to \$50.09. Additionally, a new modifier is proposed for group services that will also be paid at the new rate.
  - b. Comprehensive Community Support Services (CCSS) will have a new modifier added to the fee schedule for services provided in the community to reflect an increased rate of \$18.21 for less than bachelor level or peer providers; \$21.95 for bachelor level providers; and \$25.04 for master level providers or above.
  - c. Treatment Foster Care daily rates will be increased by 20 percent to \$145.50 for Level II and \$195.88 for Level I.

d. Group psychotherapy rates are being increased by 20 percent to \$33.78 for physicians, and to \$28.15 for other practitioners.

e. For behavioral health codes for evaluation and treatment (90785 – 90863), new modifiers are proposed for services provided on holidays and weekends, and for services provided during the evening. When these modifiers are billed, reimbursement for these codes will be increased by 20 percent.

f. The fee schedule was updated to include expanded code descriptions for reimbursement of outpatient crisis stabilization services.

The proposed rate increases are listed in Part II of the new behavioral health fee schedule. The effective date of these proposed changes is July 1, 2018. The estimated financial impact is \$7.5 million, in total state and federal funds combined. These changes are being proposed after considering how to best implement an appropriation in the 2018 General Appropriation Act that was specifically designated for behavioral health rate increases.

3. In addition to the primary care and behavioral health rate increases proposed above, MAD is proposing targeted rate increases for certain types of Medicaid providers to ensure ongoing access to care for Medicaid recipients. The anticipated annual financial impact to HSD for these increases is estimated to be \$23.3 million total in state and federal funds combined. These proposed increases are open for public comment. The proposed rate increases include:
  - a. An increase of 7.84 percent in payment rates to nursing facilities, based on the 2017 market basket increase (MBI) and an appropriation in the 2018 General Appropriation Act that was specifically designated for a nursing facility rate increase.
  - b. An increase of one percent in payment rates to assisted living facilities.
  - c. An increase of three percent in payment rates for the Program of All Inclusive Care for the Elderly (PACE).
  - d. An increase of three percent in payment rates to Institutional Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs).
  - e. An increase of 38.7 percent in the payment rate for adult day health services. This increase will raise the reimbursement rate from \$2.04 to \$2.83 per 15 minute unit.

**OPPORTUNITY TO VIEW DOCUMENTS AND MAKE COMMENTS:** Health care providers, recipients of services, and other interested parties are invited to submit comments on the proposed payment rates and the behavioral health fee schedule.

**You may review the behavioral health fee schedule and the proposed behavioral health fee increases on the Department's website at:** <http://www.hsd.state.nm.us/providers/fee-for-service.aspx>. Scroll to the bottom of the page, click on "agree"; then click on "submit". On the page that appears, scroll to the section "Proposed Fee Schedules or Rates" and click on Proposed Behavioral Health Fee Schedule 2018.

If you do not have internet access, a written copy of the proposed register and rule may be requested by contacting MAD in Santa Fe at (505) 827-6252.

Recorded comments may be left by calling (505) 827-1337. Electronic comments may be submitted to [madrules@state.nm.us](mailto:madrules@state.nm.us). Written, electronic and recorded comments will be given the same consideration as oral testimony. All comments must be received no later than 5:00 p.m. MDT, June 25, 2018. Written or e-mailed comments are preferred because they become part of the record associated with these changes.

Interested persons may address written comments to:

Human Services Department  
Office of the Secretary  
ATTN: Medical Assistance Division Public Comments  
P.O. Box 2348  
Santa Fe, New Mexico 87504-2348

If you are a person with a disability and you require this information in an alternative format, please contact the MAD in Santa Fe at (505) 827-6252. The Department requests at least 10 working days advance notice to provide requested alternative formats.

Copies of all comments will be made available by MAD upon request by providing copies directly to a requestor or by making them available on the MAD website or at a location within the county of the requestor.