



State of New Mexico  
Medical Assistance Program Manual  
**Supplement**



**DATE:** MARCH 16, 2021

**NUMBER:** SPECIAL COVID-19 SUPPLEMENT #13 – RATE INCREASES EFFECTIVE APRIL 1, 2020 THROUGH JUNE 30, 2020

**TO:** ALL PROVIDERS

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**THROUGH:** DEVI GAJAPATHI, BUREAU CHIEF, BENEFITS & REIMBURSEMENT

**SUBJECT:** COVID-19 RATE INCREASES EFFECTIVE APRIL 1, 2020 THROUGH JUNE 30, 2020

To assure that providers have the resources needed to address the National Public Health Emergency associated with the 2019 Novel Coronavirus (COVID-19) outbreak and to assure that Medicaid recipients receive continuation of essential services with minimal disruption or delay, the Human Services Department (HSD) has received approval from CMS through an Emergency State Plan Amendment (SPA # 20-0013) to temporarily apply a rate increase to non-hospital providers for Evaluation and Management (E&M) codes and non-E&M codes, as well as an increase to Medicaid only procedure codes for dates of service April 1, 2020 through June 30, 2020. The provider rate increases described in this Supplement are in recognition of reduced utilization during the public health emergency. Medical Assistance Division (MAD) will coordinate an adjustment of Fee-for-Service (FFS) paid claims for dates of service (DOS) April 1, 2020 through June 30, 2020. HSD is reprocessing the claims submitted for these dates of service, providers do not need to resubmit claims. MAD will also provide guidance to the Centennial Care 2.0 Managed Care Organizations (MCOs) for implementation of provider rate increases corresponding to this supplement and SPA 20-0013.

**Proposed Increase in Payment Rates**

The Human Services Department (HSD) recognizes that medical service providers and other providers are reimbursed by different payment methodologies. The different reimbursement methodologies were taken into consideration in determining the rate increase.

- Evaluation and Management (E&M) and Non-E&M services currently reimbursed at a rate less than 98 percent of the 2020 Medicare fee schedule will be increased to 98 percent of the Medicare rate.
- Evaluation and Management (E&M) and Non-E&M services currently reimbursed at a rate equal to or that exceed 98 percent of the 2020 Medicare fee schedule will not receive an increase.
- Evaluation and Management (E&M) and Non-E&M services that do not have a Medicare rate will be increased by an amount not to exceed 6.81 percent.
- Behavioral health services and Dental services will also receive a 6.81 percent rate increase.
- Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) Free Standing and Hospital Based and Hospice: These providers rates are updated on an annual basis to the Medicare rate or adjusted using the Medicare Economic Index (MEI) and therefore, will not receive an increase.
- Dialysis Facilities and Home Health: These providers will receive a 6.81percent increase to their current rate.
- Agency-Based and Self-Directed Community Benefit Personal Care Service providers will receive a 6.81 percent increase. These services are rendered through the Managed Care Organizations. The MCOs will be provided the guidance needed to implement the increase.

The proposed fee schedules reflecting the rate increases can be found at the following website: <https://www.hsd.state.nm.us/providers/fee-schedules.aspx>. Provider specific rates will not be posted.

Thank you for your service to New Mexicans during this emergency pandemic. This COVID-19 Supplement will sunset when the Human Services Department determines that the national public health emergency associated with the 2019 Novel Coronavirus (COVID-19) outbreak has been contained. Please contact the Medical Assistance Division at (505) 827-6252 or [MADInfo.HSD@state.nm.us](mailto:MADInfo.HSD@state.nm.us) if you have any questions regarding this guidance.