



HUMAN SERVICES  
DEPARTMENT

Michelle Lujan Grisham, Governor  
David R. Scrase, MD., Secretary

January 11, 2019

**RE: Tribal Notification Letter 19-02  
NM.0223.R05.00 Medically Fragile Waiver Amendment and Fee Schedule**

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) Tribal Consultation requirements, this letter is to inform you that HSD, through the Medical Assistance Division (MAD), is accepting written comments until **5:00 pm on Thursday, March 14, 2019** regarding proposed amendments to the Medically Fragile Home and Community-Based Services (HCBS) Waiver, NM.0223.R05.00 and proposed fee schedule. Currently, there are 14 Native American participants out of 1,604 unduplicated participants receiving services under the Medically Fragile Waiver (MFW) program.

The Department is seeking approval of an amendment to the Medically Fragile Waiver (MFW) to update the estimated number of individuals to be served under the waiver, implement a provider rate increase effective July 1, 2019 and add the home accessibility adaptations service, known as "Environmental Modifications". The State intends to submit this amendment to the Centers for Medicare and Medicaid Services (CMS) in April 2019.

The key components of proposed changes under this waiver amendment are as follows:

1. Update the number of participants projected to be served in the waiver program to reflect the increase in the volume of waiver allocations for State Fiscal Year (SFYs) 2019, 2020, and 2021. The number of MFW participants in SFY 2019 is higher than projections previously approved in the 2016 waiver renewal. The number of individuals to be served under the MFW for future time periods and is developed based on data that is available at the time of the projection. When the number of actual participants served is higher than the projections, HSD/MAD is required by CMS to update its projection accordingly.
2. Implement a rate increase, effective July 1, 2019, to sustain the provider network within the current waiver system. Reimbursement rates for nursing RN, nursing LPN, occupational therapy, physical therapy, speech language pathology, and case management services will be increased for MFW providers.
3. Add Environmental Modifications as a covered waiver service to ensure health, welfare and safety of the participant or enable the participant to function with greater independence in their home .

### **Tribal Impact**

HSD anticipates a positive impact for MFW recipients and an increase in service availability to tribes and their healthcare providers who provide MFW services.

### **Estimated Total Financial Impact**

Implementation of these waiver changes will result in an estimated fiscal impact of approximately \$621,500 (\$169,600 state general fund dollars) to add Environmental Modifications (EMOD) as a service included in the Medically Fragile waiver.

### **Tribal Advice and Comments**

Tribes and tribal health care providers may view the draft waiver amendment application and proposed fee schedule on the HSD webpage at: <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx>

### **Notification Letter 19-02**

A written copy of these documents may be requested by contacting the HSD Medical Assistance Division (HSD/MAD) in Santa Fe at (505) 827-1337.

### **Important Dates**

**A public hearing on this waiver amendment is scheduled be held in the Rio Grande Conference Room, Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, NM on Thursday, March 14, 2019 from 9:00 am to 10:00 am MST.**

**Written advice and comments must be received no later than 5:00pm Mountain Standard Time (MST) on March 14, 2019.** Please send your advice, comments or questions to the MAD Native American Liaison, Theresa Belanger, at (505) 827-3122 or by email to [theresa.belanger@state.nm.us](mailto:theresa.belanger@state.nm.us).

All comments and responses will be compiled and made available after the public hearing.

Sincerely,



Angela Medrano  
Deputy Director

cc: Kari Armijo, HSD/MAD Deputy Director  
Theresa Belanger, Native American Liaison, HSD/MAD  
HSD/MAD Exempt Services & Program Bureau  
HSD/MAD Program Policy Bureau