State of New Mexico
Medical Assistance Program Manual

Supplement

HEALTH CARE AUTHORITY

DATE: **May 21, 2025** **NUMBER: 25-07**

TO: **LICENSED BIRTH CENTER & MIDWIFE PROVIDERS**

FROM: **DANA FLANNERY, MEDICAL ASSISTANCE DIVISION**

THROUGH: **ALANNA DANCIS, DNP, CHIEF MEDICAL OFFICER**

SUBJECT: **BIRTHING OPTIONS PROGRAM BILLING & REIMBURSEMENT**

This Supplement supersedes the guidance that was provided in Supplement 19-02, dated June 21, 2019, clarifying and standardizing the way in which Birthing Options Program (BOP) midwife providers and Licensed Birth Center claims are billed and reimbursed under Fee for Service and managed care. This supplement is effective April 1, 2025.

The BOP is an **out-of-hospital** birthing option for pregnant women enrolled in the Medicaid program who are at low-risk for adverse birth outcomes. BOP services are provided by an eligible midwife that enrolls as a BOP provider with the Health Care Authority/Medical Assistance Division (HCA/MAD). Unless specified below, the BOP is specifically for basic obstetric care for uncomplicated pregnancies and childbirth, including **immediate newborn care that is limited to stabilization of the baby** during this transition. The program does not cover the full scope of midwifery services nor replace pediatric care that should occur at a primary care clinic.

Doula services are outside the scope of this LOD.

The BOP **out-of-hospital** birth locations include a home or a Licensed Birth Center - provider type 405. Providers should note that coverage of Licensed Birth Centers by state Medicaid programs is required under Section 2301 of the Patient Protection and Affordable Care Act (ACA).

1. Provider Eligibility Requirements

a. A provider must be enrolled with New Mexico Medicaid as:
   i. Certified nurse-midwife (CNM) - provider type 322,
   ii. Licensed midwife (LM) - provider type 323, or
   iii. Licensed Birth Center – provider type 405.

b. Applicants will provide HCA/MAD with the following documentation dependent on their enrollment profile during enrollment:
   i. City or County Business License,
   ii. The BOP program provides an opportunity to provide limited services as described in this supplement with minimal to no malpractice, professional liability, or medical liability insurance. Midwife providers who will provide services outside of this Supplement are required to provide full proof of malpractice, professional liability, or medical liability insurance.

   Proof of malpractice, professional liability, or medical liability insurance and/or affidavit of certification are required for enrollment in NM Medicaid. A midwife who chooses to provide limited services according to BOP must complete the MAD 316 and MAD 317. The forms are available on the New Mexico Medicaid Portal in the Provider Section at https://nmmedicaid.portal.conduent.com/static/index.htm:
      - **MAD 316** – Supplemental Release and Indemnification Agreement. This form provides release of HCA liability.
      - **MAD 317** – Affidavit and Certification of Liability Insurance Coverage. This form is used by the midwife to provide legal judgement for malpractice and liability insurance coverage status.
   iii. Federal tax identification letter,
   iv. Completed W-9 form, and/or
   v. Individual biller and renderer only must submit their professional license for provider type 322 and 323.

c. Midwives must be credentialed through the members MCO in order to provide services to a member.

2. Medicaid Eligible Recipient Requirements

A Medicaid eligible recipient who voluntarily requests midwife services through the BOP for basic obstetric care for uncomplicated pregnancies and childbirth. Eligibility must be documented in the eligible recipient's medical record.

The recipient must complete the MAD 318 – Confirmation/Release Statement. This form provides release of HCA liability by the Medicaid-enrolled individual and is found in the New Mexico Medicaid Portal in the Provider Section at https://nmmedicaid.portal.conduent.com/static/index.htm. The provider must retain a copy of the completed form and attach it to each claim.

3. Prior Authorization

No prior authorizations are required.

4. Billing and Reimbursement for Licensed Birth Centers

"Split Billing" model is to be used for services that include both a facility charge and a professional

charge, as is typical within the national coding systems. The "split billing" model allows facility charges to be billed and paid on the UB/837I format under the provider type 405 while the professional services will continue to be billed using the CMS 1500/837P format under the provider types 322 and 323.

Reproductive Health reimbursement rates can be found in HCA fee schedules at Fee for Service - New Mexico Health Care Authority

a. **Birth Center-Facility Charges for Labor & Delivery**: Services billed must:
   i. Use Bill Type - 841 *(Spec Facility Other Admit Discharge*),
   ii. Use UB/837I claim format only,
   iii. Include National Provider Identification (NPI) number of the Licensed Birth Center – provider type 405 (PT 405),
   iv. Attach MAD 318 – Confirmation/Release Statement (completed and signed by recipient), and
   v. Use the following revenue code and append one of the following labor and delivery procedure codes.

Birth Center-Facility Charge for Labor & Delivery:

Revenue Code	Procedure Code	Description/Special Instructions
0724	(Must append one of the following labor and delivery procedure code)	
	59400 – 59410	Vaginal Deliveries: Comprehensive and Component Services.
	59610 – 59614	Vaginal Delivery: After Prior Cesarean Section Comprehensive and Components of Care.

b. **Birth Center-Facility Charge for Labor Occurring but not Resulting in Birth (False Labor):** Services billed must:
   i. Use Bill Type - 841 (Spec Facility Other Admit Discharge),
   ii. Use UB/837I claim format only,
   iii. Include National Provider Identification (NPI) number of the Licensed Birth Center – provider type 405 (PT 405), and
   iv. Use the following revenue code and append the false labor procedure code.

Birth Center-Facility charge for Labor occurring but not resulting in birth (False Labor)

Revenue Code	Procedure Code	Description/Special Instructions
0724 -Must append appropriate false labor procedure code & patient status code	S4005	Interim Labor Facility Labor Occurring but Not Resulting in Birth (False Labor).

c. **Birth Center-Facility Charge for Transfer:** In the event that a labor requires transfer from a Licensed Birth Center to a hospital**,** services must:
   i. Use Bill Type - 841 (Spec Facility Other Admit Discharge),
   ii. Use UB/837I claim format only,
   iii. Include National Provider Identification (NPI) number of the Licensed Birth Center – provider type 405 (PT 405), and
   iv. Use the following revenue code, apply the following procedure code and the appropriate patient status codes.

Birth Center-Facility charge for Transfer, in the event that a labor requires transfer from a Licensed Birth Center to a hospital:

Revenue Code	Procedure Code	Description/Special Instructions
0729 (Must append appropriate transfer procedure code)	59899	Unlisted Procedure, Maternity Care and Delivery. In the event that a labor requires transfer from a Licensed Birth Center to a hospital, the Medicaid program will pay for both a delivery at the Licensed Birth Center & a delivery at the hospital, on the same date of service or within one day of each other. patient status codes: 02: Transferred to short-term hospital 66: Transferred to critical access hospital 82: Transferred to acute care short-term hospital

5. Professional Services When a Birth Occurs in a Home

a. **NM Medicaid will allow and reimburse labor and delivery and other specified services when a birth occurs in a home.** If the delivery takes place at home, the Licensed Birth Center **cannot bill facility charge.** Payment is made only to the CNM-provider type 322 or LM-provider type 323. Providers billing for professional services should use the CMS 1500/837P claim format for home births and include the following:
   i. Licensed Birth Center's NPI number in Block 32a (Service Facility Location Information) or its 837P equivalent,
   ii. Rendering Provider NPI: Include the NPI of the individual CNM-provider type 322 or LM-provider type 323 who rendered the service in Block 24j or its 837P equivalent,
   iii. Billing/Business NPI: Include the NPI of the CNM or LM business entity or group practice who is billing the service in Block 33a or its 837P equivalent,
   iv. Include Taxonomy
      - Licensed Midwife 176B00000X
      - Certified Nurse Midwife 367A00000X
   v. Must attach MAD 318 – Confirmation/Release Statement (completed and signed by recipient),
   vi. Use the following procedure codes for labor and delivery and other specified services.

Professional Services for Home Births - Labor and Delivery Procedure Codes	
Procedure Code	**Description/Special Instructions**
59400 – 59410	Vaginal Deliveries: Comprehensive and Component Services.
59610 – 59614	Vaginal Delivery: After Prior Cesarean Section Comprehensive and Components of Care.
Professional Services for Home Births - Other procedure codes	
99070	Supply and materials for home birth only
J2790	Injection, rho d immune globulin, human, full dose, 300 micrograms (1500 i.u.) rhogam or
90384	Rho(d) immune globulin (rhig), human, full-dose, for intramuscular use

Reproductive Health reimbursement rates can be found in HCA fee schedules at Fee for Service - New Mexico Health Care Authority

b. **Midwife Professional Services for transfer,** in the event that a labor requires a transfer from a home to a hospital. Use the following procedure code. Reproductive Health reimbursement rates can be found in HCA fee schedules at Fee for Service - New Mexico Health Care Authority**.** Use one of the following procedure codes for the appropriate number of visits provided.

Midwife Professional Services for transfer	
59425	Predelivery care, 4 to 6 visits
59426	Predelivery care, 7 or more visits

6. **Claims Reprocessing Information**
   HCA/MAD will allow providers to submit claims who have met the requirements listed above and provided birthing options program services to Medicaid eligible recipients within dates of service April 1, 2025, to the present and avoid timely filing denials. HCA/MAD will allow providers 90 days from the date on this Supplement to submit a claim and avoid a timely filing denial.

7. To assure safety and protect the best interest of Medicaid members, HCA MAD and/or the Turquoise Care MCOs may deny professional claims for services that are beyond the scope of the BOP as described in this Supplement.

This supplement will be sunset in NMAC 8.310.2

Please contact the Medical Assistance Division at MADInfo.HCA@hca.nm.gov if you have any questions regarding this supplement.