



Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Kathy Slater Huff, Deputy Secretary
Niki Kozlowski, Acting Deputy Secretary
Alanna Dancis, Acting Medicaid Director

September 30, 2026

Courtney Miller, Director
CMS/Center for Medicaid & CHIP Services
Medicaid & CHIP Operations Group
601 E. 12th St., Room 355
Kansas City, MO 64106

Dear Ms. Miller:

Enclosed, please find documents related to New Mexico State Plan Amendment (SPA) 26-0010, Children's Health Insurance Program (CHIP) Objectives and Goals.

This Children's Health Insurance Program (CHIP) SPA updates New Mexico's strategic objectives and performance goals to align with annual CHIP reporting.

The estimated total Federal Budget Impact is \$0.00 in federal funds for FFY 2027 and \$0.00 in federal funds for FFY 2028 as the SPA reflects administrative changes with no fiscal impact.

The HCA followed a process that included public notification, tribal notification, and web posting. The HCA did not receive comments from the general public or tribal partners, nor was a tribal consultation formally requested. Documentation of these activities is attached, along with the transmittal form and supporting SPA materials.

We appreciate your consideration of this state plan amendment. Should you have any questions, please contact Valerie Tapia at: Valerie.Tapia@hca.nm.gov or (505) 257-8420.

Sincerely,

A handwritten signature in black ink, appearing to read "Alanna Dancis".

Alanna Dancis
Acting Medicaid Director

cc: Dana Brown, CMS

TEMPLATE FOR CHILD HEALTH PLAN UNDER TITLE XXI OF THE SOCIAL SECURITY ACT CHILDREN'S HEALTH INSURANCE PROGRAM

(Required under 4901 of the Balanced Budget Act of 1997 (New section 2101(b)))

State/Territory: New Mexico
(Name of State/Territory)

As a condition for receipt of Federal funds under Title XXI of the Social Security Act, (42 CFR, 457.40(b)) Alanna Dancis (Signature of Governor, or designee, of State/Territory, Date Signed) submits the following Child Health Plan for the Children's Health Insurance Program and hereby agrees to administer the program in accordance with the provisions of the approved Child Health Plan, the requirements of Title XXI and XIX of the Act (as appropriate) and all applicable Federal regulations and other official issuances of the Department.

The following State officials are responsible for program administration and financial oversight (42 CFR 457.40(c)):

Name: <u>Alanna Dancis</u>	Position/Title: <u>Acting Medicaid Director</u>
Name: <u>Michal Hayes</u>	Position/Title: <u>Senior Deputy Director</u>
Name: <u>Rayna Fagus</u>	Position/Title: <u>Acting Chief Financial Officer</u>
Name: <u>Lorrina Rivera</u>	Position/Title: <u>Junior Deputy Director</u>

Disclosure Statement This information is being collected to pursuant to 42 U.S.C. 1397aa, which requires states to submit a State Child Health Plan in order to receive federal funding. This mandatory information collection will be used to demonstrate compliance with all requirements of title XXI of the Act and implementing regulations at 42 CFR part 457. According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid Office of Management and Budget (OMB) control number. The valid OMB control number for this information collection is 0938-1148 (CMS-10398 #34). Public burden for all of the collection of information requirements under this control number is estimated to average 80 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

Guidance: The effective date as specified below is defined as the date on which the State begins to incur costs to implement its State plan or amendment. (42 CFR 457.65) The implementation date is defined as the date the State begins to provide services; or, the date on which the State puts into practice the new policy described in the State plan or amendment. For example, in a State that has increased eligibility, this is the date on which the State begins to provide coverage to enrollees (and not the date the State begins outreach or accepting applications).

- 1.4.** Provide the effective (date costs begin to be incurred) and implementation (date services begin to be provided) dates for this SPA (42 CFR 457.65). A SPA may only have one effective date, but provisions within the SPA may have different implementation dates that must be after the effective date.

Superseding Pages of MAGI CHIP State Plan Material

State: New Mexico

Transmittal Number	SPA Group	PDF #	Description	Superseded Plan Section(s)
NM-14-0010 Approval Date: 07/23/14 Effective/Implementation Date: January 1, 2014	XXI Medicaid Expansion	CS3	Eligibility for Medicaid Expansion Program	Supersedes the current Medicaid expansion section 4.0
NM-14-0011 Approval Date: 06/17/14 Effective/Implementation Date: January 1, 2014	Establish 2101(f) Group	CS14	Children Ineligible for Medicaid as a Result of the Elimination of Income Disregards	Incorporate within a separate subsection under section 4.1

Superseding CHIP

Transmittal Number	Description	Superseded Plan Section(s)
NM-21-0009 Approval Date: 12/7/2021 Effective/Implementation Date: 10/1/2021	Updates New Mexico's strategic objectives and performance goals by removing obsolete goals and incorporating new objectives and goals that align with the state's current CHIP. In addition, the state provides updates to other state plan sections related to its Medicaid expansion program within the most up-to-date state plan template.	Model Application Template for State Child Health Plan Under Title XXI of the Social Security Act State Children's Health Insurance Program Pages 1-35 NM-14-0010 XXI Medicaid Expansion (CS3) Eligibility for Medicaid Expansion Program NM-14-0011 Establish 2101(f) Group (CS14) Children Ineligible for Medicaid as a Result of the Elimination of Income Disregards
NM-26-0010 Approval Date: mm/dd/yyyy Effective/Implementation Date: July 1, 2026	This Children's Health Insurance Program (CHIP) SPA updates New Mexico's strategic objectives and performance goals to align with annual CHIP reporting.	NM-21-0009 Page 1 Pages 8-9: Section 1.4 Pages 105-109: Section 9

- 1.4- TC** **Tribal Consultation** (Section 2107(e)(1)(C)) Describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment, when it occurred and who was involved.

This amendment does make changes to eligibility; opportunity for a Tribal Consultation was solicited in Tribal Notification #26-21 on August 27, 2026.

The amendment effective July 1, 2026, included public and tribal notice for a 30-day public comment period effective August 27, 2026 – September 26, 2026. Materials were also posted to the Department’s website on August 27, 2026, and legal ads were published on August 27, 2026. As part of the tribal notice, New Mexico Medicaid offered Tribal Leadership an opportunity to request a formal government-to-government consultation.

Section 2. General Background and Description of Approach to Children’s Health Insurance Coverage and Coordination

In 1996 there were an estimated 109,000 uninsured children in New Mexico, based on HSD/MAD analysis of a recently released Consumer Population Survey (CPS) estimates and Medicaid program data. This estimate reflects most, if not all, of the expansion of Medicaid eligibility to children in families up to 185% federal poverty level (FPL), which began in April 1995. The expansion to 185% FPL has resulted in over 38,000 additional children with Medicaid coverage. Sixteen percent of children enrolled in Medicaid for children up to 185% FPL had private health insurance at time of enrollment however 25% of those with private insurance had dropped their private coverage.

In New Mexico, employment-based health insurance for children has been about 48% to 50% for the past seven years, according to HSD/MAD analysis of the CPS statistics for 1996. By 2013, the year prior to the Affordable Care Act of (ACA) 2010 going into effect, the employment-based coverage had dropped to 41.8%. The average employment-based coverage from 2014 to 2018 is 39.9% from CPS data. From that same CPS data set, the uninsured rate for children ages 0 to 18 is about 7.0%. As for children living in family with income between 190% and 300% of the federal poverty level (FPL) who can qualify for the Children’s Health Insurance Program (CHIP) category of eligibility, the uninsured rate is 8.6% or about 3,800 children. This is the number of children who can qualify for CHIP under the modified adjusted gross income (MAGI) methodology established by the ACA. Under the current MAGI methodology, children age 0 to 5 between 240% and 300% FPL along with children age 6 to 18 between 190% and 240% FPL can qualify for CHIP under New Mexico Medicaid eligibility rules.

Guidance: The demographic information requested in 2.1. can be used for State planning and will be used strictly for informational purposes. THESE NUMBERS WILL NOT BE USED AS A BASIS FOR THE ALLOTMENT.

Factors that the State may consider in the provision of this information are age breakouts, income brackets, definitions of insurability, and geographic location, as well as race and ethnicity. The State should describe its information sources and the assumptions it uses for the development of its description.

- Population
- Number of uninsured
- Race demographics
- Age Demographics
- Info per region/Geographic information

- 8.8.4. ☐ Income and resource standards and methodologies for determining Medicaid eligibility are not more restrictive than those applied as of June 1, 1997. (Section 2105(d)(1)) (42CFR 457.622(b)(5))
- 8.8.5. ☐ No funds provided under this title or coverage funded by this title will include coverage of abortion except if necessary, to save the life of the mother or if the pregnancy is the result of an act of rape or incest. (Section 2105)(c)(7)(B)) (42CFR 457.475)
- 8.8.6. ☐ No funds provided under this title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except as described above). (Section 2105)(c)(7)(A)) (42CFR 457.475)

Section 9. Strategic Objectives and Performance Goals and Plan Administration

Guidance: States should consider aligning its strategic objectives with those discussed in Section II of the CHIP Annual Report.

- 9.1. Describe strategic objectives for increasing the extent of creditable health coverage among targeted low-income children and other low-income children (Section 2107(a)(2)) (42CFR 457.710(b))

Objective 1: Reduce the number of uninsured children

Objective 2: Increase access to care

Guidance: Goals should be measurable, quantifiable and convey a target the State is working towards.

- 9.2. Specify one or more performance goals for each strategic objective identified: (Section 2107(a)(3)) (42CFR 457.710(c))

Objective 1: Reduce the number of uninsured children

Goals:

Goal 1: Increase CHIP children enrollment by 1 percent annually.

Goal 2: Increase Medicaid enrollment for children by 1 percent annually.

Objective 2: Increase access to care

Goals:

Goal 1: Increase the percentage of children and adolescents receiving Well-Care visits by 3% by 2032. Baseline performance rate: State aggregate rate CY25 Child and Adolescent Well-Care Visits: Total-49.54%

Goal 2: Increase the percentage of dental services for beneficiaries under the age of 21 by 3% by 2032. Baseline performance rate: State aggregate rate CY25 Oral Evaluation Dental Services (OED): 52.80%.

Goal 3: Increase access to follow-up care for children prescribed ADHD by a quarter of a percentage point year over year.

Baseline performance rate: State aggregate rate CY25 Follow-up Care for

Children Prescribed ADHD Medication: Initiation Phase - 46.26% and Continuation phase.

Goal 4: Increase the number of members receiving the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit, which provides comprehensive and preventive health care services for children under age 21, by 3% in five years.

Guidance: The State should include data sources to be used to assess each performance goal. In addition, check all appropriate measures from 9.3.1 to 9.3.8 that the State will be utilizing to measure performance, even if doing so duplicates what the State has already discussed in Section 9.

It is acceptable for the State to include performance measures for population subgroups chosen by the State for special emphasis, such as racial or ethnic minorities, particular high-risk or hard to reach populations, children with special needs, etc.

HEDIS (Health Employer Data and Information Set) contains performance measures relevant to children and adolescents younger than 19. In addition, HEDIS contains measures for the general population for which breakouts by children's age bands are required. Full definitions, explanations of data sources, and other important guidance on the use of HEDIS measures specific to the measurement year can be found in the HEDIS manual published annually by the National Committee on Quality Assurance. So that State HEDIS results are consistent and comparable with national and regional data, states should check the HEDIS manual for detailed definitions of each measure, including definitions of the numerator and denominator to be used. For states that do not plan to offer managed care plans, HEDIS measures may also be able to be adapted to organizations of care other than managed care.

9.3. Describe how performance under the plan will be measured through objective, independently verifiable means and compared against performance goals in order to determine the State's performance, taking into account suggested performance indicators as specified below or other indicators the State develops: (Section 2107(a)(4)(A),(B)) (42CFR 457.710(d))

New Mexico's Medicaid Program and New Mexico's Quality Strategy drives the section 9.2 performance goals in an effort to achieve improvement for the two CHIP objectives (reduce the number of uninsured children and increase access to care). New Mexico Medicaid utilizes a variety of data sources such as Managed Care Organization (MCO) quarterly monitoring reports, annual audited NCQA HEDIS rates, and additional state-directed approaches for collecting measurable data for dental care, well-care visits, and expanding access to services for behavioral and physical health for New Mexico's children. New Mexico's Quality Strategy encompasses a range of strategic approaches for ensuring New Mexico's Medicaid/CHIP Program is reaching Quality Compass National Averages by

performance target setting. New Mexico's variety of measurable indicators leverage reporting and quality accountability.

Check the applicable suggested performance measurements listed below that the State plans to use: (Section 2107(a)(4))

- 9.3.1. ☒ The increase in the percentage of Medicaid-eligible children enrolled in Medicaid.
- 9.3.2. ☒ The reduction in the percentage of uninsured children.
- 9.3.3. ☐ The increase in the percentage of children with a usual source of care.
- 9.3.4. ☒ The extent to which outcome measures show progress on one or more of the health problems identified by the state.
- 9.3.5. ☒ HEDIS Measurement Set relevant to children and adolescents younger than 19.
- 9.3.6. ☐ Other child appropriate measurement set. List or describe the set used.
- 9.3.7. ☐ If not utilizing the entire HEDIS Measurement Set, specify which measures will be collected, such as:
- 9.3.7.1. ☐ Immunizations
- 9.3.7.2. ☐ Well childcare
- 9.3.7.3. ☐ Adolescent well visits
- 9.3.7.4. ☐ Satisfaction with care
- 9.3.7.5. ☐ Mental health
- 9.3.7.6. ☐ Dental care
- 9.3.7.7. ☐ Other, list:
- 9.3.8. ☐ Performance measures for special targeted populations.

- 9.4. ☒ The State assures it will collect all data, maintain records and furnish reports to the Secretary at the times and in the standardized format that the Secretary requires. (Section 2107(b)(1)) (42CFR 457.720)

Guidance: The State should include an assurance of compliance with the annual reporting requirements, including an assessment of reducing the number of low-income uninsured children. The State should also discuss any annual activities to be undertaken that relate to assessment and evaluation of the program.

- 9.5. ☒ The State assures it will comply with the annual assessment and evaluation required under Section 10. Briefly describe the State's plan for these annual assessments and reports. (Section 2107(b)(2)) (42CFR 457.750)

In accordance with New Mexico's approved 1115 Demonstration Waiver, Special Terms and Conditions (STCs), Evaluation Design, and Quality Strategy, assessment and evaluation tools and processes are in place. Additional tools and processes will be utilized for Title XXI assessment and evaluation including New Mexico Medicaid's External Quality Review Organization contractor for the External Quality Review that will be conducted.

- 9.6. ☒ The State assures it will provide the Secretary with access to any records or

information relating to the plan for purposes of review or audit. (Section 2107(b)(3)) (42CFR 457.720)

Guidance: The State should verify that they will participate in the collection and evaluation of data as new measures are developed or existing measures are revised as deemed necessary by CMS, the states, advocates, and other interested parties.

9.7. ☒ The State assures that, in developing performance measures, it will modify those measures to meet national requirements when such requirements are developed. (42CFR 457.710(e))

9.8. The State assures, to the extent they apply, that the following provisions of the Social Security Act will apply under Title XXI, to the same extent they apply to a State under Title XIX: (Section 2107(e)) (42CFR 457.135)

9.8.1. ☒ Section 1902(a)(4)(C) (relating to conflict of interest standards)

9.8.2. ☒ Paragraphs (2), (16) and (17) of Section 1903(i) (relating to limitations on payment)

9.8.3. ☒ Section 1903(w) (relating to limitations on provider donations and taxes)

9.8.4. ☒ Section 1132 (relating to periods within which claims must be filed)

Guidance: Section 9.9 can include discussion of community-based providers and consumer representatives in the design and implementation of the plan and the method for ensuring ongoing public involvement. Issues to address include a listing of public meetings or announcements made to the public concerning the development of the children's health insurance program or public forums used to discuss changes to the State plan.

9.9. Describe the process used by the State to accomplish involvement of the public in the design and implementation of the plan and the method for ensuring ongoing public involvement. (Section 2107(c)) (42CFR 457.120(a) and (b))

New Mexico involved the public in the development of the state's CHIP plan at several levels. New Mexico Medicaid followed a process that included public notification, tribal notification and web posting for the CHIP SPA.

A public notice, along with a complete copy of the CHIP SPA was posted to the Department's website on July 28, 2021 and allowed for a 30-day public comment period. The public notice was also mailed and emailed to Interested Parties.

A written Tribal Notification was mailed, emailed and posted to the Department's website on July 28, 2021. Legal ads were published on July 28, 2021.

New Mexico Medicaid amended its CHIP State Plan effective July 1, 2026, to update New Mexico's strategic objectives and performance goals to align with annual CHIP reporting. Public and tribal notices for a 30-day public comment period were provided on August 27, 2026, and posted to the Department's

website. Legal ads were also published on August 27, 2026. To ensure ongoing public involvement, New Mexico Medicaid will obtain public input on program performance, eligibility, access, and service delivery during its Medicaid Advisory Committee (MAC), Beneficiary Advisory Committee (BAC), and Native American Technical Advisory Committee (NATAC) meetings.

- 9.9.1.** Describe the process used by the State to ensure interaction with Indian Tribes and organizations in the State on the development and implementation of the procedures required in 42 CFR 457.125. States should provide notice and consultation with Tribes on proposed pregnant women expansions. (Section 2107(c)) (42CFR 457.120(c))

The Medical Assistance Division has a dedicated Tribal Liaison who coordinates internally on notification and consultation activities with the Tribal leaders and the Indian Affairs Department. The Tribal Liaison coordinates and participates in meetings with New Mexico Medicaid, Tribal leaders and staff, Tribal organizations, and/or the Indian Health Service to provide updates and receive feedback on policy changes. Individual letters to Tribal leaders from the Medical Assistance Division are also sent to highlight policy changes specific to American Indian constituents. A face-to-face consultation may also be requested with all Tribal leaders to discuss policy changes and to receive input. Tribal leaders, Tribal organizations, the Indian Health Service and interested parties are included in the mailing lists for the Medicaid Tribal notifications and New Mexico Medicaid Register Notices.

The Tribal Liaison coordinates regular meetings and discussions between Tribal Leaders, Indian Health Service Facilities, other Tribal Health Providers, agency administrators, program administrators, and Managed Care Organizations (MCOs). Participants provide input, advice, and comments on issues regarding all aspects of the Medicaid program. Meetings are to be held at least quarterly, and at the request of the participants.

- 9.9.2.** For an amendment relating to eligibility or benefits (including cost sharing and enrollment procedures), describe how and when prior public notice was provided as required in 42 CFR 457.65(b) through (d).

This amendment does not make changes to eligibility or benefits; however, prior public notice was provided on July 28, 2021.

The amendment effective July 1, 2026, did not make changes to eligibility or benefits.

- 9.9.3.** Describe the State's interaction, consultation, and coordination with any Indian tribes and organizations in the State regarding implementation of the Express Lane eligibility option.

Not applicable

- 9.10.** Provide a 1-year projected budget. A suggested financial form for the budget is below. The budget must describe: (Section 2107(d)) (42CFR 457.140)

- Planned use of funds, including:
- Projected amount to be spent on health services.