

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, Maryland 21244-1850



State Demonstrations Group

AUG 31 2018

Nancy Smith-Leslie
State Medicaid Director
New Mexico Department of Human Services
Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504-2348

Dear Ms. Smith-Leslie:

New Mexico has requested a five-year extension for its Centennial Care comprehensive section 1115 Medicaid demonstration. The extension application included a number of changes and new features for the demonstration, including plans for improvements in care coordination, benefits, delivery system, and payment reform, beneficiary engagement, cost sharing, and administrative simplification. We plan to provide draft terms and conditions for your review by mid-September, which will keep us on track to issue a final decision on the extension request by no later than December 31, 2018, when the current demonstration expires.

In response to our discussion on August 2, 2018, CMS is able to provide the following guidance on some selected elements of New Mexico's request.

Retroactive Eligibility

As part of its 1115 demonstration extension request, New Mexico requests to phase out the Medicaid retroactive eligibility period for most Medicaid eligibles. The proposal is to reduce the three-month retroactive eligibility period for most Centennial Care members to a one-month period of retroactive eligibility for the first year of the demonstration, and then eliminate retroactive eligibility for the second year of the demonstration. Pregnant women and children, Medicaid fee-for-service individuals, and individuals enrolled in Institutional Care categories, would maintain access to coverage during the three-month retroactive period upon request and as long of the individual continues to meet eligibility requirements during the retroactive months.

The state's request to phase out retroactive eligibility is similar to the request that CMS approved on October 26, 2017 for Iowa as an amendment to its Health and Wellness demonstration. Under the Iowa amendment, the state was approved to waive the three-month retroactive eligibility period applying to all new beneficiary applications for Iowa Medicaid coverage, except for pregnant women and infants under one year of age. With the retroactive eligibility waiver, beneficiaries will receive Medicaid coverage effective the first day of the month in which their Medicaid application was filed. We anticipate that New Mexico's similar proposal will be approved, but in a manner that continues retroactive eligibility for children of all ages.

Family Planning

The state is requesting to incorporate changes to the eligibility requirements for Medicaid Family Planning coverage into the Centennial Care demonstration extension. Under this proposal, the state is requesting to target this program specifically for men and women through the age of 50 without other health insurance coverage, or under age 65 with only Medicare coverage that does not include family planning services.

New Mexico's Family Planning request is similar to the Mississippi Family Planning demonstration approved on December 28, 2017 in regards to the eligible age limits. The Mississippi demonstration provides family planning and family planning-related services to women and men, ages 13 through 44, with income up to 194 percent of the federal poverty level that are not otherwise eligible for Medicaid, Medicare, the Children's Health Insurance Program, or other creditable health insurance coverage that provides family planning services.

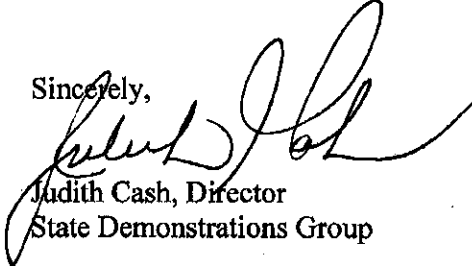
Limitations on Self-Directed Services

New Mexico is requesting to establish annual limits for beneficiary services for members participating in the Self-Directed Community Based (SDCB) services model. Implementation of this change will place limitations on related goods and services, non-medical transportation and specialized therapies. These services are only offered in the SDCB model. Enrollment in the SDCB model has increased and New Mexico has indicated that the limitations on these services will assist them in long-term sustainability of the program. The state is proposing to "grandfather" existing SDCB participants exceeding the limits of these services to ensure continuity of care.

Service definitions and limitations for the Community Benefit are contained in an attachment to the Centennial Care demonstration's special terms and conditions. CMS has reviewed the proposed service limitations and finds them to be acceptable. We propose to issue a revised version of the Community Benefit service definitions and limitations attachment separately outside the demonstration extension process. You should expect to receive CMS approval for the new attachment in the coming days.

We look forward to bringing our combined efforts on the extension of Centennial Care to successful completion by no later than the end of this year. If you should have any questions, please contact Ms. Sandra Phelps at (410) 786-1968, or by e-mail at Sandra.Phelps@cms.hhs.gov

Sincerely,



Judith Cash, Director
State Demonstrations Group