



Susana Martinez, Governor  
Brent Earnest, Secretary  
Nancy Smith-Leslie, Director

The Human Services Department (the Department), through the Medical Assistance Division (MAD), is proposing to amend 8.311.3 NMAC, *Methods and Standards for Establishing Payment - Inpatient Hospital Services*.

The Department, in complying with the 2016 General Appropriations Act, which directs the Department to reduce reimbursement rates paid to Medicaid providers, implemented several measures in July and August 2016 related to provider reimbursement. Some of these measures required approval from the Centers for Medicare and Medicaid Services (CMS).

One of the measures, approved by CMS effective July 1, 2016, was for the Department to reduce the reimbursement rate found in Section 12 Prospective Payment Methodology for Hospitals, Subsection F Special prospective payment provisions, Paragraph (1) Outlier cases from ninety percent to eighty-five percent of the hospital's standardized cost.

The Department is now amending the state rule to be consistent with the Medicaid State Plan as approved by CMS.

The register and the proposed rule will be available April 25, 2017 on the HSD website at: <http://www.hsd.state.nm.us/LookingForInformation/registers.aspx> and <http://www.hsd.state.nm.us/public-notices-proposed-rule-and-waiver-changes-and-opportunities-to-comment.aspx>. If you do not have internet access, a copy of the proposed register and rule may be requested by contacting MAD at 505-827-6252.

A public hearing to receive testimony on this proposed rule will be held in Hearing Room 1, Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, New Mexico May 25, 2017 from 11 a.m. to 12 p.m., Mountain Daylight Time (MDT).

Interested parties may submit written comments directly to: Human Services Department, Office of the Secretary, ATTN: Medical Assistance Division Public Comments, P.O. Box 2348, Santa Fe, New Mexico 87504-2348. Recorded comments may be left at (505) 827-1337. Interested persons may also address comments via electronic mail to: [madrules@state.nm.us](mailto:madrules@state.nm.us). Written mail, electronic mail and recorded comments must be received no later than 5 p.m. MDT on May 25, 2017. Written and recorded comments will be given the same consideration as oral testimony made at the public hearing.

If you are a person with a disability and you require this information in an alternative format or require a special accommodation to participate in the public hearing, please contact MAD in Santa Fe at 505-827-6252. The Department's TDD system may be accessed toll-free at 1-800-659-8331 or in Santa Fe by calling 505-827-3184. The Department requests at least ten (10) days advance notice to provide requested alternative formats and special accommodations.

Copies of all comments will be made available by MAD upon request by providing copies directly to a requestor or by making them available on the MAD website or at a location within the county of the requestor.