



HEALTH CARE
AUTHORITY

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

May 29, 2026

RE: Tribal Notification to Request Advice and Comments Letter 26-14: SMI, SED, and ARTC

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 Health Care Authority (HCA) Tribal Notification to Request Advice and Comments process, this letter is to inform you that HCA's Medical Assistance Division (MAD) is providing public notice on its plans to submit a State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) to maintain and enhance access to mental health services and continue delivery system improvements in order to provide more coordinated and comprehensive treatment to Medicaid beneficiaries with Serious Mental Illness (SMI) and Serious Emotional Disturbances (SED). The SMI/SED demonstration component will provide the state with the authority to provide high-quality, clinically appropriate treatment to beneficiaries with SMI and SED while they are short-term residents in residential and inpatient treatment settings that qualify as Institutions for Mental Diseases (IMD). It will also support state efforts to enhance provider capacity and improve access to a continuum of SMI/SED evidence-based services at varied levels of intensity. This SPA will be effective on July 1, 2026.

The estimated total Federal Budget Impact is \$15,558 in federal funds for FFY 2026 and \$387,916 in federal funds for FFY 2027.

Tribal Impact

The HCA does not anticipate any impact for Indian Nations, Tribes, and Pueblos and their health care providers with this change.

Tribal Advice and Comments

Tribes and their healthcare providers may view the proposed changes on the HCA webpage at: <https://www.hca.nm.gov/providers/written-tribal-consultations/> **26-14: SMI, SED, and ARTC.**

Written comments may be submitted, and Tribal Leadership may request a government-to-government consultation by **5:00 p.m. Mountain Time (MT) on June 28, 2026**. Please direct your comments and requests for consultation to the MAD Tribal Liaison, Pharon Morgan, at (505) 469-6877, or by email at: Pharon.Morgan@hca.nm.gov. All written comments received will be posted on the Department's website at: [https://www.hca.nm.gov/providers/written-tribal-](https://www.hca.nm.gov/providers/written-tribal-consultations/)

[consultations/](#) along with this notification letter. The public posting will include the name and contact information provided by the commenter.

OPPORTUNITY TO VIEW DOCUMENTS

The complete draft amendment may be found on the website at:

<https://www.hca.nm.gov/2026-comment-period-open/>.

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

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

Sincerely,



Alanna Dancis
Acting State Medicaid Director