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State/Territory Name: New Mexico

State Plan Amendment (SPA) #: 26-0002

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

March 25, 2026

Alanna Dancis
Acting Director
Medical Assistance Division
New Mexico Human Services Department
2025 South Pacheco Drive
Santa Fe, New Mexico 87504-2348

Re: New Mexico State Plan Amendment (SPA) – 26-0002

Dear Director Dancis:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 26-0002. This amendment proposes to capture reimbursement methodology for crossover payments for inpatient claims when billing provider is Skilled Nursing Facilities (SNF), Institutional Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), Residential Treatment Centers (RTC), Treatment Foster Care (TFC), or Indian Health Service (IHS). Payments are reimbursed at Medicare coinsurance and deductible amount.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR 447. This letter informs you that New Mexico's Medicaid SPA TN 26-0002 was approved on March 25, 2026, with an effective date of January 1, 2026.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the New Mexico State Plan.

If you have any questions, please contact Dana Brown at (410) 786-0421 or via email at Dana.Brown@cms.hhs.gov.

Sincerely,

Nicole M.
Mcknight -S
Nicole McKnight
On Behalf of Courtney Miller, MCOG Director

Digitally signed by Nicole M.
Mcknight -S
Date: 2026.03.25 15:33:02
-04'00'

Enclosures

cc: Valerie Tapia, NMHSD

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 2

2. STATE

NM

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

1/1/2026

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026 \$ 0
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Supplement 1 to Attachment 4.19-B pages 1-3

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Supplement 1 to Attachment 4.19-B pages 1-3

9. SUBJECT OF AMENDMENT

To capture reimbursement methodology for payments for inpatient claims when billing provider is a SNF, ICF/IID, RTC, TFC, or IHS. Payments are reimbursed at Medicare coinsurance and deductible amount.

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Delegated to the Acting Medicaid Director

11. SIGNATURE OF STATE AGENCY OFFICIAL



12. TYPED NAME
Alanna Dancis

13. TITLE
Acting Medicaid Director, Medical Assistance Division

14. DATE SUBMITTED
2/5/2026

15. RETURN TO
Alanna Dancis
Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504-2348

FOR CMS USE ONLY

16. DATE RECEIVED

February 5, 2026

17. DATE APPROVED

March 25, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

January 1, 2026

19. SIGNATURE OF APPROVING OFFICIAL

Nicole M. Mcknight -S Digitally signed by Nicole M. Mcknight -S
Date: 2026.03.25 15:34:11 -0400

20. TYPED NAME OF APPROVING OFFICIAL

Nicole McKnight

21. TITLE OF APPROVING OFFICIAL

On Behalf of Courtney Miller, MCOG Director

22. REMARKS

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
-OTHER TYPES OF CARE**

Revision: HCFA-PM-91-4

(BPD)

Supplement 1 to Attachment 4.19-B

Page 1

Payment of Medicare Part A and Part B Deductible/Coinsurance

Except for a nominal copayment (as specified in Attachment 4.18(b)(3) of the State Plan, *Recipient Cost Sharing and Similar Charges*), if applicable, the Medicaid agency uses the following general method for payment:

1. Payments are limited to State Plan rates and payment methodologies for the groups and payments listed below and designated with the letters "SP".

For specific Medicare services which are not otherwise covered by this State Plan, the Medicaid agency uses Medicare payment rates unless a special rate or method is set out on Page 3 in item A of this attachment.

2. Payments are up to the full amount of the Medicare rate for the groups and payments listed below and designated with the letters "MR".
3. Payments are up to the amount of a special rate, or according to a special method, described on Page 3 in item B of this attachment, for those groups and payments listed below and designated with the letters "NR".
4. Any exceptions to the general methods used for a particular group or payment are specified on Page 3 in item B of this attachment (see 3. above).

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
-OTHER TYPES OF CARE**

Revision: HCFA-PM-91-4

(BPD)

Supplement 1 to Attachment 4.19-B
Page 2

Payment of Medicare Part A and Part B Deductible/Coinsurance

QMBs	Part A	<u>MR</u>	Deductibles	<u>MR</u>	Coinsurance
	Part B	<u>SP</u>	Deductibles	<u>SP</u>	Coinsurance
Other Medicaid Recipients	Part A	<u>MR</u>	Deductibles	<u>MR</u>	Coinsurance
	Part B	<u>SP</u>	Deductibles	<u>SP</u>	Coinsurance
Dual Eligible (QMB Plus)	Part A	<u>MR</u>	Deductibles	<u>MR</u>	Coinsurance
	Part B	<u>SP</u>	Deductibles	<u>SP</u>	Coinsurance

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF NEW MEXICO
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
-OTHER TYPES OF CARE**

Revision: HCFA-PM-91-4

(BPD)

**Supplement 1 to Attachment 4.19-B
Page 3**

Payment of Medicare Part A and Part B Deductible/Coinsurance

Special Rates (NR)

- A. Payment of coinsurance and deductibles for Medicare services not covered by Medicaid will be at the Medicare rate.

- B. Inpatient services provided by Skilled Nursing Facilities (SNF), Institutional Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), Residential Treatment Centers (RTC), Treatment Foster Care (TFC), or Indian Health Service (IHS) are paid at the full Medicare coinsurance and deductible amount.