



HEALTH CARE
A U T H O R I T Y

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

February 5, 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) 26-0002, Skilled Nursing Facilities (SNF).

New Mexico is requesting to update the State Plan to capture the reimbursement methodology used by HCA for payments for inpatient claims when the billing provider is a Skilled Nursing Facility (SNF), Institutional Care Facility for Individuals with Intellectual Disabilities (ICF/IID), Residential Treatment Center (RTC), Treatment Foster Care (TFC), or Indian Health Service (IHS). These payments are reimbursed at the full Medicare coinsurance and deductible amount.

This submission only addresses administrative changes and does not impact reimbursement rates, having an estimated total Federal Budget Impact of \$0 in federal funds for FFY 2026 and \$0 in federal funds for FFY 2027.

The HCA followed a process that included public notification, tribal notification, and web posting. 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

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

1. TRANSMITTAL NUMBER ____ _	2. STATE ____
---------------------------------	------------------

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

5. FEDERAL STATUTE/REGULATION CITATION
--


6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY <u>2026</u> \$ <u>0</u>
b. FFY <u>2027</u> \$ <u>0</u>

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
--

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

10. GOVERNOR'S REVIEW (Check One)	OTHER, AS SPECIFIED:
GOVERNOR'S OFFICE REPORTED NO COMMENT	
COMMENTS OF GOVERNOR'S OFFICE ENCLOSED	Delegated to the Acting Medicaid Director
NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL	

11. SIGNATURE OF STATE AGENCY OFFICIAL 
12. TYPED NAME
13. TITLE
14. DATE SUBMITTED

15. RETURN TO

FOR CMS USE ONLY	
16. DATE RECEIVED	17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL	21. TITLE OF APPROVING OFFICIAL

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.