



**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. 12<sup>th</sup> 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](mailto:Valerie.Tapia@hca.nm.gov) or (505) 257-8420.

Sincerely,

Alanna Dancis  
Acting Medicaid Director

cc: Dana Brown, CMS

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

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

5. FEDERAL STATUTE/REGULATION CITATION

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

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

9. SUBJECT OF AMENDMENT

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



15. RETURN TO

12. TYPED NAME

13. TITLE

14. DATE SUBMITTED

**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).

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**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

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**(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.