



HEALTH CARE
AUTHORITY

Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Dana Flannery, Medicaid Director

June 30, 2025

RE: Tribal Notification to Request Advice and Comments Letter 25-16: Proposed Rate for Food is Medicine (FIM) Services

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's (HCA's) Tribal Notification to Request Advice and Comments process, this letter is to inform you that HCA, through the Medical Assistance Division (MAD), is accepting written comments until **5:00 p.m., Mountain time (MT) on July 31, 2025**, regarding the posting of a rate for Food is Medicine (FIM) services.

The Medical Assistance Division (MAD) of the New Mexico Health Care Authority (HCA) is required by the Centers for Medicare and Medicaid Services (CMS) to post the payment rates for the Turquoise Care 1115 Waiver Food is Medicine (FIM) benefit for pregnant members in accordance with New Mexico's State Plan Amendment public comment process. This is required per Turquoise Care 1115 Waiver Special Terms and Conditions (STCs) section 10.14 on Health-Related Social Needs (HRSN) services. CMS approved the HRSN services payment methodology on April 25, 2025.

The FIM service consists of home-delivered medically tailored food, consisting of Medically Tailored Meals (MTM) and Medically Tailored Grocery boxes (MTG) for pregnant members. The benefit is intended to support vulnerable pregnant members and healthy birth outcomes. This program will initially focus on pregnant members with diabetes.

Estimated Impact on Annual Expenditures: HCA estimates that this new benefit will increase Medicaid expenditures by \$10.8 million total (federal and State share) for State Fiscal Year (SFY) 2026.

The table below outlines the proposed FIM (MTM and MTG) rate ranges, effective July 1, 2025.

Service Rate Range and Methodology for Medically-Tailored Meals (MTM)

Service Description	Home delivered, medically-tailored prepared meals
Rate Range	\$9.30–\$20.00
Unit of Service	Per Meal
HCPCS Billing Code	S5170 and others as determined necessary (e.g. S9977)

Service Rate Range and Methodology for Medically-Tailored Grocery Boxes (MTG)

Service Description	Home-delivered, medically tailored grocery boxes
Rate Range	\$80–\$584
Unit of Service	Per Month Cap
HCPCS Billing Code	S5170 (Modifier U1)

Tribal Impact — Tribal Medicaid Members (in both Managed Care and Fee-for-Service) will have access to FIM Services if they are pregnant and meet the risk-based criteria to receive MTM or MTG.

Tribal Advice and Comments

Tribes and tribal health care providers may view the proposed changes, on the HCA webpage at: <https://www.hca.nm.gov/providers/written-tribal-notification-letters/>. **Notification letter 25-16.**

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

Important Dates

Written comments must be submitted by 5:00 p.m. Mountain time (MT) on July 31, 2025. Please send your comments to the MAD Native American Liaison, Theresa Belanger, at (505) 670-8067 or by email at: Theresa.Belanger@hca.nm.gov. All written comments received will be posted on the HCA website at: <https://www.hca.nm.gov/providers/written-tribal-notification-letters/> along with this notification letter. The public posting will include the name and any contact information provided by the commenter.

All comments and responses will be compiled and made available after August 28, 2025.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Flannery', with a stylized flourish at the end.

Dana Flannery, Director
Medical Assistance Division