



HEALTH CARE  
AUTHORITY

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

October 9, 2024

**RE: Tribal Notification to Request Advice and Comments Letter 24-20: SPA 24-0009,  
House Bill 2 (HB2) Rate Increases.**

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's Health Care Authority (HCA) Tribal Notification to Request Advice and Comments process, this letter is to inform you that the HCA, through the Medical Assistance Division (MAD), is accepting comments until **5:00 p.m. Mountain Time (MT) November 9, 2024**, regarding state plan amendment (SPA) 24-0009, House Bill 2 (HB2) Rate Increases.

Effective January 1, 2025, New Mexico Medicaid will increase Medicaid Provider Payment Rates.

The New Mexico HCA is implementing specific provider reimbursement rate increases as part of Governor Lujan Grisham's focus on health care and as a critical step in strengthening the state's partnership with providers who deliver care and services to Medicaid patients. The proposed rate increases were supported, endorsed and funded by the New Mexico Legislature in HB2 during the 2024 Legislative Session. Raising Medicaid reimbursement rates will help ensure access to high-quality care for Medicaid patients and attract and retain health care providers in New Mexico.

The proposed rate increases include:

- Reimbursement raised up to 150% of the established Medicare rate for maternal and child health services, primary care, and behavioral health services; and
- Reimbursement raised up to 100% of the established Medicare rate for other services.
- Implementation of pay parity between physicians and non-physician practitioners.

Where Medicare rates are not available because the service is not covered, the remainder of the HB2 appropriation is disbursed across the fee schedule codes.

**Tribal Impact**

The HCA anticipates a positive financial 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-notification-letters/> 24-20.

## **Important Dates**

**Written comments must be submitted by 5:00 p.m. Mountain Time (MT) November 9, 2024.** 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](mailto:Theresa.Belanger@hca.nm.gov). All written comments received will be posted on New Mexico Medicaid 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.

Tribal Leadership may request a government-to-government consultation by **November 9, 2024**. This request may be made to: [Theresa.Belanger@hca.nm.gov](mailto:Theresa.Belanger@hca.nm.gov) or by calling (505) 670-8067.

Sincerely,

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

Dana Flannery  
State Medicaid Director