

## **New Medicaid Fee Schedule Effective December 15, 2009**

On November 19, 2009, the Director of the Medical Assistance Division of the New Mexico Human Services Department issued a [Medical Assistance Program Manual Supplement \(Notice\)](#) requiring Medicaid Managed Care Organizations contracted for the SALUDI, BH SE, CoLTS, and SCI programs, including Blue Cross Blue and Shield of New Mexico, to reduce reimbursement levels as provided in the Notice.

The Notice attributes the need for the reduction to a shortfall in state revenues. As a result, budgets for many state programs are either being reduced or not sufficiently increased to cover current program costs. The New Mexico Medicaid program budget is being reduced as part of those reductions.

The Notice requires as follows:

1. Practitioner Providers rates must be reduced by three percent (3%);
2. anesthesia services will not be affected at this time, but the State will provide direction on these services at a later time;
3. the reduction will not be applied to the Early Periodic Screening, Diagnostic and Treatment (EPSDT) screening rates for children, EPSDT person care, EPSDT private duty nursing, early intervention services (FIT), day treatment, multisystemic treatment, assertive community treatment (ACT), or to home and community based services waivers;
4. the reduction will not be applied to payment rates for cost-based encounters (federally qualified health centers (FQHC) and rural health clinics (RHC) or federal Office of Management and Budget rates (Indian Health Services (IHS) and 638-compact facility (638) services paid at OMB rates);
5. the reduction will also not be applied to payment rates that are determined at the federal level (hospice, clinical laboratory, prosthetics, orthotics, and oxygen) or to cost-based/cost-settled provider rates (home health agencies) or to items and services for which payment is based or largely based on invoice costs (hearing aids, glasses, frames, IV infusions) or to items that are paid at cost plus a percentage (medical supplies). BCBSNM will implement the new rates for dates of service beginning December 15, 2009.

You should also be aware that the Managed Care Medicaid capitation rate for BCBSNM is also being reduced as a consequence of the same state revenue shortfall.

Thank you for your participation and continued support with our BlueSalud Program. Please call Angela Sanchez-Caldwell, Senior Contract Representative at 505-816-2038 with any questions.