

**CENTERS FOR MEDICARE & MEDICAID SERVICES
SPECIAL TERMS AND CONDITIONS
AMENDED**

NUMBER: 11-W-00124/6

TITLE: New Mexico Medicaid Section 1115 Demonstration Proposal
(New Mexico Demonstration)

AWARDEE: New Mexico Human Services Department, Medical Assistance
Division

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I. PREFACE

The following are Special Terms and Conditions for the award of the New Mexico Medicaid Section 1115 Health Care Reform Demonstration (New Mexico Demonstration) waiver awarded on January 11, 1999 and amended by the request submitted on January 11, 2002 and revised on March 5, 2002. The Special Terms and Conditions have been arranged into two broad subject areas: General Conditions for Approval, and Program Design/Operational Plan.

The State agrees that it will comply with all applicable Federal statutes relating to Nondiscrimination. These include, but are not limited to, the American with Disabilities Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

Letters, documents, reports, or other material that is submitted for review or approval shall be sent to the New Mexico Demonstration Project Officer and the New Mexico State Representative from the Dallas Regional Office.

II. GENERAL CONDITIONS

- A. The State will submit a phase-out plan of the demonstration to CMS six months prior to initiating normal phase-out activities and, if desired by the State, an extension plan on a timely basis to prevent disenrollment of beneficiaries if the waiver is extended by CMS. Nothing herein shall be construed as preventing the State from submitting a phase-out plan with an implementation deadline shorter than six months when such action is necessitated by emergent circumstances. The phase-out plan is subject to CMS review and approval.
- B. CMS may suspend or terminate any project, in whole or in part, at any time before the date of expiration whenever it determines that the awardee has materially failed to comply with the terms of the project. CMS will promptly notify the awardee in writing of the determination and the reasons for the suspension or termination, together with the effective date. The State waives none of its rights to challenge CMS's finding that the State materially failed to comply. CMS reserves the right to withdraw waivers at any time if it determines that continuing the waivers would no longer be in the public interest. If a waiver is withdrawn, CMS will be liable for only normal close out costs.
- C. The State may suspend or terminate this demonstration in whole or in part at any time before the date of expiration. The State will promptly notify CMS in writing of the reasons for the suspension or termination, together with the effective date. If the waiver is withdrawn, CMS will be liable for only normal close out costs.
- D. All requirements of the Medicaid program expressed in laws, regulations, and policy statements, not expressly waived or identified as not applicable in the award letter of which these Special Terms and Conditions are part, shall apply to the New Mexico Demonstration.
- E. The Title XXI expansion population will be subject to the same rules, policies and procedures as the 1915(b) population unless otherwise specified in the Title XXI plan and the 1115 demonstration proposal.

III. PROGRAM DESIGN/OPERATIONAL PLAN

A. Special Evaluation Requirements

1. The State will submit a formal research plan for review and approval by CMS within 120 days of approval. At a minimum the research plan will include plans for analysis of:
 - Utilization patterns
 - Health status, and
 - Access, including the tracking and resolution of situations involving nonpayment of co-payments.
2. The State's formal research plan to evaluate the impact of the 6-month waiting period, as outlined in Section 3.1 of the January 11, 2002 proposal request has been approved. Subsequent proposals to revise the research plan must be submitted for CMS review and approval.

B. Encounter Data Requirements

Minimum Data Set – The State shall define a minimum data set (which at least includes all inpatient and physician services) and require (as part of their regulations and contract) that all providers submit these data. (The recommended minimum data set is attached – Attachment A.) The State must perform periodic reviews, including annual validation studies, in order to ensure compliance and shall have contractual provisions in place to impose financial penalties if accurate data are not submitted in a timely fashion. Prior to implementation, the State shall submit the proposed minimum data set and a work plan showing how collection of this encounter data will be implemented, monitored, and validated as well as how the State will use the encounter data to monitor implementation of the project, and feed findings directly into program enhancement on a timely basis.

C. General Reporting Requirements

1. Through the first six months after implementing the waiting period, CMS and the State will hold bi-monthly calls to discuss progress. The State will submit quarterly progress reports, which are due 60 days after the end of each quarter. The reports should incorporate a discussion of the data sources, collection and analyses occurring during the quarter related to the 6-month waiting period. The reports should also discuss events occurring during the quarter related to the cost sharing including access to and quality of care, complaints and grievances, other policy issues, a discussion of State efforts related to the collection and verification of encounter data. The report should also include proposals for addressing any problems identified in the report.
2. The State will submit a draft annual report documenting accomplishments, project status, research and evaluation findings, and policy and administrative difficulties

no later than January 1 following the end of each fiscal year. Within 30 days of receipt of comments from CMS, a final annual report will be submitted.

3. At the end of the demonstration, a draft final report should be submitted to CMS for comments. CMS's comments must be taken into consideration by the State for incorporation into the final report. The State should use CMS, Office of Research and Demonstration's Author's Guidelines: Grants and Contracts Final Reports (copy attached) in the preparation of the final report. The final report is due no later than 90 days after the termination of the project.

D. Budget Neutrality

If Title XXI allocations are expended and the State chooses to draw down regular Title XIX matching funds for this population under 1115 waiver authority, a section 1115 budget neutrality cap and trend rate must be established for this population in consultation with the State. CMS will consider the State's Title XXI expenditure experience in establishing the cap. In order to provide for a seamless continuation of 1115 waiver authority for the expansion population under Title XIX, the State should provide CMS with adequate notification if the State's projections indicate that it may exceed its Title XXI allocation.

ATTACHMENT A

Encounter Data Set Elements

ELEMENTS	TYPE OF RECORD				
	PHYS & OTHER PROV	HOSP	LTC	DRUGS	DENTAL
Beneficiary/Enrollee Name	X	X	X	X	X
Beneficiary/Enrollee DOB	X	X	X	X	X
Plan ID	X	X	X	X	X
Physician/Supplier/Provider ID	X	X	X	X	X
Attending/Ordering/Referring Performing Physician ID	X	X	X	X	X
Provider Location Code/Address	X	X	X	X	X
Place of Service Code	X	X	X	-	X
Specialty Code	X	-	X	-	-
Date(s) of Service	X	X	X	X	X
Units of Service/Quantity	X	X	X	X	X
Principle Diagnosis Code(s)	X	X	-	-	-
Other Diagnosis Code(s)	X	X	-	-	-
Procedure Code	X	X	X	-	-
EPSDT Indicator	X	-	-	-	X
Patient Status Code	-	X	X	-	-
Revenue Code	-	X	X	-	-
National Drug Code	-	-	X	X	-
Dental Quadrant	-	-	-	-	X
Tooth Number	-	-	-	-	X