



Michelle Lujan Grisham, Governor
David R. Scrase, M.D., Secretary
Nicole Comeaux, J.D., M.P.H., Director

December 31, 2020

RE: Tribal Notification to Request Advice and Comments Letter 20-31: Pharmacy Reimbursement

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 Human Services Department's (HSD's) Tribal Notification to Request Advice and Comments process, this letter is to inform you that HSD, through the Medical Assistance Division (MAD), is accepting comments until **5:00 p.m. Mountain Time (MT) January 30, 2021**, regarding a change to pharmacy reimbursement.

A Tribal Consultation was held to discuss pharmacy reimbursement on November 19, 2020. During that Consultation, payment to all Indian Health Service and Tribal 638 pharmacies was discussed; the parties agreed to the change outlined below.

Effective March 1, 2021, payment to all Indian Health Service and Tribal 638 pharmacies shall be at the All-Inclusive Rate (AIR) published annually in the Federal Register. One AIR reimbursement shall be made for each pharmacy claim and is not limited to a certain number of prescriptions per day. Submission of a pharmacy claim means that the Medicaid recipient received at least one drug item dispensed from the pharmacy, whether a new item or a refill.

The applicable AIR shall be determined by the date of service submitted on the pharmacy claim. Pharmacies reimbursed using the AIR will not be eligible for a professional dispensing fee.

The AIR for pharmacy services may be billed in addition to the AIR for other outpatient facility medical or behavioral health services that are provided on the same day.

Tribal Impact

This change is a positive one for Indian Nations, Tribes, Pueblos and their health care providers. The benefit change will increase pharmacy reimbursement rates.

Tribal Advice and Comments

Tribes and their healthcare providers may view the proposed changes, on the HSD webpage at: <http://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx> **Tribal Notification 20-31.**

Important Dates

Written comments must be submitted by 5:00 p.m. Mountain Time (MT) January 30, 2021. Please send your comments to the MAD Native American Liaison, **Theresa Belanger**, at **(505) 827-3122** or by email at: Theresa.Belanger@state.nm.us. All written comments received will be posted on the HSD website at: <https://www.hsd.state.nm.us/providers/written-tribal-consultations.aspx> along with this notification letter. The public posting will include the name and any contact information provided by the commenter.

Sincerely,



Nicole Comeaux, J.D., M.P.H.
State Medicaid Director