



January 27, 2023

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, DC 20201

Re: New Mexico's Centennial Care five-year Medicaid 1115 Demonstration Waiver Renewal Request

Dear Administrator Brooks-LaSure:

AARP, on behalf of our nearly 38 million members – including about 240,000 members in New Mexico – and all older Americans nationwide, appreciates the opportunity to provide comments on New Mexico's Centennial Care five-year Medicaid 1115 Demonstration Waiver renewal request (hereafter "1115 waiver renewal request"). AARP's comments will focus most specifically on the Medicaid home and community-based services (HCBS or home care) enhancements serving older adults and adults with physical disabilities generally under the state's Community Benefit (CB) program.

In particular, AARP supports a number of provisions proposed by New Mexico in Centennial Care (to be renamed Turquoise Care) to expand access to HCBS and support continued rebalancing, including the following significant enhancements:

- *Expanded HCBS Enrollment:* New Mexico added 1,000 temporary CB program waiver slots during the COVID-19 public health emergency (PHE) utilizing American Rescue Plan Act (ARPA) funding. New Mexico's 1115 waiver renewal request proposes making these 1,000 waiver slots permanent, a 17% enrollment increase over pre-pandemic waiver capacity. This increase will further New Mexico's already significant efforts to rebalance its Medicaid long-term services and supports (LTSS) system toward HCBS, aligning well with our LTSS policy and most older adults' strongly stated desire to remain at home or in the community when they need LTSS. AARP applauds New Mexico for the commitment of additional Medicaid funds to rebalancing its LTSS system and we enthusiastically support the 1,000 slot CB program's permanent expansion.
- *Increased Environmental Modification Benefit:* New Mexico's 1115 waiver renewal request proposes to increase the current environmental modification limit for CB participants' homes from a maximum of \$5,000 every five years to \$6,000. Environmental modifications are often necessary to help older people live as independently as possible and to receive HCBS at home safely, allowing them to avoid

an institutional placement. Accessibility modifications also support continued community engagement and may be necessary to facilitate safe and sustainable care delivery by a family caregiver or paid direct care worker. New Mexico's proposed 20% increase in the expenditure limit will help address the significant increase in construction and material costs experienced during the COVID-19 public health emergency (PHE) and has AARP's full support. New Mexico may also want to consider expanding environmental modification eligibility to the home of a primary family caregiver providing regular support to a waiver participant. Allowing for environmental modifications at the home of a primary family caregiver may facilitate obtaining safe and economical paid and unpaid care required to support a CB participant outside of a nursing home.

- *Community-Based Transition Services Benefit Limit Increase:* New Mexico provides financial support for a variety of transition costs when a Medicaid beneficiary wants to leave an institutional setting for care in the community. The state's 1115 waiver renewal request proposes to increase the current CB transition allowance from a maximum of \$3,500 every five years to \$4,000, adjusting the maximum payment to address cost increases experienced during the PHE. AARP strongly supports assisting individuals who want to transition from institutional care to HCBS and supports New Mexico's proposal to maintain the purchasing power of its transition benefit through a \$500 increase.
- *Family Caregivers, Guardians, and Legally Responsible Individuals Paid to Provide Care:* New Mexico's 1115 waiver renewal proposes to permanently allow state-authorized relatives, guardians, and/or legally responsible individuals to provide and be paid for CB personal care services. AARP supports paying relatives to provide services under participant-directed HCBS programs. Further, in a period of increasing direct care workforce shortages, AARP does not believe that New Mexico should lose people who can potentially provide direct care by prohibiting guardians and/or legally responsible individuals, relative or not, from providing paid care. However, due to the potential conflicts of interest when paid caregivers also act as a guardian or legally responsible individual, New Mexico should conduct robust oversight in these instances to ensure the best interests of the client. If additional safeguards are determined to be necessary, they should be implemented in a way that does not discourage guardians and/or legally responsible individuals from becoming paid caregivers.
- *Small Home Residential Care Options:* The 1115 waiver renewal request proposes to award grants to fund small house nursing home and assisted living pilot programs. AARP supports efforts to encourage smaller home settings, as they offer residents a more home-like, more person-centered experience and have been shown to deliver improved quality of care and infection control in part because residents have single occupancy rooms. AARP encourages adoption of this model in the pilots. We strongly support that the timeline for the pilot programs includes time to evaluate the efficacy and impact of the grant-funded pilot programs, as evaluation is important for learnings and possible replication in other states.
- *High Acuity Assisted Living Rates:* AARP is cautiously optimistic about this proposal. Additional assisted living Medicaid rate tiers to meet the needs of residents with higher

acuity in assisted living could have the potential to help avoid unnecessary transfers to nursing homes and enable some individuals to remain in assisted living, if they choose. Reimbursement should be adjusted to account for the different types and amount of services that people with varying health conditions and levels of disability need. This effort should be coupled with strong state regulations outlining meaningful requirements for assisted living licensure and service provision and with robust and consistent oversight and enforcement.

- *Room and Board Payments for Assisted Living:* AARP supports the state's proposed pilot to provide Medicaid funding for room and board payments for members residing in assisted living settings through the CB HCBS benefit package. For too long, Medicaid policies that prohibit the payment of room and board in assisted living and other home-like settings have been a barrier to access to these settings. AARP believes that state and federal policy should support and enhance the ability of older adults to receive HCBS in the setting of their choice. States should fund the services needed to meet individuals' LTSS needs and allow them to remain in the community. Services should be offered in a range of settings and states should expand HCBS options to include a range of residential choices. Importantly, this initiative will increase access to assisted living for lower income individuals.
- *Traditional Healing:* Traditional healing practices are an important part of health and wellness practices for many Native American people. New Mexico's waiver renewal proposal acknowledges the importance of these services by including a \$500 annual traditional healing benefit for Native American members. AARP supports providing access to culturally relevant and competent health care providers, services, and supports, and we are pleased to see this commitment to culturally appropriate services included in the state's 1115 waiver renewal proposal.
- *Home-Delivered Meals Pilot:* New Mexico is proposing to include a home-delivered meals pilot program in their 1115 waiver renewal to promote aging-in-place and increase participants' health status. The pilot would provide up to two meals a day through managed care organizations for CB participants who are facing food insecurity that jeopardizes their ability to remain in a community-based setting. [Research](#) supports increased access to home-delivered meal programs for frail older people to support healthy aging, recovery from illness, and maintaining function. Over 67,000 New Mexico adults ages 50 and over were [food insecure](#) in 2020. AARP supports this effort to address food needs among older participants, though we recommend that the pilot include culturally-tailored and medically-tailored meals to better meet the clinical needs and cultural food traditions and tastes of potential participants. This would help ensure that the pilot is used by more eligible older adults who could benefit, including older adults of color.

We understand that many details still need to be worked out in how this pilot would be implemented, but we hope to see more information in the future on the following questions:

- How will members facing food insecurity be determined?
- How will the state ensure that, since it is a benefit that will be delivered by managed care organizations (MCOs), the service is delivered in the same manner for all enrollees, as intended, across all MCOs?
- Will MCOs have any financial incentive not to provide this benefit to a member who might otherwise meet the criteria?
- Will all MCOs use the same meal vendor?

We hope any state evaluation will be able to tease apart these many variables to provide information on best practices for the state and for others considering meal services in this context.

- *Closed-Loop Referral System:* New Mexico's 1115 waiver application proposes to establish an electronic care coordination information exchange and referral system to securely and effectively refer members with complex health and social needs to necessary services and resources. The system will be designed as a "closed loop" to ensure that referrals are scheduled, that receiving organizations have all pertinent information, and that the information from the referral comes back to the referring party for follow-up. Care coordination, referrals, and communication are all important to a well-functioning system. As part of this system, members should have easy and convenient access to and be able to review their data/information and meaningful transparency, choice, and control related to their health and health-related data. This includes obtaining their consent over how such data are collected, as well as how they may be used, shared, or sold.

At this point, we recognize that many details will need to be worked out for implementation of this system, but we hope to see more details in the future on the following questions:

- How will the state include stakeholder engagement and feedback regarding what system is implemented, and how it is implemented, to make sure it is used to maximum efficiency in the community?
- How will the state support users and potential users with technology and technical assistance to ensure it is eventually used by all community entities and providers who could benefit?
- How will the state consider the usability of the health information technology platform on mobile phones? Lower income individuals may access the system on their phones if they do not have computer or tablet access.

In addition, AARP supports delivery system proposal #2 for expenditure and waiver authority to support rural hospitals. Federal and state governments should help rural communities improve local access to health care, which the proposed increase in expenditures for rural hospitals and other efforts could help improve.

An [AARP survey](#) found that three-fourths of adults age 50-plus wish to remain in their current homes and communities for as long as possible. New Mexico's proposed 1115 waiver renewal contains many innovations and expanded resources to support that overwhelming preference.

Thank you again for the opportunity to express our support for the important enhancements proposed for New Mexico's Centennial Care five-year Medicaid 1115 Demonstration Waiver renewal application. If you have any questions, please contact me or Rhonda Richards on our Government Affairs staff at rrichards@aarp.org or 202-434-3770.

Sincerely,

A handwritten signature in black ink, appearing to read "David Certner", with a stylized flourish at the end.

David Certner
Legislative Counsel and Legislative Policy Director
Government Affairs