



Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
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Niki Kozlowski, Acting Deputy Secretary
Alanna Dancis, Acting Medicaid Director

Date: July 31, 2026

DDSD-MFW Numbered Memo 2026-02

To: Medically Fragile Waiver (MFW) Therapy Providers

From: Shannon Culpepper, BSN, RN – Medically Fragile Waiver Program Manager 
Developmental Disabilities Supports Division

Subject: Increases for Rate Parity and Waiver Renewal Update

Dear Providers,

The Health Care Authority (HCA), Developmental Disabilities Supports Division (DDSD), is pleased to announce the Center for Medicare and Medicaid Service (CMS) has approved the Medically Fragile Waiver (MF Waiver) application effective July 1, 2026 for another five year cycle. The information below includes the approved changes to the Medically Fragile Waiver.

Addition of New Services: Acupuncture, Biofeedback, Chiropractic, Cognitive Rehabilitation Therapy, Hippotherapy, Naprapathy, Play Therapy, and Music Therapy were added as covered services under Specialized Therapies.

Rate Schedule Changes Table:

Please see the attached updated Medically Fragile Waiver Rate Schedule, which reflects the rate parity increases for Speech-Language Pathology (SLP), Physical Therapy (PT), and Occupational Therapy (OT).

The Developmental Disabilities Supports Division (DDSD) identified that these therapy rate increases were inadvertently omitted from the Medically Fragile Waiver renewal application submitted to the CMS.

To correct this oversight, DDSD intends to submit a waiver amendment to formally notify CMS of the updated therapy rates and incorporate the revised Fee Schedule into the approved waiver. The attached rate table reflects the rates that will be included in the amendment.

The updated rates for SLP, PT, and OT are effective for dates of service beginning July 1, 2026, and will apply on an ongoing basis. Claims submitted for dates of service on or after July 1, 2026, will be paid at the updated rates. As needed, previously processed claims for eligible dates of service beginning July 1, 2026, will be adjusted and reprocessed to ensure payment at the new rates.

DDSD, with the assistance of the Medical Assistance Division (MAD), will continue to provide updates as information becomes available regarding CMS review and approval of the waiver amendment, including opportunities for public comment.

Thank you for your continued partnership and for the essential services you provide to Medically Fragile Waiver participants. If you have any questions, please contact Shannon Culpepper, MFW Program Manager, at **505-670-8954** or via email at Shannon.Culpepper@hca.nm.gov.



MEDICALLY FRAGILE WAIVER FEE SCHEDULE

Effective July 1, 2026

Service Description	Procedure Code	Modifier	Unit	Unit Price 7/1/2026 - Ongoing
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Behavior Support Services

Behavior Support Consultation	H2019		15 min	\$ 25.66
Behavior Support Consultation – Clinic Based	H2019	TT	15 min	\$ 25.69

Case Management

Case Management Pre-Assessment (max. 2 hours)	T2024	U1	Hour	\$ 139.71
Case Management Assessment	T2024		Hour	\$ 106.08
Case Management Ongoing	T2022		Month	\$ 668.03

Community Supports

Customized Community Supports	T2021		15 min	\$ 5.93
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Environmental Modifications

Environmental Modifications	S5165	HB	Each	\$5000 every 5 years
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Home Health Aide Services

Home Health Aide	S9122		Hour	\$ 45.23
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Individual Directed Goods and Services

Individual Directed Goods and Services	T1999		Each	\$ 1.00
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Nutritional Counseling

Nutritional Counseling	S9470		Hour	\$ 88.89
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Private Duty Nursing

Private Duty Nursing – RN	T1002		15 min	\$ 29.76
Private Duty Nursing – LPN	T1003		15 min	\$ 19.92

Respite

Respite – Home Health Aide	S9122	U1	Hour	\$ 45.23
Respite – LPN	T1003	U1	15 min	\$ 19.92
Respite – RN	T1002	U1	15 min	\$ 29.76
Respite – Facility	H0045		Daily	\$ 492.90

Skilled Therapy for Adults

Occupational Therapy	G0152		15 min	\$ 49.66
Occupational Therapy Assistant	G0158		15 min	\$ 27.80
Physical Therapy	G0151		15 min	\$ 49.66
Physical Therapy Assistant	G0157		15 min	\$ 27.80
Speech Language Pathology	G0153		15 min	\$ 49.66

Specialized Medical Equipment

Specialized Medical Equipment	T2029		Item	\$ 1.00
SME and ID& G Fiscal Agent				\$120 per ISP year for each service as utilized

Specialized Therapies

Acupuncture	97810		15 min	\$ 26.33
Biofeedback	90901		Visit	\$ 105.32
Chiropractic	98940		Visit	\$ 105.32
Cognitive Rehab Therapy	97532		15 min	\$ 26.33
Hippotherapy	S8940		Visit	\$ 105.32
Massage Therapy	97124		Visit	\$ 105.32
Music Therapy	G0176		15 min	\$ 37.50
Naprapathy	S8990		Visit	\$ 105.32
Play Therapy	H2032		15 min	\$ 26.33

Vehicle Modifications

Vehicle Modifications	S9986		Each	\$5000 every 5 years
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