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Pediatric, psychiatric, substance abuse, and rehabilitation cases treated in non-exempt general acute care hospitals or non-PPS exempt units will be included in the PPS.

- **D.** Indian Health Services hospitals will be reimbursed using a per diem rate established by the Federal Government.
- **E.** New providers entering the Medicaid program will be reimbursed at the peer group median rate for the applicable peer group, until such time as rebasing occurs, unless the hospital meets the criteria for prospective payment exemption as described in subsection C and D above.
- **F.** All hospital which meet the criteria in Section IV.A of this plan will be eligible for a disproportionate share adjustment.
- **G.** Effective for discharges on or after April 1, 1992, and in accordance with Section 4604 of the Omnibus Budget Reconciliation Act (OBRA) of 1990, the Department provides for an outlier adjustment in payment amounts for medically necessary inpatient services involving exceptionally high costs or long lengths of stay for children who have not attained the age of six years in disproportionate share hospitals, and for infants under age one in all hospitals. The outlier adjustment for these cases is described in Section III. F. of this plan.
- H. Effective October 1, 2020, the Diagnosis Related Group (DRG) provider-specific rates described in New Mexico Disaster SPA 20-0005 are terminated. Thereafter, the DRG payment will revert to the reimbursement methodology outlined in subsections A through C of Methods and Standards for Establishing Payment Rates Inpatient Hospital Services.
- I. Effective the first day following the end of the public health emergency (PHE), New Mexico Medicaid will allow hospital providers to bill and be paid for pasteurized donor human milk (PDHM) services separate from the DRG and in addition to the inpatient hospital stay for infants through New Mexico Medicaid enrolled medical supply companies.

TN No.	23-0004	Approval Date