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SENATE BILL 314

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

John Arthur Smith

AN ACT

RELATING TO PUBLIC FINANCE; REQUIRING A DISTRIBUTION FROM
COUNTIES TO SUPPORT THE SAFETY NET CARE POOL FUND; PROVIDING AN
EXCEPTION; AMENDING THE INDIGENT HOSPITAL AND COUNTY HEALTH
CARE ACT; AMENDING AND REPEALING SECTIONS OF THE NMSA 1978 TO
COMPLY WITH CHANGES IN FEDERAL REGULATIONS REGARDING THE
REPLACEMENT OF SOLE COMMUNITY PROVIDERS WITH QUALIFYING
HOSPITALS; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-1-6.13 NMSA 1978 (being Laws 1983,
Chapter 211, Section 18, as amended) is amended to read:

"7-1-6.13. TRANSFER--REVENUES FROM COUNTY LOCAL OPTION
GROSS RECEIPTS TAXES.--

A. Except as provided in ~~[Subsections]~~ Subsection B
~~[and C]~~ of this section, a transfer pursuant to Section 7-1-6.1
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1 NMSA 1978 shall be made to each county for which the department
2 is collecting a local option gross receipts tax imposed by that
3 county in an amount, subject to any increase or decrease made
4 pursuant to Section 7-1-6.15 NMSA 1978, equal to the net
5 receipts attributable to the local option gross receipts tax
6 imposed by that county, less any deduction for administrative
7 cost determined and made by the department pursuant to the
8 provisions of the act authorizing imposition by that county of
9 the local option gross receipts tax and any additional
10 administrative fee withheld pursuant to Subsection C of Section
11 7-1-6.41 NMSA 1978.

12 B. A transfer pursuant to this section may be
13 adjusted for a distribution made to a tax increment development
14 district with respect to a portion of a gross receipts tax
15 increment dedicated by a county pursuant to the Tax Increment
16 for Development Act.

17 ~~[G. Through June 30, 2009, a distribution pursuant~~
18 ~~to Section 7-1-6.1 NMSA 1978 shall be made to the sole~~
19 ~~community provider fund from revenue attributable to the county~~
20 ~~gross receipts tax imposed by a county pursuant to Section~~
21 ~~7-20E-9 NMSA 1978, subject to the approval of the board of~~
22 ~~county commissioners of that county. The distribution shall be~~
23 ~~in an amount equal to one-twelfth of the county's annual~~
24 ~~approved contribution for support of sole community provider~~
25 ~~payments. Revenue in excess of the amount required for the~~

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1 ~~contribution shall be transferred to the county pursuant to the~~
2 ~~provisions of Subsection A of this section.]"~~

3 SECTION 2. Section 7-20E-7 NMSA 1978 (being Laws 1993,
4 Chapter 354, Section 7, as amended) is amended to read:

5 "7-20E-7. COLLECTION BY DEPARTMENT--TRANSFER OF
6 PROCEEDS--DEDUCTIONS.--

7 A. The department shall collect each tax imposed
8 pursuant to the provisions of the County Local Option Gross
9 Receipts Taxes Act in the same manner and at the same time it
10 collects the state gross receipts tax.

11 B. The department shall withhold an administrative
12 fee pursuant to Section 7-1-6.41 NMSA 1978. [~~Except as~~
13 ~~provided in Subsection C of this section]~~ The department shall
14 transfer to each county for which it is collecting a tax
15 pursuant to the provisions of the County Local Option Gross
16 Receipts Taxes Act the amount of each tax collected for that
17 county, less the administrative fee withheld and less any
18 disbursements for tax credits, refunds and the payment of
19 interest applicable to the tax. The transfer to the county
20 shall be made within the month following the month in which the
21 tax is collected.

22 [~~G. Through June 30, 2009, with respect to revenue~~
23 ~~attributable to imposition by a county of the county gross~~
24 ~~receipts tax pursuant to Section 7-20E-9 NMSA 1978, the~~
25 ~~department shall, subject to the approval of the board of~~

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1 ~~county commissioners of that county, distribute monthly to the~~
2 ~~sole community provider fund an amount equal to one-twelfth of~~
3 ~~the county's approved annual contribution for support of sole~~
4 ~~community provider payments. Revenue in excess of the amount~~
5 ~~required for the contribution shall be transferred to the~~
6 ~~county pursuant to the provisions of Subsection B of this~~
7 ~~section.]"~~

8 SECTION 3. Section 7-20E-9 NMSA 1978 (being Laws 1983,
9 Chapter 213, Section 30, as amended) is amended to read:

10 "7-20E-9. COUNTY GROSS RECEIPTS TAX--AUTHORITY TO IMPOSE
11 RATE--[INDIGENT] COUNTY HEALTH CARE ASSISTANCE FUND
12 REQUIREMENTS--SAFETY NET CARE POOL FUND.--

13 A. A majority of the members of the governing body
14 of a county may enact an ordinance imposing an excise tax not
15 to exceed a rate of seven-sixteenths percent of the gross
16 receipts of any person engaging in business in the county for
17 the privilege of engaging in business in the county. An
18 ordinance imposing an excise tax pursuant to this section shall
19 impose the tax in three independent increments of one-eighth
20 percent and one independent increment of one-sixteenth percent,
21 which shall be separately denominated as "the first one-eighth
22 increment", "the second one-eighth increment", "the third one-
23 eighth increment" and "the one-sixteenth increment",
24 respectively, not to exceed an aggregate amount of seven-
25 sixteenths percent.

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1 B. The tax authorized in Subsection A of this
2 section is to be referred to as the "county gross receipts
3 tax".

4 C. A class A county with a county hospital operated
5 and maintained pursuant to a lease with a state educational
6 institution named in Article 12, Section 11 of the constitution
7 of New Mexico enacting the second one-eighth increment of
8 county gross receipts tax shall provide, each year that the tax
9 is in effect, not less than one million dollars (\$1,000,000) in
10 funds, and that amount shall be dedicated to the support of
11 indigent patients who are residents of that county. Funds for
12 indigent care shall be made available each month of each year
13 the tax is in effect in an amount not less than eighty-three
14 thousand three hundred thirty-three dollars thirty-three cents
15 (\$83,333.33). The interest from the investment of county funds
16 for indigent care may be used for other assistance to indigent
17 persons, not to exceed twenty thousand dollars (\$20,000) for
18 all other assistance in any year.

19 D. A county, except a class A county with a county
20 hospital operated and maintained pursuant to a lease with a
21 state educational institution named in Article 12, Section 11
22 of the constitution of New Mexico, imposing the second
23 one-eighth increment of county gross receipts tax shall be
24 required to dedicate the entire amount of revenue produced by
25 the imposition of the second one-eighth increment for the

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1 support of indigent patients who are residents of that county.
2 The revenue produced by the imposition of the third one-eighth
3 increment and the one-sixteenth increment may be used for
4 general purposes. Any county that has imposed the second one-
5 eighth increment or the third one-eighth increment, or both, on
6 January 1, 1996 for support of indigent patients in the county
7 or after January 1, 1996 imposes the second one-eighth
8 increment or imposes the third one-eighth increment and
9 dedicates one-half of that increment for county indigent
10 patient purposes shall deposit the revenue dedicated for county
11 indigent purposes that is transferred to the county after the
12 distribution pursuant to Subsection C of Section 7-1-6.13 and
13 Subsection C of Section 7-20E-7 NMSA 1978 in the county
14 [~~indigent hospital claims~~] health care assistance fund and such
15 revenues shall be expended pursuant to the Indigent Hospital
16 and County Health Care Act.

17 E. A county, except a class A county with a county
18 hospital operated and maintained pursuant to a lease with a
19 state educational institution named in Article 12, Section 11
20 of the constitution of New Mexico, imposing the first
21 one-eighth increment, second one-eighth increment, third
22 one-eighth increment or one-sixteenth increment shall dedicate
23 the equivalent of a one-sixteenth increment of county gross
24 receipts tax for transfer of such public funds to the safety
25 net care pool fund pursuant to Section 27-5-6.1 NMSA 1978."

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1 SECTION 4. Section 27-5-2 NMSA 1978 (being Laws 1965,
2 Chapter 234, Section 2, as amended) is amended to read:

3 "27-5-2. PURPOSE OF INDIGENT HOSPITAL AND COUNTY HEALTH
4 CARE ACT.--The purpose of the Indigent Hospital and County
5 Health Care Act is:

6 A. to recognize that [~~the~~] each individual county
7 of this state is the responsible agency for ambulance
8 transportation, [~~or the~~] hospital care or the provision of
9 health care to indigent patients domiciled in that county [~~for~~
10 ~~at least three months or for such period of time, not in excess~~
11 ~~of three months~~], as determined by resolution of the board of
12 county commissioners, [~~and to provide a means whereby each~~
13 ~~county can discharge this responsibility through a system of~~
14 ~~payments to ambulance providers, hospitals or health care~~
15 ~~providers for the care and treatment of, or the provision of~~
16 ~~health care services to, indigent patients~~] in addition to
17 providing support for the state's medicaid program;

18 B. to recognize that the counties of the state are
19 [~~also~~] responsible for supporting indigent patients by
20 providing local revenues to match federal funds for the state
21 medicaid program [~~including the provision of matching funds for~~
22 ~~payments to sole community provider hospitals~~] pursuant to
23 Section 7-20E-9 NMSA 1978 and the transfer of funds to the
24 county-supported medicaid fund pursuant to the Statewide Health
25 Care Act; and

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1 C. to recognize that the counties of the state can
2 improve the provision of health care to indigent patients by
3 providing local revenues for countywide or multicounty health
4 planning."

5 SECTION 5. Section 27-5-3 NMSA 1978 (being Laws 1965,
6 Chapter 234, Section 3, as amended) is amended to read:

7 "27-5-3. PUBLIC ASSISTANCE PROVISIONS.--

8 A. A hospital shall not be paid from the fund under
9 the Indigent Hospital and County Health Care Act for costs of
10 an indigent patient for services that have been determined by
11 the department to be eligible for medicaid reimbursement.
12 However, nothing in the Indigent Hospital and County Health
13 Care Act shall be construed to prevent ~~[the board]~~ a county
14 from transferring money from the fund to the ~~[sole community~~
15 ~~provider]~~ safety net care pool fund or the county-supported
16 medicaid fund for support of the state medicaid program.

17 B. No action for collection of claims under the
18 Indigent Hospital and County Health Care Act shall be allowed
19 against an indigent patient who is medicaid eligible for
20 medicaid covered services, nor shall action be allowed against
21 the person who is legally responsible for the care of the
22 indigent patient during the time that person is medicaid
23 eligible."

24 SECTION 6. Section 27-5-4 NMSA 1978 (being Laws 1965,
25 Chapter 234, Section 4, as amended) is amended to read:

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1 "27-5-4. DEFINITIONS.--As used in the Indigent Hospital
2 and County Health Care Act:

3 ~~[A. "alcohol rehabilitation center" means an agency~~
4 ~~of local government, a state agency, a private nonprofit entity~~
5 ~~or combination thereof that operates alcohol abuse~~
6 ~~rehabilitation programs that meet the standards set by the~~
7 ~~department of health;~~

8 ~~B.]~~ A. "ambulance provider" or "ambulance service"
9 means a specialized carrier based within the state authorized
10 under provisions and subject to limitations as provided in
11 individual carrier certificates issued by the public regulation
12 commission to transport persons alive, dead or dying en route
13 by means of ambulance service. The rates and charges
14 established by public regulation commission tariff shall govern
15 as to allowable cost. Also included are air ambulance services
16 approved by the ~~[board]~~ county. The air ambulance service
17 charges shall be filed and approved pursuant to Subsection D of
18 Section 27-5-6 NMSA 1978 and Section 27-5-11 NMSA 1978;

19 ~~[C. "board" means a county indigent hospital and~~
20 ~~county health care board;~~

21 ~~D.]~~ B. "commission" means the New Mexico health
22 policy commission or the commission's successor agency;

23 ~~E.]~~ C. "cost" means all allowable costs of
24 providing health care services, to the extent determined by
25 resolution of a board, for an indigent patient. Allowable

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1 costs shall be based on medicaid fee-for-service reimbursement
2 rates for hospitals, licensed medical doctors and osteopathic
3 physicians;

4 ~~[F.]~~ D. "county" means a county except a class A
5 county with a county hospital operated and maintained pursuant
6 to a lease with a state educational institution named in
7 Article 12, Section 11 of the constitution of New Mexico;

8 ~~[G.]~~ E. "department" means the human services
9 department;

10 ~~[H.] "drug rehabilitation center" means an agency of~~
11 ~~local government, a state agency, a private nonprofit entity or~~
12 ~~combination thereof that operates drug abuse rehabilitation~~
13 ~~programs that meet the standards and requirements set by the~~
14 ~~department of health;~~

15 ~~[I.]~~ F. "fund" means a county ~~[indigent hospital~~
16 ~~claims]~~ health care assistance fund;

17 ~~[J.] "health care provider" means:~~

18 ~~(1) a nursing home;~~

19 ~~(2) an in-state home health agency;~~

20 ~~(3) an in-state licensed hospice;~~

21 ~~(4) a community-based health program operated~~

22 ~~by a political subdivision of the state or other nonprofit~~
23 ~~health organization that provides prenatal care delivered by~~
24 ~~New Mexico licensed, certified or registered health care~~
25 ~~practitioners;~~

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1 ~~(5) a community-based health program operated~~
2 ~~by a political subdivision of the state or other nonprofit~~
3 ~~health care organization that provides primary care delivered~~
4 ~~by New Mexico licensed, certified or registered health care~~
5 ~~practitioners;~~

6 ~~(6) a drug rehabilitation center;~~

7 ~~(7) an alcohol rehabilitation center;~~

8 ~~(8) a mental health center;~~

9 ~~(9) a licensed medical doctor, osteopathic~~
10 ~~physician, dentist, optometrist or expanded practice nurse when~~
11 ~~providing emergency services, as determined by the board, in a~~
12 ~~hospital to an indigent patient; or~~

13 ~~(10) a licensed medical doctor or osteopathic~~
14 ~~physician, dentist, optometrist or expanded practice nurse when~~
15 ~~providing services in an outpatient setting, as determined by~~
16 ~~the board, to an indigent patient with a life-threatening~~
17 ~~illness or disability;~~

18 K.] G. "health care services" means treatment and
19 services designed to promote improved health in the county
20 indigent population, including primary care, prenatal care,
21 dental care, behavioral health care, alcohol or drug
22 detoxification and rehabilitation, provision of prescription
23 drugs, preventive care or health outreach services, to the
24 extent determined by resolution of the [board] county;

25 [L. ~~"hospital" means a general or limited hospital~~

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1 ~~licensed by the department of health, whether nonprofit or~~
2 ~~owned by a political subdivision, and may include by resolution~~
3 ~~of a board the following health facilities if licensed or, in~~
4 ~~the case of out-of-state hospitals, approved by the department~~
5 ~~of health:~~

6 ~~(1) for-profit hospitals;~~

7 ~~(2) state-owned hospitals; or~~

8 ~~(3) licensed out-of-state hospitals where~~
9 ~~treatment provided is necessary for the proper care of an~~
10 ~~indigent patient when that care is not available in an in-state~~
11 ~~hospital;~~

12 M.] H. "indigent patient" means a person to whom an
13 ambulance service, a hospital or a health care provider has
14 provided medical care, ambulance transportation or health care
15 services and who can normally support the person's self and the
16 person's dependents on present income and liquid assets
17 available to the person but, taking into consideration the
18 person's income, assets and requirements for other necessities
19 of life for the person and the person's dependents, is unable
20 to pay the cost of the ambulance transportation or medical care
21 administered or both; provided that if [the] a definition of
22 "indigent patient" is adopted by a [board] county in a
23 resolution, the definition shall not include any person whose
24 annual income together with that person's spouse's annual
25 income totals an amount that is fifty percent greater than the

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1 per capita personal income for New Mexico as shown for the most
2 recent year available in the survey of current business
3 published by the United States department of commerce. [~~Every~~
4 ~~board that has a balance remaining in the fund at the end of a~~
5 ~~given fiscal year shall consider and may adopt at the first~~
6 ~~meeting of the succeeding fiscal year a resolution increasing~~
7 ~~the standard for indigency]~~ "Indigent patient" includes a minor
8 who has received ambulance transportation or medical care or
9 both and whose parent or the person having custody of that
10 minor would qualify as an indigent patient if transported by
11 ambulance, admitted to a hospital for care or treated by a
12 health care provider;

13 [~~N.~~] I. "medicaid eligible" means a person who is
14 eligible for medical assistance from the department;

15 [~~O.~~ ~~"mental health center" means a not-for-profit~~
16 ~~center that provides outpatient mental health services that~~
17 ~~meet the standards set by the department of health;~~

18 [~~P.~~] J. "planning" means the development of a
19 countywide or multicounty health plan to improve and fund
20 health services in the county based on the county's needs
21 assessment and inventory of existing services and resources and
22 that demonstrates coordination between the county and state and
23 local health planning efforts;

24 [~~Q.~~] K. "public entity" means a state, local or
25 tribal government or other political subdivision or agency of

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1 that government; and

2 [R. ~~"sole community provider~~] L. "qualifying
3 hospital" means

4 [~~(1) a hospital that is a sole community~~
5 ~~provider hospital under the provisions of the federal medicare~~
6 ~~guidelines; or~~

7 ~~(2)] an acute care general hospital licensed by~~
8 the department of health that is qualified [~~pursuant to rules~~
9 ~~adopted by the state agency primarily responsible for the~~
10 ~~medicaid program, to receive distributions from the sole~~
11 ~~community provider fund; and~~

12 S. ~~"tribal" means of or pertaining to a federally~~
13 ~~recognized Indian nation, tribe or pueblo] to receive payments~~

14 from the safety net care pool fund pursuant to an agreement

15 with the federal centers for medicare and medicaid services

16 that provides approval of the state's medicaid program."

17 SECTION 7. Section 27-5-6 NMSA 1978 (being Laws 1965,
18 Chapter 234, Section 6, as amended) is amended to read:

19 "27-5-6. POWERS AND DUTIES OF [~~THE BOARD~~] COUNTIES

20 RELATING TO INDIGENT CARE.--[The board] A county:

21 [~~A. shall administer claims pursuant to the~~
22 ~~provisions of the Indigent Hospital and County Health Care Act;~~

23 B. ~~shall prepare and submit a budget to the board~~
24 ~~of county commissioners for the amount needed to defray claims~~
25 ~~made upon the fund and to pay costs of administration of the~~

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1 ~~Indigent Hospital and County Health Care Act and]~~

2 A. may budget for expenditure on ambulance
3 services, burial expenses, hospital or medical expenses for
4 indigent residents of that county and for costs of development
5 of a countywide or multicounty health plan. The combined costs
6 of administration and planning shall not exceed the following
7 percentages of revenues based on the previous fiscal year
8 revenues for a fund that has existed for at least one fiscal
9 year or based on projected revenues for the year being budgeted
10 for a fund that has existed for less than one fiscal year. The
11 percentage of the revenues in the fund that may be used for
12 such combined administrative and planning costs is equal to the
13 sum of the following:

14 (1) ten percent of the amount of the revenues
15 in the fund not over five hundred thousand dollars (\$500,000);

16 (2) eight percent of the amount of the
17 revenues in the fund over five hundred thousand dollars
18 (\$500,000) but not over one million dollars (\$1,000,000); and

19 (3) four and one-half percent of the amount of
20 the revenues in the fund over one million dollars (\$1,000,000);

21 ~~[G. shall make rules necessary to carry out the~~
22 ~~provisions of the Indigent Hospital and County Health Care Act;~~
23 ~~provided that the standards for eligibility and allowable costs~~
24 ~~for county indigent patients shall be no more restrictive than~~
25 ~~the standards for eligibility and allowable costs prior to~~

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1 ~~December 31, 1992;~~

2 ~~D. shall set criteria and cost limitations for~~
3 ~~medical care furnished by licensed out-of-state hospitals,~~
4 ~~ambulance services or health care providers;~~

5 ~~E. shall cooperate with appropriate state agencies~~
6 ~~to use available funds efficiently and to make health care more~~
7 ~~available;~~

8 ~~F. shall cooperate with the department in making an~~
9 ~~investigation to determine the validity of claims made upon the~~
10 ~~fund for an indigent patient;~~

11 ~~G.]~~ B. may accept contributions or other county
12 revenues, which shall be deposited in the fund;

13 [~~H.]~~ C. may hire personnel to carry out the
14 provisions of the Indigent Hospital and County Health Care Act;

15 [~~I.] shall review all claims presented by a~~
16 ~~hospital, ambulance service or health care provider to~~
17 ~~determine compliance with the rules adopted by the board or~~
18 ~~with the provisions of the Indigent Hospital and County Health~~
19 ~~Care Act; determine whether the patient for whom the claim is~~
20 ~~made is an indigent patient; and determine the allowable~~
21 ~~medical, ambulance service or health care services costs;~~
22 ~~provided that the burden of proof of any claim shall be upon~~
23 ~~the hospital, ambulance service or health care provider;~~

24 ~~J. shall state in writing the reason for rejecting~~
25 ~~or disapproving any claim and shall notify the submitting~~

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1 ~~hospital, ambulance service or health care provider of the~~
2 ~~decision within sixty days after eligibility for claim payment~~
3 ~~has been determined;~~

4 ~~K. shall pay all claims that are not matched with~~
5 ~~federal funds under the state medicaid program and that have~~
6 ~~been approved by the board from the fund and shall make payment~~
7 ~~within thirty days after approval of a claim by the board;~~

8 ~~L. shall determine by county ordinance the types of~~
9 ~~health care providers that will be eligible to submit claims~~
10 ~~under the Indigent Hospital and County Health Care Act;~~

11 ~~M. shall review, verify and approve all medicaid~~
12 ~~sole community provider hospital payment requests in accordance~~
13 ~~with rules adopted by the board prior to their submittal by the~~
14 ~~hospital to the department for payment but no later than~~
15 ~~January 1 of each year;~~

16 ~~N.]~~ D. shall transfer to the state by the last day
17 of March, June, September and December of each year an amount
18 equal to one-fourth of the county's payment [for support of
19 ~~sole community provider payments as calculated by the~~
20 ~~department for that county for the current fiscal year]~~
21 pursuant to Subsection E of Section 7-20E-9 NMSA 1978. This
22 money shall be deposited in the [sole community provider]
23 safety net care pool fund;

24 ~~[O.]~~ E. shall, in carrying out the provisions of
25 the Indigent Hospital and County Health Care Act, comply with

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1 the standards of the federal Health Insurance Portability and
2 Accountability Act of 1996;

3 [P-] F. may provide for the transfer of money from
4 the fund to the county-supported medicaid fund to meet the
5 requirements of the Statewide Health Care Act; and

6 [Q-] G. may contract with ambulance providers,
7 hospitals or health care providers for the provision of [~~health~~
8 ~~care~~] services for indigent patients domiciled within the
9 county."

10 SECTION 8. Section 27-5-6.1 NMSA 1978 (being Laws 1993,
11 Chapter 321, Section 18, as amended) is amended to read:

12 "27-5-6.1. [~~SOLE COMMUNITY PROVIDER~~] SAFETY NET CARE POOL
13 FUND CREATED.--

14 A. The "[~~sole community provider~~] safety net care
15 pool fund" is created in the state treasury. The [~~sole~~
16 ~~community provider~~] safety net care pool fund, which shall be
17 administered by the department, shall consist of funds
18 [~~provided by counties through intergovernmental transfers from~~
19 ~~counties, other public entities or other public funds or~~
20 ~~expenditures determined by the department and the federal~~
21 ~~government as allowable to match federal funds for medicaid~~
22 ~~sole community provider hospital payments~~] transferred from
23 counties pursuant to Subsection E of Section 7-20E-9 NMSA 1978.

24 Money in the fund shall be invested by the state treasurer as
25 other state funds are invested. Any unexpended or unencumbered

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1 balance remaining in the fund at the end of any fiscal year
2 shall not revert.

3 B. Money in the [~~sole community provider~~] safety
4 net care pool fund is appropriated to the department to make
5 [~~sole community provider hospital~~] payments [~~pursuant to the~~
6 ~~state medicaid program~~] to qualifying hospitals. No [~~sole~~
7 ~~community provider hospital~~] safety net care pool fund payments
8 or money in the [~~sole community provider~~] safety net care pool
9 fund shall be used to supplant any general fund support for the
10 state medicaid program.

11 [~~G. Money in the sole community provider fund shall~~
12 ~~be remitted back to the individual counties from which it came~~
13 ~~if federal medicaid matching funds are not received for~~
14 ~~medicaid sole community provider hospital payments.]"~~

15 SECTION 9. Section 27-5-7.1 NMSA 1978 (being Laws 1993,
16 Chapter 321, Section 16, as amended) is amended to read:

17 "27-5-7.1. COUNTY [~~INDIGENT HOSPITAL CLAIMS~~] HEALTH CARE
18 ASSISTANCE FUND--AUTHORIZED USES OF THE FUND.--

19 A. The fund [~~shall~~] may be used
20 [~~(1) to meet the county's contribution for~~
21 ~~support of sole community provider payments as calculated by~~
22 ~~the department for that county;~~

23 ~~(2)] to pay for:~~

24 (1) expenses of burial or cremation of an
25 indigent person; [~~and~~

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1 ~~(3) to pay all claims that have been approved~~
2 ~~by the board that are not matched with federal funds under the~~
3 ~~state medicaid program] or~~

4 (2) ambulance transportation, hospital care
5 and health care for indigent patients.

6 B. The fund may be used to meet ~~[the]~~ a county's
7 obligation under Section 27-10-4 NMSA 1978."

8 SECTION 10. Section 27-5-9 NMSA 1978 (being Laws 1965,
9 Chapter 234, Section 9, as amended) is amended to read:

10 "27-5-9. TAX LEVIES AUTHORIZED.--

11 A. Subject to the provisions of Subsection B of
12 this section, the board of county commissioners, upon the
13 certification of the ~~[board]~~ county as to the amount needed ~~[in~~
14 ~~the fund]~~ to provide health care to indigent residents of the
15 county or to support the state's medicaid program, shall impose
16 a levy against the net taxable value, as that term is defined
17 in the Property Tax Code, of the property in the county
18 sufficient to raise the amount certified by the ~~[board]~~ county.
19 All taxes levied pursuant to this provision prior to January 1,
20 2014 shall remain in effect unless the tax expires or is
21 terminated.

22 B. The question of imposing an indigent hospital
23 levy for the purpose of the Indigent Hospital and County Health
24 Care Act shall be submitted to the electors and voted upon as a
25 separate question at the next subsequent general election or

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1 any special election called prior thereto for such purpose.

2 C. Upon finding by the board of county
3 commissioners that an election will be necessary, the board of
4 county commissioners shall meet and order an election to be
5 held at a designated time in the county upon the question of
6 imposing an indigent hospital levy for the purpose of the
7 Indigent Hospital and County Health Care Act in the county. If
8 the question is to be voted upon at a special election, the
9 election shall be held not less than thirty nor more than fifty
10 days after the finding, but in no event shall the election be
11 held within five days preceding or succeeding any general
12 election held in the county. The order for the election shall
13 be made a part of the official minutes of the board of county
14 commissioners. A copy of the order shall be published in a
15 newspaper of general circulation in the county at least fifteen
16 days before the date set for the election, and an affidavit of
17 publication shall be obtained. At least five days prior to the
18 date for holding the election, the board of county
19 commissioners shall publish in a newspaper of general
20 circulation in the county and post in five conspicuous places
21 in the county a notice of election, which shall be in
22 substantially the following form:

23 "NOTICE OF ELECTION ON SPECIAL INDIGENT HOSPITAL LEVY

24 Notice is given on the _____ day of
25 _____, [19] 20____, there will be held in

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1 _____ county of New Mexico an election on
2 the question of imposing an indigent hospital levy [~~for the~~
3 ~~purposes of the Indigent Hospital and County Health Care Act]~~
4 to provide health care to indigent residents of the county or
5 to support the state's medicaid program, such levy to be made
6 annually against the taxable value of the property in the
7 county and limited to an amount sufficient to provide funds
8 necessary to [~~pay claims pursuant to such act]~~ support the
9 state's medicaid program and to provide health care to indigent
10 residents of the county who do not qualify for medicaid.

11 _____
12 Official Title of the Authority".

13 The election shall be held on the date specified in the notice
14 and shall be, if a special election, conducted and canvassed in
15 substantially the same manner as general elections are
16 conducted and canvassed in the county; provided that the ballot
17 used in any election shall be a special and separate ballot and
18 shall be in substantially the following form:

19 "BALLOT

20 On the question of imposing an indigent hospital
21 levy for the purposes of the Indigent Hospital and County
22 Health Care Act, such levy to be made annually against the
23 taxable value of the property in _____ county of
24 New Mexico, and limited to an amount sufficient to provide
25 funds budgeted and certified as necessary [~~to pay claims~~

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1 ~~pursuant to such act]~~ for health care for indigent residents of
2 the county in addition to those services provided by the state
3 or to support the state's medicaid program:

4 FOR THE LEVY.....
5 AGAINST THE LEVY.....".

6 D. If the electors vote in favor of an indigent
7 hospital levy, the levy shall become effective in the same
8 manner prescribed by law for all levies upon property within
9 that county, and a levy for those purposes in such an amount as
10 will provide sufficient money for the fund shall be made for
11 each year thereafter.

12 E. Any board of county commissioners that has,
13 prior to the effective date of this section, made a valid
14 imposition of a property tax for the purpose of the Indigent
15 Hospital and County Health Care Act shall not be required to
16 hold an election on the existing tax, and that tax may be
17 imposed and continue to be imposed in accordance with the
18 provisions of law existing at the time of its imposition.
19 However, if any such tax is not imposed in a given property tax
20 year or if the authorization for its imposition terminates or
21 expires, the election requirements of Subsections B and C of
22 this section shall apply to any subsequent proposed imposition
23 of a property tax for ~~[the purpose of the Indigent Hospital and~~
24 ~~County Health Care Act]~~ indigent health care for county
25 residents or to support the state's medicaid program."

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1 SECTION 11. Section 27-5-11 NMSA 1978 (being Laws 1965,
2 Chapter 234, Section 12, as amended) is amended to read:

3 "27-5-11. [~~HOSPITALS AND AMBULANCE SERVICES--HEALTH CARE~~
4 ~~PROVIDERS--REQUIRED TO FILE DATA--SOLE COMMUNITY PROVIDER]~~
5 QUALIFYING HOSPITAL DUTIES AND REPORTING.--

6 [~~A. An ambulance service, hospital or health care~~
7 ~~provider in New Mexico or licensed out-of-state hospital, prior~~
8 ~~to the filing of a claim with the board, shall have placed on~~
9 ~~file with the board:~~

10 (~~1) current data, statistics, schedules and~~
11 ~~information deemed necessary by the board to determine the cost~~
12 ~~for all patients in that hospital or cared for by that health~~
13 ~~care provider or tariff rates or charges of an ambulance~~
14 ~~service;~~

15 (~~2) proof that the hospital, ambulance service~~
16 ~~or health care provider is licensed under the laws of this~~
17 ~~state or the state in which the hospital operates; and~~

18 (~~3) other information or data deemed necessary~~
19 ~~by the board.~~

20 B.] A. A [~~sole community provider]~~ qualifying
21 hospital [~~requesting or receiving medicaid sole community~~
22 ~~provider hospital payments]~~ shall [~~(1)~~] accept every indigent
23 [~~patients and request reimbursement for those patients through~~
24 ~~the appropriate county indigent fund. The responsible county~~
25 ~~shall approve requests meeting its eligibility standards and~~

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1 ~~notify the hospital of such approval;~~

2 ~~(2) confirm the amount of payment authorized~~
3 ~~by each county for indigent patients, to that county for the~~
4 ~~previous fiscal year, by September 30 of each calendar year;~~

5 ~~(3) negotiate with each county the amount of~~
6 ~~indigent hospital payments anticipated for the following fiscal~~
7 ~~year by December 31 of each year; and~~

8 ~~(4) provide to the department prior to January~~
9 ~~15 of each year the amount of the authorized indigent hospital~~
10 ~~payments anticipated for the following fiscal year after an~~
11 ~~agreement has been reached on the amount with each responsible~~
12 ~~county and such other related information as the department may~~
13 ~~request] patient who seeks health care services from the~~
14 ~~qualifying hospital.~~

15 B. Beginning on the quarter next following the
16 effective date of this section, each qualifying hospital shall
17 file a quarterly report on all indigent health care funding
18 with the department and the commission. The report shall
19 contain:

20 (1) the criteria or basis upon which the
21 qualifying hospital determines whether an indigent patient is
22 eligible for health care services;

23 (2) the total cost of health care services
24 provided by the qualifying hospital to indigent patients;

25 (3) a breakdown of health care services, with

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1 corresponding aggregate cost, provided by the qualifying
2 hospital to indigent patients;

3 (4) restrictions on health care services
4 provided by the qualifying hospital to indigent patients; and

5 (5) a list of all revenue sources, with
6 corresponding amounts, used by the qualifying hospital to
7 provide health care services to indigent patients."

8 SECTION 12. Section 27-5-16 NMSA 1978 (being Laws 1965,
9 Chapter 234, Section 16, as amended) is amended to read:

10 "27-5-16. DEPARTMENT--PAYMENTS--COOPERATION--REPORTING--

11 A. The department shall not decrease the amount of
12 any assistance payments made to the hospitals or health care
13 providers of this state pursuant to law because of any
14 financial reimbursement made to ambulance services, hospitals
15 or health care providers for indigent or medicaid eligible
16 patients as provided in the Indigent Hospital and County Health
17 Care Act.

18 B. The department shall cooperate with each [board]
19 county in furnishing information or assisting in the
20 investigation of any person to determine whether the person
21 meets the qualifications of an indigent patient as defined in
22 the Indigent Hospital and County Health Care Act.

23 C. The department shall ensure that the [~~sole~~
24 ~~community provider payment and the reimbursement to hospitals~~
25 ~~made under the state medicaid program]~~ payments to a

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1 qualifying hospital do not exceed [~~what would have been paid~~
2 ~~for under medicare payment principles. In the event the sole~~
3 ~~community provider payment and medicaid reimbursement to~~
4 ~~hospitals would exceed medicare payment principles, the~~
5 ~~department shall reduce the sole community provider payment~~
6 ~~prior to making any reduction in reimbursement to hospitals~~
7 ~~made under the state medicaid program; provided, however,~~
8 ~~that additional payments may be made pursuant to waiver~~
9 ~~agreement, rule, law or state plan amendment providing for~~
10 ~~supplemental medicaid payments to hospitals] the amounts
11 allowable pursuant to the state's medicaid plan, as approved
12 by the federal centers for medicare and medicaid services.~~

13 D. The department shall file a detailed quarterly
14 report on the previous quarter's safety net care pool fund
15 receipts and on the disposition of safety net care pool funds
16 during the previous quarter with the commission and the
17 legislative finance committee. The report for the previous
18 quarter shall be submitted by the last day of the succeeding
19 quarter.

20 E. The department shall also file a detailed
21 annual report on the previous calendar year's safety net care
22 pool fund receipts and disposition of safety net care pool
23 funds with the commission and the legislative finance
24 committee. The annual report for the previous calendar year
25 shall be submitted by July 1 of the succeeding year."

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1 SECTION 13. Section 27-10-3 NMSA 1978 (being Laws 1991,
2 Chapter 212, Section 3, as amended) is amended to read:

3 "27-10-3. COUNTY-SUPPORTED MEDICAID FUND CREATED--USE--
4 APPROPRIATION BY THE LEGISLATURE.--

5 A. There is created in the state treasury the
6 "county-supported medicaid fund". The fund shall be invested
7 by the state treasurer as other state funds are invested.
8 Income earned from investment of the fund shall be credited
9 to the county-supported medicaid fund. The fund shall not
10 revert in any fiscal year.

11 B. Money in the county-supported medicaid fund is
12 subject to appropriation by the legislature to support the
13 state medicaid program and to institute or support primary
14 care health care services pursuant to Subsections D and E of
15 Section 24-1A-3.1 NMSA 1978. Of the amount appropriated each
16 year, nine percent shall be appropriated to the department of
17 health to institute or support primary care health care
18 services pursuant to Subsections D and E of Section 24-1A-3.1
19 NMSA 1978.

20 C. Up to three percent of the county-supported
21 medicaid fund each year may be expended for administrative
22 costs related to medicaid or developing new primary care
23 health care centers or facilities.

24 D. In the event federal funds for medicaid are
25 not received by New Mexico for any eighteen-month period, the

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1 unencumbered balance remaining in the county-supported
2 medicaid fund and the [~~sole community provider~~] safety net
3 care pool fund at the end of the fiscal year following the
4 end of any eighteen-month period shall be paid within a
5 reasonable time to each county for deposit in the county
6 [~~indigent hospital claims~~] health care assistance fund in
7 proportion to the payments made by each county through tax
8 revenues or transfers in the previous fiscal year as
9 certified by the local government division of the department
10 of finance and administration. The department will provide
11 for budgeting and accounting of payments to the fund."

12 SECTION 14. TEMPORARY PROVISION--TRANSFER OF REFERENCES
13 OF LAW.--On and after July 1, 2014, references in law to a
14 sole community provider hospital shall be deemed to be
15 references to a qualifying hospital pursuant to the Indigent
16 Hospital and County Health Care Act.

17 SECTION 15. REPEAL.--Sections 27-5-8, 27-5-10, 27-5-12,
18 27-5-12.1, 27-5-12.2, 27-5-13, 27-5-14, 27-5-15 and 27-5-18
19 NMSA 1978 (being Laws 1965, Chapter 234, Sections 8, 11 and
20 13, Laws 1979, Chapter 146, Section 3, Laws 1993, Chapter
21 321, Section 15, Laws 1965, Chapter 234, Sections 14 and 15,
22 Laws 1971, Chapter 72, Section 2 and Laws 1965, Chapter 234,
23 Section 20, as amended) are repealed.

24 SECTION 16. EMERGENCY.--It is necessary for the public
25 peace, health and safety that this act take effect

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