



New Mexico Association for Home & Hospice Care

GRT Sourcing Change

Talking Points

- Home health, hospice, and personal care service providers are the **only** non-emergent health care providers impacted by this change. This adds an administrative burden to a health care providers based on **where** they provide healthcare.
- Care in the home is patient-preferred and less expensive than care in hospital or nursing facilities. The State should work to encourage care in the home rather than creating **punitive tax disincentives** for this healthcare delivery model.
- Agencies serve members anywhere they call home. Members may move from a long-term care facility, to their home, to a loved one's home over the course of their care. That care should be able to be offered seamlessly without administrative **burdens on the provider for giving patient-centered care**.
- Currently the State of New Mexico pays gross receipt tax for Medicaid services to Managed Care Organizations who pass GRT costs to providers as a pass through. Adding complexity to the system only adds costs to care provided by the State and is a **bad use of public resources**.
- This adds an **unfunded administrative burden** to a healthcare delivery system that has long fought for adequate funding while simultaneously facing a myriad of unfunded mandates such as electronic visit verification, rising minimum wage, and paid time off.
- Preliminary feedback from agencies is that they are paying slightly **less** in gross receipt taxes to the State but the administrative costs are adding, on average a 1% increase in overhead costs. **This is a lose-lose proposition for the State.**