

AN ACT

RELATING TO HEALTH CARE; PROVIDING ADDITIONAL LICENSING REQUIREMENTS
FOR CERTAIN HOSPITALS; DECLARING AN EMERGENCY.

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

Section 1. LEGISLATIVE FINDINGS--LICENSING REQUIREMENTS FOR
CERTAIN HOSPITALS.--

A. The legislature finds that:

(1) acute care general hospitals throughout New Mexico
operate emergency departments and provide vital emergency medical services to
patients requiring immediate medical care; and

(2) federal and state laws require hospitals that operate an
emergency department to provide certain emergency services and care to any person,
regardless of that person's ability to pay. Accordingly, these hospitals encounter
significant financial losses when treating uninsured or underinsured patients.

B. As used in this section:

(1) "limited service hospital" means a hospital that limits
admissions according to medical or surgical specialty, type of disease or medical
condition, or a hospital that limits its inpatient hospital services to surgical services or
invasive diagnostic and treatment procedures; provided, however, that a "limited
service hospital" does not include:

(a) a hospital licensed by the department as a special
hospital;

(b) an eleemosynary hospital that does not bill patients

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for services provided; or

(c) a hospital that has been granted a license prior to
January 1, 2003;

(2) "department" means the department of health; and

(3) "low-income patient" means a patient whose family or
household income does not exceed two hundred percent of the federal poverty level.

C. The department shall issue a license to an acute-care or general
hospital or a limited services hospital that agrees to:

(1) continuously maintain and operate an emergency
department that provides emergency medical services as determined by the
department;

(2) participate in the medicaid, medicare and county indigent
care programs;

(3) require a physician owner to disclose a financial interest in
the hospital before referring a patient to the hospital;

(4) comply with the same quality standards applied to other
hospitals;

(5) provide emergency services and general health care to
nonpaying patients and low-income reimbursed patients in the same proportion as the
patients are treated in acute-care general hospitals in the local community, as
determined by the department in consultation with a statewide hospital organization,
the government of the county in which the facilities are located and the affected
hospitals; provided that:

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(a) a hospital may appeal the determination of the department pursuant to Section 39-3-1.1 NMSA 1978; and

(b) the annual cost of the care required to be provided pursuant to this paragraph shall not exceed an amount equal to five percent of the hospital's annual revenue; and

(6) require a health care provider to disclose a financial interest before referring a patient to the hospital.

Section 2. EMERGENCY.--It is necessary for the public peace, health and safety that ~~the~~ ~~act~~ take effect immediately.