AN ACT

RELATING TO PUBLIC ASSISTANCE; PROVIDING FOR A RATE OF INCREASE IN CERTAIN MEDICAID REIMBURSEMENT PAYMENTS.

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

Section 1. Section 27-2-12.3 NMSA 1978 (being Laws 1987, Chapter 269, Section 1, as amended) is amended to read:

"27-2-12.3. MEDICAID REIMBURSEMENT--EQUAL PAY FOR EQUAL PHYSICIANS', DENTISTS', OPTOMETRISTS', PODIATRISTS' AND PSYCHOLOGISTS' SERVICES.--

A. The human services department shall establish a rate for the reimbursement of physicians, dentists, optometrists, podiatrists and psychologists for services rendered to medicaid patients that provides equal reimbursement for the same or similar services rendered without respect to the date on which such physician, dentist, optometrist,

.144113.1

podiatrist or psychologist entered into practice in New Mexico,

the date on which the physician, dentist, optometrist,

podiatrist or psychologist entered into an agreement or

contract to provide such services or the location in which such

services are to be provided in the state; provided, however,

that the requirements of this section shall not apply when the

human services department contracts with entities pursuant to

Section 27-2-12.6 NMSA 1978 to negotiate a rate for the

reimbursement for services rendered to medicaid patients in the

medicaid managed care system.

B.   On July 1, 2003 and on July 1 of each subsequent

year, the human services department shall increase the

reimbursement rates established pursuant to Subsection A of

this section.   The annual percentage increase shall not be less

than the percentage increase provided by the department in the

previous fiscal year for managed care organizations in the

medicaid managed care system."

- 2 -

.144113.1