

HOUSE LOCAL GOVERNMENT, LAND GRANTS AND CULTURAL AFFAIRS
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 108

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

AN ACT

RELATING TO HEALTH CARE; AMENDING A SECTION OF THE INDIGENT
HOSPITAL AND COUNTY HEALTH CARE ACT AND ENACTING A NEW SECTION
OF THE NMSA 1978 TO REQUIRE CERTAIN CLASS A COUNTIES TO REPORT
ON COUNTY FUNDING PROVIDED TO CERTAIN COUNTY HOSPITALS.

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

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

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

A. "ambulance provider" or "ambulance service"
means a specialized carrier based within the state authorized
under provisions and subject to limitations as provided in
individual carrier certificates issued by the public regulation
commission to transport persons alive, dead or dying en route

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1 by means of ambulance service. The rates and charges
2 established by public regulation commission tariff shall govern
3 as to allowable cost. Also included are air ambulance services
4 approved by the county. The air ambulance service charges
5 shall be filed and approved pursuant to Subsection D of Section
6 27-5-6 NMSA 1978 and Section 27-5-11 NMSA 1978;

7 B. "cost" means all allowable costs of providing
8 health care services, to the extent determined by resolution of
9 a county, for an indigent patient. Allowable costs shall be
10 based on medicaid fee-for-service reimbursement rates for
11 hospitals, licensed medical doctors and osteopathic physicians;

12 ~~G. "county" means a county except a class A county~~
13 ~~with a county hospital operated and maintained pursuant to a~~
14 ~~lease or operating agreement with a state educational~~
15 ~~institution named in Article 12, Section 11 of the constitution~~
16 ~~of New Mexico;~~

17 ~~D.]~~ C. "department" means the human services
18 department;

19 ~~E.]~~ D. "fund" means a county health care
20 assistance fund;

21 ~~F.]~~ E. "health care services" means treatment and
22 services designed to promote improved health in the county
23 indigent population, including primary care, prenatal care,
24 dental care, behavioral health care, alcohol or drug
25 detoxification and rehabilitation, hospital care, provision of

1 prescription drugs, preventive care or health outreach
2 services, to the extent determined by resolution of the county;

3 ~~[G.]~~ F. "indigent patient" means a person to whom
4 an ambulance service, a hospital or a health care provider has
5 provided medical care, ambulance transportation or health care
6 services and who can normally support the person's self and the
7 person's dependents on present income and liquid assets
8 available to the person but, taking into consideration the
9 person's income, assets and requirements for other necessities
10 of life for the person and the person's dependents, is unable
11 to pay the cost of the ambulance transportation or medical care
12 administered or both; provided that if a definition of
13 "indigent patient" is adopted by a county in a resolution, the
14 definition shall not include any person whose annual income
15 together with that person's spouse's annual income totals an
16 amount that is fifty percent greater than the per capita
17 personal income for New Mexico as shown for the most recent
18 year available in the survey of current business published by
19 the United States department of commerce. "Indigent patient"
20 includes a minor who has received ambulance transportation or
21 medical care or both and whose parent or the person having
22 custody of that minor would qualify as an indigent patient if
23 transported by ambulance, admitted to a hospital for care or
24 treated by a health care provider;

25 ~~[H.]~~ G. "medicaid eligible" means a person who is

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1 eligible for medical assistance from the department;

2 ~~[F-]~~ H. "planning" means the development of a
3 countywide or multicounty health plan to improve and fund
4 health services in the county based on the county's needs
5 assessment and inventory of existing services and resources and
6 that demonstrates coordination between the county and state and
7 local health planning efforts;

8 ~~[J-]~~ I. "public entity" means a state, local or
9 tribal government or other political subdivision or agency of
10 that government; and

11 ~~[K-]~~ J. "qualifying hospital" means an acute care
12 general hospital licensed by the department of health that is
13 qualified to receive payments from the safety net care pool
14 pursuant to an agreement with the federal centers for medicare
15 and medicaid services."

16 **SECTION 2. [NEW MATERIAL] REPORTING--CERTAIN CLASS A**
17 **COUNTIES--CERTAIN COUNTY HOSPITALS.--**

18 A. A class A county with a county hospital operated
19 and maintained pursuant to a lease or operating agreement with
20 a state educational institution named in Article 12, Section 11
21 of the constitution of New Mexico shall file an annual report
22 with the legislative finance committee by October 1, 2019 and
23 by each October 1 thereafter on any funding it provides to the
24 county hospital as well as a copy of any agreement or ordinance
25 pursuant to which the county provides the funding.

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1 B. By October 1, 2019 and by each October 1
2 thereafter, a county hospital operated and maintained in a
3 class A county pursuant to a lease or operating agreement with
4 a state educational institution named in Article 12, Section 11
5 of the constitution of New Mexico shall file an annual report
6 with that class A county and, on a form approved by the
7 committee, with the legislative finance committee on any
8 funding it receives from that county, including proceeds it
9 receives from the mill levy imposed pursuant to the Hospital
10 Funding Act, funding from health care assistance funds and
11 funding from any other source. The county hospital shall also
12 detail in its report, on a hospital-wide basis as well as by
13 department, all expenditures and the actual settled cost of
14 each expenditure of county funding that the county hospital
15 makes for maintenance, operation and improvement of the county
16 hospital; for financial assistance; for its bad debt or
17 uncollected receivables; and for any other purpose.

18 C. For reporting on financial assistance, the
19 county hospital shall specify the following information:

20 (1) each type of financial assistance that the
21 county hospital offers, including the eligibility criteria for
22 each type of financial assistance and information on whether
23 the assistance includes free or discounted care;

24 (2) any conditions precedent or other
25 restrictions that the county hospital imposes on the provision

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1 of any items or services to recipients of financial assistance;

2 (3) the basis for the amount charged to
3 patients and to any third-party payers on behalf of those
4 patients, including the actual settled cost of items or
5 services provided;

6 (4) the method that the county hospital
7 employs for advertising the availability of financial
8 assistance;

9 (5) the procedures pursuant to which the
10 county hospital requires patients or third parties to apply for
11 financial assistance;

12 (6) what actions the county hospital will take
13 in the event of nonpayment;

14 (7) a list of health care providers delivering
15 care in the county hospital that are covered by the county
16 hospital's financial assistance policy;

17 (8) the conditions that the county hospital
18 imposes for reimbursement of health care providers;

19 (9) the revenue source used for each type of
20 financial assistance provided;

21 (10) the county hospital's emergency medical
22 care policy to comply with the federal Emergency Medical
23 Treatment and Active Labor Act and regulations issued pursuant
24 to that act; and

25 (11) any other information that the

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1 legislative finance committee or the county requests.

2 D. As used in this section, "financial assistance"
3 means any assistance the county hospital provides to a patient
4 to cover the full or partial cost of items or services the
5 patient receives from the hospital when the hospital has deemed
6 the patient or a patient's third-party payer to be unable or
7 unavailable to meet the full settled cost to the hospital of
8 items or services that the hospital provides to the patient;
9 provided that "financial assistance" excludes any operational
10 or administrative costs.

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