LFC Requestor: Eric Chenier

2024 LEGISLATIVE SESSION AGENCY BILL ANALYSIS

Section I: General

Chamber: Senate
Number: 0062

Category: Bill Type: Introduced

Date (of THIS analysis): 1/22/2024Sponsor(s): Pete CamposShort Title: Health Care Authority Mileage Reimbursement

Reviewing Agency: Agency 665 - Department of Health
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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or	Fund	
FY 24	FY 25	Nonrecurring	Affected	
\$0	\$0	N/A	N/A	

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or	
FY 24	FY 25	FY 26	Nonrecurring	Fund Affected
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 24	FY 25	FY 26	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: No

Section IV: Narrative

1. BILL SUMMARY

a) <u>Synopsis</u> This is not a DOH Bill.

Senate Bill 062 (SB62) proposes to appropriate \$2 million to create a fund from which the Health Care Authority Department (HCAD) may reimburse the cost of all mileage for ambulance agencies, environmental modification services, and durable medical equipment providers rendering these services to Medicaid patients. SB62 also proposes to have HCAD establish a reimbursement rate for these providers that travel to the homes of Medicaid patients.

Is this an amendment or substitution? \Box Yes \boxtimes No

Is there an emergency clause? \Box Yes \boxtimes No

b) Significant Issues

New Mexico ambulance agencies report that current mileage reimbursement from Medicaid for mileage is very low and does not cover costs. New Mexico Medicaid mileage reimbursement is \$10.45 per mile but only billable after the first 15 miles (<u>Final-LOD-103-State-Fiscal-Year-2024-Payment-Rate-Increases wAttachment.pdf</u>). The Medicare rate is \$8.71 per mile but allows billing at the first mile. The State ambulance tariff administered by the Public Regulation Commission also allows billing from the first mile at a rate of \$12.75.

2. PERFORMANCE IMPLICATIONS

• Does this bill impact the current delivery of NMDOH services or operations?

 \Box Yes \boxtimes No

• Is this proposal related to the NMDOH Strategic Plan? \Box Yes \boxtimes No

Goal 1: We expand equitable access to services for all New Mexicans

- □ Goal 2: We ensure safety in New Mexico healthcare environments
- □ **Goal 3**: Improve health status for all New Mexicans

□ Goal 4: We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 □ Yes ⊠ No □ N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 □ Yes ⊠ No □ N/A
- Does this bill have a fiscal impact on NMDOH? \Box Yes \boxtimes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? \Box Yes \boxtimes No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP None

6. TECHNICAL ISSUES

Are there technical issues with the bill? \Box Yes \boxtimes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? \Box Yes \boxtimes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? □ Yes ⊠ No
- Does this bill conflict with federal grant requirements or associated regulations?
 □ Yes ⊠ No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? □ Yes ⊠ No

8. DISPARITIES ISSUES

None

9. HEALTH IMPACT(S)

SB62 may assist in assuring ambulance services remain available to all New Mexico residents.

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If SB62 is not enacted, then \$2 million will not be appropriated to create a fund from which the Health Care Authority Department (HCAD) may reimburse the cost of all mileage for ambulance agencies, environmental modification services, and durable medical equipment providers rendering these services to Medicaid patients. Further, HCAD would not establish a reimbursement rate for providers that travel to the homes of Medicaid patients.

12. AMENDMENTS

None