SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 161

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HEALTH; HAFC-MAKING AN APPROPRIATION TO THE HEALTH

CARE AUTHORITY DEPARTMENT HAFC HAFC-CREATING A TEMPORARY

PROGRAM HAFC TO PROVIDE SUBSIDIES TO CERTAIN ELIGIBLE HEALTH

CARE FACILITIES TO HHHC-COVER CERTAIN REVENUE LOSSES HHHC

HHHC-PROVIDE CERTAIN CARE AND SERVICES TO SICK AND INDIGENT

PERSONS HHHC; PROVIDING FOR A DELAYED REPEAL.

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

SECTION 1. TEMPORARY PROVISION--SUBSIDIES TO CERTAIN

ACUTE CARE FACILITIES TO COVER REVENUE LOSSES.--

HHHC→A. An eligible health care facility may apply annually to the health care authority department for quarterly subsidies to cover revenue losses incurred due to:

- (1) providing emergency medical services;
- (2) providing inpatient services related to maternal, child and family health;
- (3) paying year-on-year cost increases for medical malpractice premiums;
 - (4) medicare sequestration;
- (5) paying year-on-year cost increases for property insurance; or
- (6) providing in-patient unit acute
 care.←HHHC

HHHC→A. An eligible health care facility may apply annually to the health care authority department for quarterly subsidies to provide to sick and indigent persons in New Mexico:

- (1) emergency medical services;
- (2) inpatient services related to maternal, child and family health; or
 - (3) inpatient unit acute care.
- B. An eligible health care facility shall only use a subsidy for the provision of care and services pursuant to .227936.2AIC February 13, 2024 (9:01am)

Subsection A of this section and shall submit annually to the health care authority department a report demonstrating that the subsidy has been used to provide such care and services. HHHC

HHHC \rightarrow B. \leftarrow HHHC HHHC \rightarrow C. \leftarrow HHHC An eligible health care facility that has less than one hundred days of cash on hand in reserves shall provide the health care authority department with the following:

- (1) upon initial application, a plan for the eligible health care facility to have one hundred days of cash on hand in reserves within five years without cutting the services it provides and providing those services to all patients, regardless of insurance coverage; and
- (2) quarterly updates until the end of fiscal year 2026 regarding progress toward completing the plan pursuant to Paragraph (1) of this subsection.

HHHC→C. ←HHHC HHHC→D. ←HHHC An eligible health care facility that has more than one hundred days of cash on hand in reserves shall provide the health care authority department with the following:

(1) upon initial application, a plan for the eligible health care facility to maintain at least one hundred days of cash on hand in reserves without cutting the services it provides and providing those services to all patients,

regardless of insurance coverage; and

(2) quarterly updates until the end of fiscal year 2026 regarding progress toward completing the plan pursuant to Paragraph (1) of this subsection.

HHHC→D.←HHHC HHHC→E.←HHHC An eligible health care facility that fails to provide HHHC→the annual report or the←HHHC quarterly updates to the health care authority department pursuant to HHHC→Paragraph (2) of Subsection B of this section or Paragraph (2) of Subsection C of←HHHC this section shall not receive additional subsidies.

HHHC→E.←HHHC HHHC→F.←HHHC Over the course of fiscal years 2025 and 2026, the health care authority department shall not provide more than:

- (1) three million two hundred thousand dollars
 (\$3,200,000) to the Artesia general hospital;
- (2) four million five hundred thirty-four thousand dollars (\$4,534,000) to the Cibola general hospital;
- (3) five million seven hundred thousand dollars (\$5,700,000) to the Holy Cross hospital;
- (4) two million five hundred thousand dollars
 (\$2,500,000) to the miners' Colfax medical center;
- (5) five million seven hundred thousand dollars (\$5,700,000) to the Roosevelt general hospital;
 - (6) five million seven hundred thousand

dollars (\$5,700,000) to Rehoboth McKinley Christian health care services;

- (7) two million seven hundred thousand dollars (\$2,700,000) to the Sierra Vista hospital;
- (8) five million seven hundred thousand dollars (\$5,700,000) to the Union county general hospital;

HHHC→(9) five million dollars (\$5,000,000) to

the Alta Vista regional hospital;←HHHC

HHHC \rightarrow (10) ←HHHC HHHC \rightarrow (9) ←HHHC one million seven hundred thousand dollars (\$1,700,000) to the Guadalupe county hospital;

HHHC \rightarrow (11) \leftarrow HHHC HHHC \rightarrow (10) \leftarrow HHHC five million seven hundred thousand dollars (\$5,700,000) to the Gila regional medical center; or

HHHC \rightarrow (12) ←HHHC HHHC \rightarrow (11) ←HHHC one million eight hundred sixty-six thousand dollars (\$1,866,000) to the Nor-Lea hospital district.

HHHC \rightarrow F. \leftarrow HHHC HHHC \rightarrow G. \leftarrow HHHC For the purposes of this section, "eligible health care facility" means the hospitals listed in Subsection HHHC \rightarrow E \leftarrow HHHC HHHC \rightarrow F \leftarrow HHHC of this section.

HAFC→SECTION 2. APPROPRIATION. -- Fifty million dollars

(\$50,000,000) is appropriated from the general fund to the

health care authority department for expenditure in fiscal

years 2025 and 2026 to provide quarterly subsidies to eligible
health care facilities to HHHC→cover certain revenue
losses←HHHC HHHC→provide care and services to sick and
indigent persons pursuant to Section 1 of this act←HHHC. Any
unexpended or unencumbered balance remaining at the end of
fiscal year 2026 shall revert to the general fund.←HAFC

SECTION HAFC→3.←HAFC HAFC→2.←HAFC DELAYED REPEAL.--This act is repealed effective July 1, 2026.

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