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HOUSE BILL 270

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Terry T. Marquadt

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO HEALTH; CHANGING CERTAIN DEFINITIONS AND REPORTING  
REQUIREMENTS IN THE INDIGENT HOSPITAL AND COUNTY HEALTH CARE  
ACT.

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 [ ~~state~~  
~~corporation commission~~ ] public regulation commission to  
transport persons alive, dead or dying en route by means of

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1 ambulance service. The rates and charges established by  
2 [~~state corporation commission~~] public regulation commission  
3 tariff shall govern as to allowable cost. Also included are  
4 air ambulance services approved by the board. The air  
5 ambulance service charges shall be filed and approved pursuant  
6 to Subsection D of Section 27-5-6 NMSA 1978 and Section  
7 27-5-11 NMSA 1978;

8 B. "board" means a county indigent hospital and  
9 county health care board;

10 C. "indigent patient" means a person to whom an  
11 ambulance service, a hospital or a health care provider has  
12 provided medical care, ambulance transportation or health care  
13 services and who can normally support himself and his  
14 dependents on present income and liquid assets available to  
15 him but, taking into consideration this income and those  
16 assets and his requirement for other necessities of life for  
17 himself and his dependents, is unable to pay the cost of the  
18 ambulance transportation or medical care administered or both.  
19 If provided by resolution of a board, it shall not include any  
20 person whose annual income together with his spouse's annual  
21 income totals an amount that is fifty percent greater than the  
22 per capita personal income for New Mexico as shown for the  
23 most recent year available in the survey of current business  
24 published by the United States department of commerce. Every  
25 board that has a balance remaining in the fund at the end of a

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1 given fiscal year shall consider and may adopt at the first  
2 meeting of the succeeding fiscal year a resolution increasing  
3 the standard for indigency. The term "indigent patient"  
4 includes a minor who has received ambulance transportation or  
5 medical care or both and whose parent or the person having  
6 custody of that minor would qualify as an indigent patient if  
7 transported by ambulance or admitted to a hospital for care or  
8 treated by a health care provider or all three;

9 D. "hospital" means any general or limited  
10 hospital licensed by the department of health, whether  
11 nonprofit or owned by a political subdivision, and may include  
12 by resolution of a board the following health facilities if  
13 licensed or, in the case of out-of-state hospitals, approved,  
14 by the department of health:

- 15 (1) for-profit hospitals;
- 16 (2) state-owned hospitals; or
- 17 (3) licensed out-of-state hospitals where  
18 treatment provided is necessary for the proper care of an  
19 indigent patient when that care is not available in an in-  
20 state hospital;

21 E. "cost" means all allowable ambulance  
22 transportation costs, medical care costs or costs of providing  
23 health care services, to the extent determined by resolution  
24 of a board, for an indigent patient. Allowable costs shall be  
25 determined in accordance with a uniform system of accounting

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1 and cost analysis as determined by regulation of a board,  
2 which includes cost of ancillary services but shall not  
3 include the cost of servicing long-term indebtedness of a  
4 hospital, health care provider or ambulance service;

5 F. "fund" means a county indigent hospital claims  
6 fund;

7 G. "medicaid eligible" means a person who is  
8 eligible for medical assistance from the department;

9 H. "county" means any county except a class A  
10 county with a county hospital operated and maintained pursuant  
11 to a lease with a state educational institution named in  
12 Article 12, Section 11 of the constitution of New Mexico;

13 I. "department" means the human services  
14 department;

15 J. "sole community provider hospital" means a  
16 hospital that is a sole community provider hospital under the  
17 provisions of the federal medicare guidelines established in  
18 42 C.F.R. 412.92 pursuant to Title 18 of the federal Social  
19 Security Act;

20 K. "drug rehabilitation center" means an agency of  
21 local government, a state agency, a private nonprofit entity  
22 or combination thereof that operates drug abuse rehabilitation  
23 programs that meet the standards and requirements pursuant to  
24 the Drug Abuse Act;

25 L. "alcohol rehabilitation center" means an agency

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1 of local government, a state agency, a private nonprofit  
2 entity or combination thereof that operates alcohol abuse  
3 rehabilitation programs that meet the standards set by the  
4 department of health pursuant to the Alcoholism and Alcohol  
5 Abuse Prevention, Screening and Treatment Act;

6 M "mental health center" means a not-for-profit  
7 center that provides outpatient mental health services that  
8 meet the standards set by the department of health pursuant to  
9 the Community Mental Health Services Act;

10 N. "health care provider" means:

- 11 (1) a nursing home;
- 12 (2) an in-state home health agency;
- 13 (3) an in-state licensed hospice;
- 14 (4) a community-based health program operated

15 by a political subdivision of the state or other nonprofit  
16 health organization that provides prenatal care delivered by  
17 New Mexico licensed, certified or registered health care  
18 practitioners;

19 (5) a community-based health program operated  
20 by a political subdivision of the state or other nonprofit  
21 health care organization that provides primary care delivered  
22 by New Mexico licensed, certified or registered health care  
23 practitioners;

- 24 (6) a drug rehabilitation center;
- 25 (7) an alcohol rehabilitation center; [or]

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1 (8) a mental health center; or  
2 (9) any health care professional or facility  
3 appropriately licensed by the state that, in the judgment of  
4 the board, provides medically indicated services necessary for  
5 the good health and well-being of indigent patients.

6 O. "health care services" means all treatment and  
7 services designed to promote improved health in the county  
8 indigent population, including primary care, prenatal care,  
9 dental care, provision of prescription drugs, preventive care  
10 or health outreach services, to the extent determined by  
11 resolution of the board; [~~and~~]

12 P. "planning" means the development of a  
13 countywide or multicounty health plan to improve and fund  
14 health services in the county based on the county's needs  
15 assessment and inventory of existing services and resources  
16 and which demonstrates coordination between the county and  
17 state and local health planning efforts; and

18 Q. "commission" means the New Mexico health policy  
19 commission. "

20 Section 2. Section 27-5-5.1 NMSA 1978 (being Laws 1993,  
21 Chapter 321, Section 17) is amended to read:

22 "27-5-5.1. INDIGENT HEALTH CARE REPORT--REQUIRED. -- Every  
23 county in New Mexico shall file an annual report on all  
24 indigent health care [~~funded in whole or in part~~] funding by  
25 the county with the [~~local government division of the~~

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1 ~~department of finance and administration~~ commission. The  
2 report shall contain the county's eligibility criteria for  
3 indigent patients, services provided to indigent patients,  
4 restrictions on services provided to indigent patients,  
5 conditions for reimbursement to providers of health care,  
6 revenue sources used to pay for indigent health care and other  
7 related information as determined by the ~~[ local government~~  
8 ~~division]~~ commission. The report shall be submitted by ~~[ July~~  
9 ~~31]~~ October 1 of each year on a form provided by the ~~[ local~~  
10 ~~government division and shall provide information from the~~  
11 ~~previous fiscal year]~~ commission. The ~~[ local government~~  
12 ~~division]~~ commission shall make the report available ~~[ for~~  
13 ~~analysis by]~~ to interested parties. "

14 Section 3. Section 27-5-6 NMSA 1978 (being Laws 1965,  
15 Chapter 234, Section 6, as amended) is amended to read:

16 "27-5-6. POWERS AND DUTIES OF THE BOARD. --The board:

17 A. shall administer claims pursuant to the  
18 provisions of the Indigent Hospital and County Health Care  
19 Act;

20 B. shall prepare and submit a budget to the board  
21 of county commissioners for the amount needed to defray claims  
22 made upon the fund and to pay costs of administration of the  
23 Indigent Hospital and County Health Care Act and costs of  
24 development of a countywide or multicounty health plan. The  
25 combined costs of administration and planning shall in no

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1 event exceed the following percentages of revenues based on  
2 the previous fiscal year revenues for a fund that has existed  
3 for at least one fiscal year or based on projected revenues  
4 for the year being budgeted for a fund that has existed for  
5 less than one fiscal year. The percentage of the revenues in  
6 the fund that may be used for such combined administrative and  
7 planning costs is equal to the sum of the following:

8 (1) ten percent of the amount of the revenues  
9 in the fund not over five hundred thousand dollars (\$500,000);

10 (2) eight percent of the amount of the  
11 revenues in the fund over five hundred thousand dollars  
12 (\$500,000) but not over one million dollars (\$1,000,000); and

13 (3) four and one-half percent of the amount  
14 of the revenues in the fund over one million dollars  
15 (\$1,000,000);

16 C. shall make rules and regulations necessary to  
17 carry out the provisions of the Indigent Hospital and County  
18 Health Care Act; provided that the standards for eligibility  
19 and allowable costs for county indigent patients shall be no  
20 more restrictive than the standards for eligibility and  
21 allowable costs prior to December 31, 1992;

22 D. shall set criteria and cost limitations for  
23 medical care in licensed out-of-state hospitals, ambulance  
24 services or health care providers;

25 E. shall cooperate with appropriate state agencies



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1 to use available funds efficiently and to make health care  
2 more available;

3 F. shall cooperate with the department in making  
4 any investigation to determine the validity of claims made  
5 upon the fund for any indigent patient;

6 G. may accept contributions or other county  
7 revenues, which shall be deposited in the fund;

8 H. may hire personnel to carry out the provisions  
9 of the Indigent Hospital and County Health Care Act;

10 I. shall review all claims presented by a  
11 hospital, ambulance service or health care provider to  
12 determine compliance with the rules and regulations adopted by  
13 the board or with the provisions of the Indigent Hospital and  
14 County Health Care Act, determine whether the patient for whom  
15 the claim is made is an indigent patient and determine the  
16 allowable medical, ambulance service or health care services  
17 costs; provided that the burden of proof of any claim shall be  
18 upon the hospital, ambulance service or health care provider;

19 J. shall state in writing the reason for rejecting  
20 or disapproving any claim and shall notify the submitting  
21 hospital, ambulance service or health care provider of the  
22 decision within sixty days after eligibility for claim payment  
23 has been determined;

24 K. shall pay all claims that are not matched with  
25 federal funds under the state medicaid program and that have

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1       been approved by the board from the fund and shall make  
2       payment within [~~sixty~~] thirty days after approval of a claim  
3       by the board;

4               L.   shall determine by county ordinance the types  
5       of health care providers that will be eligible to submit  
6       claims under the Indigent Hospital and County Health Care Act;

7               M   shall review, verify and approve all medicaid  
8       sole community provider hospital payment requests in  
9       accordance with rules and regulations adopted by the board  
10      prior to their submittal by the hospital to the department for  
11      payment but no later than January 1 of each year;

12              N.   shall transfer to the state treasurer by the  
13      last day of ~~March~~, June, September and December of each year  
14      an amount equal to one-fourth of the county's payment for  
15      support of sole community provider payments as calculated by  
16      the department for that county for the current fiscal year.

17      This money shall be deposited in the sole community provider  
18      fund;

19              O.   may provide for the transfer of money from the  
20      county indigent hospital claims fund to the county-supported  
21      medicaid fund to meet the requirements of the Statewide Health  
22      Care Act; and

23              P.   may contract with ambulance providers,  
24      hospitals or health care providers for the provision of health  
25      care services. "

1 FORTY-FOURTH LEGISLATURE  
2 FIRST SESSION, 1999  
3  
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6 February 18, 1999  
7

8 Mr. Speaker:  
9

10 Your BUSINESS AND INDUSTRY COMMITTEE, to whom has  
11 been referred  
12

13 HOUSE BILL 270  
14

15 has had it under consideration and reports same with  
16 recommendation that it DO PASS, amended as follows:

17 1. On page 6, line 2, after the paragraph designation  
18 "(9)" strike the remainder of the line, strike all of lines  
19 3 through 5 and insert in lieu thereof:

20  
21 "physician, osteopathic physician, expanded practice nurse,  
22 optometrist or dental surgeon.".,  
23

24 and thence referred to the APPROPRIATIONS AND FINANCE  
25 COMMITTEE.

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FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

HBIC/HB 270

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Respectfully submitted,

Debbie A. Rodella, Chairwoman

Adopted \_\_\_\_\_

(Chief Clerk)

Not Adopted \_\_\_\_\_

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 11 For 0 Against

Yes: 11

Excused: Sanchez

Absent: None

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J: \99BillSWP\H0270

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1 FORTY- FOURTH LEGISLATURE  
2 FIRST SESSION, 1999

3  
4 February 24, 1999

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6  
7 Mr. Speaker:

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9 Your APPROPRIATIONS AND FINANCE COMMITTEE, to  
10 whom has been referred

11 HOUSE BILL 270, as amended

12  
13 has had it under consideration and reports same with  
14 recommendation that it DO PASS, amended as follows:

15  
16 1. Strike house Business and Industry Committee Amendment

17 1.

18 2. On page 6, strike lines 2 through 5 and insert in lieu  
19 thereof:

20  
21 "(9) services provided in a hospital or  
22 outpatient setting by a licensed medical doctor, osteopathic  
23 physician, dentist, optometrist or expanded practice nurse that  
24 are necessary for such conditions that endanger the life of or  
25 threaten permanent disability to an indigent patient;".

FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

HARC/HB 270, aa

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Respectfully submitted,

\_\_\_\_\_  
Max Coll, Chairman

Adopted \_\_\_\_\_

Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

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FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

3 HARC/HB 270, aa

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4 The roll call vote was 11 For 0 Against

5 Yes: 11

6 Excused: Abeyta, Buffett, Larrañaga, Saavedra, Salazar, Watchman

7 Absent: None

10 128255. 1

11 J:\99Bill\SWP\H0270

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. 124962. 2

FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

1 HARC/HB 270, aa

Page 16

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FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

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March 8, 1999

9

Mr. President:

10

11

Your PUBLIC AFFAIRS COMMITTEE, to whom has been

12

referred

13

14

HOUSE BILL 270, as amended

15

16

has had it under consideration and reports same with  
recommendation that it DO PASS.

17

18

Respectfully submitted,

19

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23

Shannon Robinson, Chairman

24

25

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FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

1 HAFB/HB 270, aa

Page 17

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Adopted \_\_\_\_\_ Not

4

Adopted \_\_\_\_\_

5

(Chief Clerk)

(Chief Clerk)

6

7

8

Date \_\_\_\_\_

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10

11

The roll call vote was 8 For 0 Against

12

Yes: 8

13

No: 0

14

Excused: Stockard

15

Absent: None

16

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H0270PA1

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