

AN ACT

RELATING TO MEDICAID; PROVIDING FOR MEDICAID PAYMENT RATES AT ONE HUNDRED TWENTY-FIVE PERCENT OF MEDICARE RATES; PROVIDING FOR EXPANDED MEDICAID ELIGIBILITY; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978.

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

Section 1. A new section of the Public Assistance Act is enacted to read:

"MEDICAID PAYMENT RATES FOR PHYSICIANS. -- The department shall provide reimbursement for physicians participating in the medicaid program in the state in an amount equal to one hundred twenty-five percent of the medicare reimbursement rate. The reimbursement rate shall be based on the service provided or procedure performed as identified in the federal health care financing administration's common procedure coding system."

Section 2. Section 27-12-3 NMSA 1978 (being Laws 1998, Chapter 52, Section 3) is amended to read:

"27-12-3. DEFINITIONS. -- As used in the Child Health Act:

A. "child" means a natural person who has not reached his nineteenth birthday;

B. "custodial parent" means a natural parent, adoptive parent, stepparent or legal guardian with whom the

child lives;

C. "department" means the human services department;

D. "earned income" means cash or payment in kind that is received as wages from employment or payment in lieu of wages or earnings from self-employment or earnings acquired from the direct provision of services, goods or property, production of goods, management of property or supervision of services;

E. "low-income children and their families" means a family with a dependent child with income at or below the level specified in Section 27-12-6 NMSA 1978; and

F. "secretary" means the secretary of human services. "

Section 3. A new section of the Child Health Act is enacted to read:

"COVERAGE FOR PARENTS--INCOME DISREGARDS.--

A. Subject to the availability of state and federal matching funds pursuant to Title 21 of the federal Social Security Act, a custodial parent of a medicaid-eligible child is eligible for medicaid if the parent's net countable income is below one hundred percent of the federal poverty guidelines.

B. The department shall determine the parent's net countable income by using the income disregards of New Mexico's aid to families with dependent children as they

existed on July 16, 1996. Resources shall not be counted in the eligibility determination. In determining the net countable income, the department may consider other deductions pursuant to Section 27-2B-7 NMSA 1978. "_____