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HOUSE BILL 779

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

John A. Heaton

AN ACT

RELATING TO PUBLIC ASSISTANCE; PROVIDING FOR MEDICAID
REIMBURSEMENT RATES FOR CERTAIN ENTITIES; MAKING AN
APPROPRIATION.

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:

"[NEW MATERIAL] MEDICAID REIMBURSEMENT FOR NURSING
FACILITIES AND INTERMEDIATE CARE FACILITIES FOR THE MENTALLY
RETARDED.--On July 1, 2006 and on July 1 of each subsequent
year, the department shall adjust for inflation medicaid rates
paid to nursing facilities. On September 1, 2006 and on
September 1 of each subsequent year, the department shall
adjust for inflation medicaid rates paid to intermediate care
facilities for the mentally retarded. The new provider rates

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underscoring material = new
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1 each year shall equal the previous year's rate plus the current
2 market basket index inflation adjustment as determined by the
3 federal centers for medicare and medicaid services. In years
4 when the reimbursement rate is re-based, the market basket
5 index shall be used to index each provider's operating costs to
6 a common point of December 31 for the base year and then
7 indexed to a midpoint of the rate year to adjust for
8 inflation."

9 Section 2. APPROPRIATION.--

10 A. Three million two hundred thousand dollars
11 (\$3,200,000) is appropriated from the general fund to the human
12 services department for expenditure in fiscal year 2007 as
13 follows:

14 (1) two million two hundred thousand dollars
15 (\$2,200,000) to increase the medicaid reimbursement rate for
16 licensed nursing facilities and licensed intermediate care
17 facilities for the mentally retarded; and

18 (2) one million dollars (\$1,000,000) to
19 restore funding lost due to reductions in the medicaid
20 reimbursement rate made in fiscal years 2005 and 2006 to
21 licensed nursing homes and licensed intermediate care
22 facilities for the mentally retarded.

23 B. Any unexpended or unencumbered balance remaining
24 at the end of fiscal year 2007 shall revert to the general
25 fund.

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