

1 HOUSE BILL 400
2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**
3 INTRODUCED BY
4 Mark Duncan and Rebecca Dow and Gail Armstrong
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10 AN ACT

11 RELATING TO MEDICAID; REQUIRING THE HEALTH CARE AUTHORITY TO
12 CONDUCT COST STUDIES FOR EACH TYPE OF HEALTH CARE PROVIDER THAT
13 IS REIMBURSED BY MEDICAID.
14

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

16 SECTION 1. A new section of the Public Assistance Act is
17 enacted to read:

18 "[NEW MATERIAL] COST STUDIES REQUIRED.--

19 A. At least every three years, the authority shall
20 conduct cost studies for the purposes of determining the cost
21 of providing health care services for each type of health care
22 provider that is reimbursed by medicaid for providing services
23 to recipients. The cost studies shall include recommendations
24 for adequate reimbursement rates for each type of health care
25 provider reimbursed by medicaid based on:

.229201.1

underscoring material = new
~~[bracketed material] = delete~~

1 (1) the cost to provide competitive
2 compensation to health care providers; and

3 (2) recent and projected changes in costs due
4 to factors that include inflation and rising wages.

5 B. When the authority submits a budget request to
6 the legislature, the authority shall include the most recent
7 cost study performed for each type of health care provider that
8 is reimbursed by medicaid.

9 C. The authority shall not be required to perform
10 cost studies for every type of health care provider that is
11 reimbursed by medicaid in the same year, so long as a cost
12 study is conducted for each type of health care provider at
13 least every three years.

14 D. For the purposes of this section, "medicaid"
15 means the federal-state program administered by the authority
16 pursuant to Title 19 or Title 21 of the federal Social Security
17 Act."