

HOUSE BILL 119

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Kathleen Cates

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 PROCUREMENT; AMENDING THE PROCUREMENT CODE TO PROVIDE FOR CONTRACT ADJUSTMENTS; REQUIRING THE STATE TO REQUEST ADJUSTMENTS IN REIMBURSEMENT RATES FOR HEALTH CARE.

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

SECTION 1. A new section of the Procurement Code is enacted to read:

"[NEW MATERIAL] WAGE AND BENEFITS CHANGES--CONTRACT

.229172.1AIC February 8, 2025 (3:42pm)

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ADJUSTMENTS.--When a contract with a state agency provides for a contractor to employ persons whose benefits and compensation are subject to adjustment due to changes in state statutes HHC→or rules←HHC , the contractor may request the state agency to amend the terms of the contract to accommodate any increase to the contractor's expenses due to statutory HHC→or regulatory←HHC adjustments in employee compensation and benefits. Any such request on the part of the contractor shall be made to the state agency within forty-five days of the date on which the relevant changes in state statutes become law HHC→or rules become effective←HHC . The state agency shall respond in writing to any such contract request."

SECTION 2. [NEW MATERIAL] WAGE AND BENEFITS CHANGES--
MEDICAID REIMBURSEMENT RATE ADJUSTMENTS.--

A. When medicaid providers employ persons whose benefits and compensation are subject to adjustment due to changes in state statutes HHC→or rules←HHC , the state agency responsible for providing payment to such medicaid providers shall request the federal centers for medicare and medicaid services to amend medicaid reimbursement rates to accommodate any increase to the medicaid provider's expenses due to statutory HHC→or regulatory←HHC adjustments in employee compensation and benefits. The responsible state agency shall make such request within forty-five days of the date on which the relevant changes in state statutes become law

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HHHC→or rules become effective←HHHC .

B. As used in this section:

(1) "authority" means the health care authority;

(2) "medicaid" means the medical assistance program established pursuant to Title 19 of the federal Social Security Act and rules issued pursuant to that act;

(3) "medicaid provider" means a person that provides medicaid-related services to medicaid recipients; and

(4) "medicaid recipient" means a person whom the authority has determined to be eligible to receive medicaid-related services in the state.

SECTION 3. [NEW MATERIAL] WAGE AND BENEFITS CHANGES--
MEDICARE REIMBURSEMENT RATE ADJUSTMENTS.--

A. When medicare health care providers employ persons whose benefits and compensation are subject to adjustment due to changes in state statutes HHHC→or rules←HHHC , the state agency responsible for providing payment to such medicare health care providers shall request the federal centers for medicare and medicaid services to amend medicare reimbursement rates to accommodate any increase to the medicare health care provider's expenses due to statutory HHHC→or regulatory←HHHC adjustments in employee compensation and benefits. The responsible state agency shall make such request within forty-five days of the date on which the relevant

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changes in state statutes become law HHC→or rules become
effective←HHC .

B. As used in this section, "medicare health care provider" means a person that provides health care services, the charges for which either the provider or the recipient of the services is eligible for payment or reimbursement under provisions of the federal medicare program.

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