

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 249

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

AN ACT

RELATING TO HEALTH CARE; REQUIRING HEALTH CARE PROVIDERS TO BE
REIMBURSED FOR GROSS RECEIPTS TAXES.

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] REIMBURSEMENT FOR GROSS RECEIPTS TAXES.--

A. When a health care provider contracts with a
managed care organization for medicaid reimbursement for
providing health care services to a recipient, the managed care
organization shall:

(1) reimburse the health care provider for all
applicable gross receipts taxes that the health care provider
is required to pay for the contracted health care services; and

(2) provide documentation that differentiates

1 the medicaid reimbursement for health care services from the
2 amount of gross receipts taxes paid to the health care
3 provider.

4 B. For the purposes of this section:

5 (1) "managed care organization" means a person
6 eligible to enter into risk-based prepaid capitation agreements
7 with the authority to provide health care and related services;
8 and

9 (2) "medicaid" means the federal-state program
10 administered by the authority pursuant to Title 19 or Title 21
11 of the federal Social Security Act."

12 SECTION 2. EFFECTIVE DATE.--The effective date of the
13 provisions of this act is January 1, 2026.