

HOUSE BILL 354

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY

John Heaton

AN ACT

RELATING TO HEALTH; AMENDING THE INDIGENT HOSPITAL AND COUNTY  
HEALTH CARE ACT TO ESTABLISH A FORMULA FOR CONTRIBUTIONS TO  
THE SOLE COMMUNITY PROVIDER FUND.

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

Section 1. Section 27-5-6.1 NMSA 1978 (being Laws 1993,  
Chapter 321, Section 18) is amended to read:

"27-5-6.1. SOLE COMMUNITY PROVIDER FUND CREATED.--

A. The "sole community provider fund" is created  
in the state treasury. The sole community provider fund,  
which shall be administered by the [~~human services~~]  
department, shall consist of funds [~~provided~~] contributed by  
counties to match federal funds for medicaid sole community  
provider hospital payments. Money in the fund shall be  
invested by the state treasurer as other state funds are  
invested. Any unexpended or unencumbered balance remaining

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1 in the fund at the end of any fiscal year shall not revert.

2 B. Beginning in fiscal year 2001, the maximum  
3 allowable amount a county may contribute to the sole  
4 community provider fund shall be derived by multiplying the  
5 total contribution amount required to maximize federal  
6 matching funds by a fraction the numerator of which is the  
7 indigency level of the county population and the denominator  
8 of which is the indigency level of the population of all  
9 eligible counties. The department shall develop a procedure  
10 for annually calculating the indigency level of each eligible  
11 county. A county may contribute all or part of its maximum  
12 allowable contribution amount to the sole community provider  
13 fund. If a county contributes less than its maximum  
14 allowable contribution amount, the department shall  
15 proportionately increase the maximum allowable contribution  
16 amount for other eligible counties. For purposes of this  
17 subsection, "eligible county" means a county in which a sole  
18 community provider hospital is located, or a county that  
19 designates funds to a sole community provider hospital  
20 located in another county.

21 ~~[B.]~~ C. Money in the sole community provider fund  
22 is appropriated to the [human services] department to make  
23 sole community provider hospital payments pursuant to the  
24 state medicaid program. Sole community provider hospital  
25 payments, including the federal matching amount, shall be  
allocated in proportion to a county's contribution to the  
sole community provider fund pursuant to Subsection B of this

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1 section. Each county shall designate all or a percentage of  
2 its allocated payments to one or more sole community provider  
3 hospitals that serve its residents. The department shall  
4 make sole community provider hospital payments in accordance  
5 with the county designation. No sole community provider  
6 hospital payments or money in the sole community provider  
7 fund shall be used to supplant any general fund support for  
8 the state medicaid program.

9           ~~[E.]~~ D. Money in the sole community provider fund  
10 shall be remitted back to the individual counties from which  
11 it came if federal medicaid matching funds are not received  
12 for medicaid sole community provider hospital payments."