

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

INTRODUCED BY

Manny M. Aragon

A JOINT MEMORIAL

REQUESTING THE NEW MEXICO HEALTH POLICY COMMISSION TO REPORT TO THE INTERIM REVENUE STABILIZATION AND TAX POLICY COMMITTEE ON HOSPITAL AND OTHER HEALTH CARE FACILITY COMPLIANCE WITH CHARITY CARE DATA COLLECTION REQUIREMENTS; DIRECTING THE COMMITTEE TO CONSIDER A PROPOSAL TO LINK ELIGIBILITY FOR A GROSS RECEIPTS TAX EXEMPTION OR DEDUCTION TO THE FACILITY'S COMPLIANCE WITH THE CHARITY CARE DATA REPORTING REQUIREMENTS.

WHEREAS, in 1997 the legislature passed House Joint Memorial 18, calling for the New Mexico health policy commission to adopt uniform definitions and standard measures for uncompensated care provided by hospitals and other health care facilities, to require reporting of uncompensated care to the state and to provide for a way to report and uniformly track health care cost shifting; and

WHEREAS, House Joint Memorial 18 proposed that minimum

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1 levels of charity care for hospitals and other health care
2 facilities govern the facilities' right to tax exemptions and
3 deductions; and

4 WHEREAS, pursuant to House Joint Memorial 18, the New
5 Mexico health policy commission issued its findings and
6 recommendations in May 1998 in a report titled *House Joint*
7 *Memorial 18: Uncompensated Care in New Mexico Health Care*
8 *Facilities*; and

9 WHEREAS, in compliance with recommendations in that
10 report, the New Mexico health policy commission in December
11 1998 adopted a regulation pursuant to the Health Information
12 System Act requiring state-licensed nonfederal general and
13 specialty inpatient health care facilities and certain other
14 health care facilities to report certain charity care data;
15 and

16 WHEREAS, only ten of twenty-six hospitals have attempted
17 to comply with the requirement and to provide some of the
18 data required; and

19 WHEREAS, a number of states tie tax exemptions or
20 deductions to the amount of charity care that a hospital or
21 health facility provides, and it may be appropriate to
22 consider amendments to the Gross Receipts and Compensating
23 Tax Act linking compliance with charity care data reporting
24 requirements to a facility's tax treatment;

25 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
STATE OF NEW MEXICO that it request the New Mexico health
policy commission to report to the interim revenue

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1 stabilization and tax policy committee on hospital and other
2 health facility compliance with its regulation requiring
3 charity care data reporting pursuant to the Health
4 Information System Act; and

5 BE IT FURTHER RESOLVED that, based on information
6 regarding the compliance of hospitals and health care
7 facilities, the revenue stabilization and tax policy
8 committee shall consider tying the gross receipts and
9 compensating tax exemptions and deductions applicable to
10 hospitals and health facilities to the hospital's or
11 facility's compliance with the charity care data reporting
12 requirements; and

13 BE IT FURTHER RESOLVED that the revenue stabilization
14 and tax policy committee report its findings and
15 recommendations for legislation by December 15, 2000 to the
16 first session of the forty-fifth legislature; and

17 BE IT FURTHER RESOLVED that copies of this memorial be
18 transmitted to the New Mexico legislative council, the
19 revenue stabilization and tax policy committee and the New
20 Mexico health policy commission for distribution to all
21 hospitals and health care facilities subject to charity care
22 data reporting requirements.