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FISCAL IMPACT REPORT

SPONSOR: Maes DATE TYPED: 2/21/01 HB _____
 SHORT TITLE: “Sole Community Provider Hospital” Defined SB 689
 ANALYST: Esquibel

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
N/A					

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB816

SOURCES OF INFORMATION

NM Health Policy Commission (HPC)
 Human Services Department (HSD)

Department of Health (DOH) did not respond
 Association of Counties did not respond

SUMMARY

Synopsis of Bill

Senate Bill 689 amends the Indigent Hospital and County Health Care Act by expanding the definition of “sole community provider hospital.” The new definition would include acute care general hospitals licensed by the Department of Health that are qualified by the state agency primarily responsible for the Medicaid program (HSD) to receive distributions from the Sole Community Provider Fund.

The bill also expands the definition of health care provider to include licensed medical doctors, osteopathic physicians, dentists, optometrists or expanded practice nurses when these are providing services in a hospital or outpatient setting that is necessary because conditions endanger the life, or threaten permanent disability, to indigent patients.

FISCAL IMPLICATIONS

There is no immediate, direct fiscal implication for the state. However, there are potential indirect fiscal impacts should some hospitals currently classified as sole community hospitals lose that designation because other hospitals are built in the community. The HPC notes that St. Vincent Hospital in Santa Fe receives \$13 million from the Sole Community Provider Fund, but that a new hospital planned for the City would result in Saint Vincent's losing its sole community hospital status. This is a danger that may also affect Memorial Hospital in Las Cruces.

TECHNICAL ISSUES

HSD suggests that the language expanding the definition of health care provider may need to clarify that the conditional phrase "when providing services in a hospital or outpatient setting that are necessary for conditions that endanger the life or threaten permanent disability" applies to all listed providers.

POSSIBLE QUESTION

1. Will the federal Health Care Financing Administration (HCFA) allow the state to establish its own definition for sole community provider hospital?

RAE/njw