

1 A MEMORIAL

2 REQUESTING A STUDY OF UNCOMPENSATED, INDIGENT AND CHARITY  
3 CARE IN NEW MEXICO TO CREATE A SINGLE DEFINITION FROM WHICH  
4 POLICYMAKERS MAY REASONABLY MAKE POLICY DECISIONS.

5  
6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

7 WHEREAS, state policymakers appropriate funds and make  
8 policy each year to address "uncompensated care", or hospital  
9 care for which taxpayers must pay because it is not covered  
10 by insurance; and

11 WHEREAS, New Mexico counties provided forty million  
12 seven hundred thousand dollars (\$40,700,000) for indigent  
13 medical services in fiscal year 2004; and

14 WHEREAS, various hospitals and other health care  
15 providers define "uncompensated care" in various ways,  
16 including it as bad debt that will not be collected, as  
17 reduction in revenue such as an underpayment from medicaid or  
18 medicare, discounts to private payers or other voluntary or  
19 involuntary discounts and as charity care or indigent care  
20 for purposes of accounting and for purposes of reporting on  
21 the hospital's and other health care provider's financial  
22 status; and

23 WHEREAS, uncompensated care is calculated on an  
24 individual facility basis and reported according to any  
25 definition a hospital or other health care provider may elect

1 to use; and

2 WHEREAS, uncompensated care has cost the nation  
3 approximately twenty-six billion nine hundred million dollars  
4 (\$26,900,000,000) in the twenty-five years ending in 2004;  
5 and

6 WHEREAS, no uniform, meaningful definition of  
7 uncompensated care is used nationwide or within New Mexico;  
8 and

9 WHEREAS, the appropriation of an adequate sum for  
10 uncompensated care is critical in a time, such as this one,  
11 when uninsured patients often receive care in the state's  
12 hospital emergency rooms, offices and clinics of other  
13 providers that request appropriations to offset the cost of  
14 providing care to those who cannot or will not pay;

15 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE  
16 STATE OF NEW MEXICO that the New Mexico health policy  
17 commission be requested to convene a task force; and

18 BE IT FURTHER RESOLVED that the task force comprise nine  
19 members appointed by the legislative leadership, including a  
20 diverse representation of large and small, rural and urban  
21 hospitals from throughout the state, federally qualified  
22 health centers and community-based primary care clinics, as  
23 well as community leaders and indigent fund representatives  
24 of county commissioners who are setting policy for indigent  
25 or uncompensated care; and

1 BE IT FURTHER RESOLVED that a member of the house of  
2 representatives and a member of the senate from the 2006  
3 interim legislative health and human services committee be  
4 appointed by the chair and vice chair of that committee to  
5 serve as advisors to the task force and that the task force  
6 and advisors present conclusions, including a working  
7 definition of "uncompensated care", at the November 2007  
8 meeting of the legislative health and human services  
9 committee; and

10 BE IT FURTHER RESOLVED that copies of this memorial be  
11 transmitted to the governor, the executive director of the New  
12 Mexico health policy commission, the chair and vice chair of  
13 the 2006 interim legislative health and human services  
14 committee, the secretary of human services, the secretary of  
15 health and each county indigent hospital and county health  
16 care board.

17  
18  
19  
20  
21  
22  
23  
24  
25