SENATE BILL 423

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Mary Kay Papen

AN ACT

RELATING TO PUBLIC ASSISTANCE; PROVIDING FOR MEDICAID

REIMBURSEMENT RATES TO CERTAIN ENTITIES; MAKING AN

APPROPRIATION; DECLARING AN EMERGENCY.

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] MEDICAID REIMBURSEMENT FOR NURSING

FACILITIES.--On July 1, 2008, the department shall adjust by

three and one-half percent for inflation and cost indexing, as

part of re-basing the medicaid reimbursement rates, the

medicaid rates paid to nursing facilities as specified by

medicaid regulations."

Section 2. A new section of the Public Assistance Act is

enacted to read:

.172167.1

1   "[NEW MATERIAL] ANNUAL RATE ADJUSTMENT.--The new provider

2   rates each year shall equal the previous year's rate plus the

3   current market basket index inflation adjustment as determined

4   by the federal centers for medicare and medicaid services. In

5   years when the reimbursement rate is re-based, the market

6   basket index shall be used to index each provider's operating

7   costs to a common point of December 31 for the base year and

8   then indexed to a midpoint of the rate year to adjust for

9   inflation."

10   Section 3. APPROPRIATION.--One million seven hundred

11   fifty thousand dollars ($1,750,000) is appropriated from the

12   general fund to the human services department for expenditure

13   in fiscal year 2009 and subsequent fiscal years to include an

14   inflation adjustment of three and one-half percent as part of

15   re-basing the medicaid reimbursement rates to licensed nursing

16   facilities. Any unexpended or unencumbered balance remaining

17   at the end of a fiscal year shall not revert to the general

18   fund.

19   Section 4. EMERGENCY.--It is necessary for the public

20   peace, health and safety that this act take effect immediately.

- 2 -

.172167.1