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SENATE BILL 351

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Gerald Ortiz y Pino

AN ACT

RELATING TO HEALTH; ESTABLISHING THE GLOBAL HOSPITAL BUDGETS
TASK FORCE TO STUDY GLOBAL HOSPITAL BUDGETS, CREATE A
DEMONSTRATION PROJECT, DETERMINE FEDERAL FUNDING IMPACTS AND
PROVIDE A RECOMMENDATION TO THE SECRETARY OF HEALTH AND THE
SECRETARY OF HUMAN SERVICES TO APPLY FOR FUNDING FROM THE
FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES; AUTHORIZING
THE SECRETARY OF HUMAN SERVICES AND SECRETARY OF HEALTH TO
APPLY FOR FUNDING FROM THE FEDERAL CENTERS FOR MEDICARE AND
MEDICAID SERVICES PURSUANT TO SECTION 1115(A) OF THE FEDERAL
SOCIAL SECURITY ACT TO TEST THE DEMONSTRATION PROJECT UPON THE
TASK FORCE'S RECOMMENDATION.

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

SECTION 1. TEMPORARY PROVISION--GLOBAL HOSPITAL BUDGETS
TASK FORCE--DEVELOPMENT OF DEMONSTRATION PROJECT FOR GLOBAL

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1 HOSPITAL BUDGETS--DUTIES.--

2 A. The "global hospital budgets task force" is
3 created. The task force shall function from the date of its
4 appointment until December 1, 2021.

5 B. The secretary of human services and the
6 secretary of health shall appoint members to serve on the task
7 force from:

8 (1) the human services department, including
9 its medical assistance division;

10 (2) the department of health, including its
11 office of primary care and rural health of the public health
12 division;

13 (3) the university of New Mexico health
14 sciences center;

15 (4) the New Mexico rural hospital network;

16 (5) the New Mexico hospital association; and

17 (6) advocacy groups of rural health
18 communities in this state.

19 C. Members who are not state employees or otherwise
20 reimbursed for per diem and mileage expenses are entitled to
21 receive per diem and mileage as provided in the Per Diem and
22 Mileage Act and shall receive no other compensation, perquisite
23 or allowance.

24 D. The human services department may accept gifts,
25 grants and donations to support the work of the task force.

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1 E. Staff for the task force shall be provided by
2 the human services department.

3 F. The meetings of the task force shall be open to
4 the public and shall be subject to provisions for notice
5 provided pursuant to the Open Meetings Act.

6 G. The task force shall:

7 (1) study global hospital budgets to determine
8 prospective changes in health care quality outcomes and
9 spending within rural hospitals that elect to participate in
10 the demonstration project;

11 (2) create a demonstration project for testing
12 global hospital budgets in rural hospitals that elect to
13 participate in the demonstration project, based on the findings
14 of the task force, that implements measures that increase the
15 health care quality outcomes and reduce spending;

16 (3) determine whether testing and
17 implementation of the demonstration project would reduce
18 federal funding to medical assistance programs in the state;
19 and

20 (4) provide a recommendation to the secretary
21 of health and the secretary of human services to apply for
22 funding from the federal centers for medicare and medicaid
23 services to test the demonstration project pursuant to Section
24 1115(a) of the federal Social Security Act, if the task force
25 determines that testing and implementing the demonstration

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1 project would not reduce federal funding to medical assistance
2 programs in the state.

3 H. The task force shall report its findings and
4 recommendations to the legislative health and human services
5 committee by December 1, 2021.

6 I. By December 1, 2021, upon the task force's
7 recommendation, the secretary of human services and the
8 secretary of health shall submit an application to the federal
9 centers for medicare and medicaid services to test the
10 demonstration project recommended by the global hospital
11 budgets task force pursuant to Section 1115(a) of the federal
12 Social Security Act, 42 USCA 1315(a). The secretaries shall
13 cooperate with the federal centers for medicare and medicaid
14 services and rural hospitals that elect to participate to test
15 the demonstration project upon notice of approval of this
16 application.

17 J. For the purposes of this section:

18 (1) "global hospital budget" means an annually
19 determined, fixed amount of revenue to fund inpatient and
20 outpatient service expenses for a hospital; and

21 (2) "rural" means a county with a population
22 of less than one hundred thousand residents.