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SENATE BILL 295

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

BEN D. ALTAMIRANO

AN ACT

RELATING TO HOSPITALS; ENACTING AN EXEMPTION FROM THE
PROCUREMENT CODE; AMENDING THE HOSPITAL FUNDING ACT TO EXPAND
POWERS OF COUNTIES RELATING TO JOINT PURCHASING AGREEMENTS AND
FORMATION OF HEALTH CARE PROVIDER NETWORKS.

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

Section 1. A new section of the Procurement Code is
enacted to read:

" [NEW MATERIAL] HOSPITAL AND HEALTH CARE EXEMPTION. -- The
provisions of the Procurement Code shall not apply to
procurement of items of tangible personal property or services
by a state agency or a local public body through:

A. an agreement with any other state agency, local
public body or external procurement unit or any other person,
corporation, organization or association that provides that

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1 the parties to the agreement shall join together for the
2 purpose of making some or all purchases necessary for the
3 operation of public hospitals or public and private hospitals,
4 if the state purchasing agent or a central purchasing office
5 makes a determination that the arrangement will or is likely
6 to reduce health care costs; or

7 B. an agreement with any other state agency, local
8 public body or external procurement unit or any other person,
9 corporation, organization or association for the purpose of
10 creating a network of health care providers or jointly
11 operating a common health care service, if the state
12 purchasing agent or a central purchasing office makes a
13 determination that the arrangement will or is likely to reduce
14 health care costs, improve quality of care or improve access
15 to care. "

16 Section 2. Section 4-48B-5 NMSA 1978 (being Laws 1947,
17 Chapter 148, Section 1, as amended) is amended to read:

18 "4-48B-5. POWER OF COUNTIES. --All counties shall have
19 the following powers:

20 A. to purchase, own, maintain and operate
21 hospitals;

22 B. to purchase the land necessary to construct
23 hospitals;

24 C. to control and regulate county hospitals;

25 D. to construct county hospitals;

. 122308. 1ms

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1 E. to issue general obligation bonds and revenue
2 bonds in the manner provided in the Hospital Funding Act for
3 the construction, purchase, renovation, remodeling, equipping
4 or re-equipping of a county hospital or a jointly owned
5 county-municipal hospital and purchasing the land necessary
6 therefor or for any combination of the foregoing purposes;

7 F. to charge for hospital services rendered and to
8 reduce any charge made for care of a patient in whole or part
9 when the charges are determined to be disputed in good faith
10 or uncollectible;

11 G. to lease a hospital to any person, corporation
12 or association for the operation and maintenance of the
13 hospital upon terms and conditions as the county commissioners
14 may determine;

15 H. to contract with the state, another county or
16 counties, the federal government or its agencies, another
17 political subdivision or a public or private corporation,
18 organization or association for the care of the sick of the
19 county;

20 I. to receive all funds appropriated from whatever
21 source or paid by or on behalf of any patient of the hospital;

22 J. notwithstanding any other provision of law, to
23 enter into leases, management or operating contracts, health
24 care facilities contracts and other agreements authorized by
25 the Hospital Funding Act for periods in excess of one year;

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1 provided that the contract, lease or agreement may be
2 terminated by the county without cause upon one hundred eighty
3 days' notice after the first three years of the contract;

4 K. to authorize the hospital governing board of a
5 county hospital to exercise all powers that the county is
6 granted by the Hospital Funding Act except the powers to issue
7 bonds, call a mill levy election and levy the annual
8 assessments for the mill levy authorized by the Hospital
9 Funding Act;

10 L. to enter into a health care facilities contract
11 with one or more hospitals which agree to provide facilities
12 to the sick of the county;

13 M. to call a mill levy election as authorized by
14 the Hospital Funding Act and to collect and distribute the
15 proceeds of the mill levy pursuant to that act;

16 N. to distribute the proceeds of the mill levy
17 authorized by the Hospital Funding Act to one or more county
18 hospitals and one or more contracting hospitals or any
19 combination thereof which provide facilities for the sick of
20 the county, whether located within or without the county
21 wherein the mill levy is collected;

22 O. to accept grants for constructing, equipping,
23 operating and maintaining a county hospital;

24 P. to enter into an agreement with a municipality
25 for constructing, equipping, operating and maintaining a

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1 jointly owned county-municipal hospital;

2 Q. to enter into an agreement with another county
3 or counties, another county or counties and another political
4 subdivision, an agency of the federal government or any other
5 person, corporation, organization or association which
6 provides that the parties to the agreement shall join together
7 or form a legal entity for the purpose of making some or all
8 purchases necessary for the operation of public hospitals or
9 public and private hospitals [~~owned or operated by the~~
10 ~~parties; and to designate one of the parties as the central~~
11 ~~purchasing office, as defined in the Public Purchases Act for~~
12 ~~the others, to make purchases for the parties to the agreement~~
13 ~~as they shall deem necessary and to comply with the provisions~~
14 ~~of the Public Purchases Act] subject to provisions of or
15 exemptions from the Procurement Code;~~

16 R. to enter into an agreement with another county
17 or counties, another political subdivision, an agency of the
18 federal government or any other person, corporation,
19 organization or association that provides that parties to the
20 agreement shall join together or form a legal entity for the
21 purpose of creating a network of health care providers or
22 jointly operating a common health care service, subject to
23 provisions of or exemptions from the Procurement Code;

24 [R.] S. to expend public money to recruit health
25 care personnel to serve the sick of the county; and

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[S.] T. to perform any other act or adopt any
regulation necessary or expedient to carry out the provisions
of the Hospital Funding Act. "

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

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4
5
6 February 4, 1998

7
8 Mr. President:

9
10 Your COMMITTEES' COMMITTEE, to whom has been referred

11
12 SENATE BILL 295

13
14 has had it under consideration and finds same to be GERMANE, in
15 accordance with constitutional provisions, and thence referred to the
16 FINANCE COMMITTEE.
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19 Respectfully submitted,

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25 Manny M. Aragon, Chairman

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(Chief Clerk)

(Chief Clerk)

Date _____

S0295CC1

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5
6 February 4, 1998

7
8 Mr. President:

9
10 Your COMMITTEES' COMMITTEE, to whom has been referred

11
12 SENATE BILL 295

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19 Respectfully submitted,

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25 Manny M. Aragon, Chairman

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(Chief Clerk)

(Chief Clerk)

Date _____

S0295CC1

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

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6 February 4, 1998

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9
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12 SENATE BILL 295

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19 Respectfully submitted,

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25 Manny M. Aragon, Chairman

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(Chief Clerk)

(Chief Clerk)

Date _____

S0295CC1

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
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6 February 17, 1998
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8 Mr. Speaker:
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10 Your BUSINESS AND INDUSTRY COMMITTEE, to whom has been
11 referred

12
13 SENATE BILL 295
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15 has had it under consideration and reports same with
16 recommendation that it DO PASS.

17 Respectfully submitted,
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22 Fred Luna, Chairman
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1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998

3 HBIC/SB 295

Page 14

4 Adopted _____ Not Adopted _____
5 (Chief Clerk) (Chief Clerk)

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7 Date _____

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9 The roll call vote was 9 For 0 Against

10 Yes: 9

11 Excused: Corley, Lutz, Varela

12 Absent: Getty

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