RELATING TO HEALTH CARE; ENACTING THE HEALTH CARE DELIVERY
AND ACCESS ACT; IMPOSING ON CERTAIN HOSPITALS THE HEALTH CARE
DELIVERY AND ACCESS ASSESSMENT; CREATING THE HEALTH CARE
DELIVERY AND ACCESS FUND; CREATING THE HEALTH CARE DELIVERY
AND ACCESS MEDICAID-DIRECTED PAYMENT PROGRAM; PROVIDING THAT
REVENUE FROM THE ASSESSMENT BE USED AS ADDITIONAL
REIMBURSEMENT TO CERTAIN HOSPITALS; PROVIDING A DISTRIBUTION
TO THE HEALTH CARE DELIVERY AND ACCESS FUND; PROVIDING THAT
THE TAX ADMINISTRATION ACT APPLIES TO AND GOVERNS THE HEALTH
CARE DELIVERY AND ACCESS ACT; PROVIDING A DELAYED REPEAL;
PROVIDING A CONTINGENT EFFECTIVE DATE; MAKING AN
APPROPRIATION.

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

SECTION 1. SHORT TITLE.--Sections 1 through 7 of this act may be cited as the "Health Care Delivery and Access Act".

SECTION 2. DEFINITIONS.--As used in the Health Care Delivery and Access Act:

- A. "assessed days" means the number of inpatient hospital days exclusive of medicare days for each eligible hospital, with data sources to be defined by the authority and updated no less frequently than every three years;
 - B. "assessed outpatient revenue" means net patient SB 17 Page 1

1	revenue exclusive of medicare outpatient revenue for
2	outpatient services, with data sources to be defined by the
3	authority and updated no less frequently than every three
4	years;
5	C. "assessment" means the health care delivery and
6	access assessment;
7	D. "assessment amount" means the assessment amount
8	owed by an eligible hospital;
9	E. "assessment rate" means the amount per assessed
10	day and the percentage of assessed outpatient revenue
11	calculated by the authority;
12	F. "authority" means the health care authority
13	department;
14	G. "average commercial rate" means the average
15	rate paid by commercial insurers as provided by the centers
16	for medicare and medicaid services;
17	H. "centers for medicare and medicaid services"
18	means the centers for medicare and medicaid services of the
19	United States department of health and human services;
20	I. "eligible hospital" means a non-federal
21	facility licensed as a hospital by the department of health,
22	excluding a state university teaching hospital or a
23	state-owned special hospital;
24	J. "general acute care hospital" means a hospital
25	other than a special hospital;

SB 17 Page 2

1	K. "hospital" means a facility providing emergency	
2	or urgent care, inpatient medical care and nursing care for	
3	acute illness, injury, surgery or obstetrics. "Hospital"	
4	includes a facility licensed by the department of health as a	
5	critical access hospital, rural emergency hospital, general	
6	hospital, long-term acute care hospital, psychiatric	
7	hospital, rehabilitation hospital, limited services hospital	
8	or special hospital;	
9	L. "inpatient hospital services" means services	
10	that:	
11	(1) are ordinarily furnished in a hospital	
12	for the care and treatment of inpatients;	
13	(2) are furnished under the direction of a	
14	physician, advanced practice clinician or dentist;	
15	(3) are furnished in an institution that:	
16	(a) is maintained primarily for the	
17	care and treatment of patients;	
18	(b) is licensed or formally approved as	
19	a hospital by an officially designated authority for state	
20	standard-setting;	
21	(c) meets the requirements for	
22	participation in medicare as a hospital; and	
23	(d) has in effect a utilization review	
24	plan, applicable to all medicaid patients, that meets federal	
25	requirements; and	SB 17 Page 3

(4) are not skilled nursing facility services or immediate care facility services furnished by a hospital with a swing-bed approval;

- M. "managed care organization" means a person or organization that has entered into a comprehensive risk-based contract with the authority to provide health care services, including inpatient and outpatient hospital services, to medicaid beneficiaries;
- N. "medicaid" means the medical assistance program established pursuant to Title 19 of the federal Social Security Act and regulations promulgated pursuant to that act:
- O. "medicaid-directed payment program" means the health care delivery and access medicaid-directed payment program created pursuant to Section 5 of the Health Care Delivery and Access Act providing additional medicaid funding for hospital services provided through medicaid managed care organizations, as directed by the authority and approved by the centers for medicare and medicaid services;
- P. "medicare days" means the number of inpatient days provided by an eligible hospital during the year to patients covered under Title 18 of the federal Social Security Act;
- Q. "medicare outpatient revenue" means the amount of net revenue received by an eligible hospital for

1	outpatient hospital services provided to patients covered	
2	under Title 18 of the federal Social Security Act;	
3	R. "net patient revenue" means total net revenue	
4	received by a hospital for inpatient and outpatient hospital	
5	services in a year, as determined by the authority;	
6	S. "New Mexico medicaid program" means the	
7	medicaid program established pursuant to Section 27-2-12 NMSA	
8	1978;	
9	T. "outpatient hospital services" means	
10	preventive, diagnostic, therapeutic, rehabilitative or	
11	palliative services that are furnished:	
12	(1) to outpatients;	
13	(2) by or under the direction of a	
14	physician, advanced practice clinician or dentist; and	
15	(3) by an institution that:	
16	(a) is licensed or formally approved as	
17	a hospital by an officially designated authority for state	
18	standard-setting; and	
19	(b) meets the requirements for	
20	participation in medicare as a hospital;	
21	U. "quality incentive payments" means the portion	
22	of the medicaid-directed payment program paid to hospitals	
23	based on value-based quality measurements and performance	
24	evaluation criteria, as established by the authority pursuant	
25	to Section 5 of the Health Care Delivery and Access Act;	SB 17 Page 5

1	V. "rehabilitation hospital" means a facility
2	licensed as a rehabilitation hospital by the department of
3	health;
4	W. "rural emergency hospital" means a facility
5	licensed as a rural emergency hospital by the department of
6	health;
7	X. "rural hospital" means a hospital that is
8	located in a county that has a population of one hundred
9	twenty-five thousand or fewer according to the most recent
10	federal decennial census;
11	Y. "secretary" means the secretary of health care
12	authority;
13	Z. "small urban hospital" means a hospital that is
14	located in a county that has a population greater than one
15	hundred twenty-five thousand and that has fewer than fifteen
16	licensed inpatient beds as of January 1, 2024;
17	AA. "special hospital" means a facility licensed
18	as a special hospital by the department of health; and
19	BB. "uniform rate increase" means the portion of
20	the medicaid-directed payment program paid to hospitals as a
21	uniform dollar or percentage increase.
22	SECTION 3. HEALTH CARE DELIVERY AND ACCESS ASSESSMENT
23	RATE AND CALCULATIONNOTIFICATION
24	A. Except as otherwise provided in this section,

an assessment is imposed on inpatient hospital services and

outpatient hospital services provided by an eligible hospital. The assessment rate shall be annually calculated by the authority pursuant to Subsection D of this section and the taxation and revenue department shall collect the assessment. The inpatient assessment shall be based on assessed days and the outpatient assessment shall be based on assessed outpatient revenue. The assessment provided by this section may be referred to as the "health care delivery and access assessment".

- B. The rate of the assessment on a rural hospital and special hospital shall be reduced by fifty percent, and the rate of the assessment on a small urban hospital shall be reduced by ninety percent; provided that the amount of the assessment qualifies for a waiver of the uniformity requirement for provider assessment from the centers for medicare and medicaid services. The authority may adjust these percentages and establish eligibility requirements as necessary to qualify for the waiver.
- C. The assessment shall not be imposed for any period for which the centers for medicare and medicaid services has not approved a necessary waiver or other applicable authorization required to ensure that the assessment is a permissible source of non-federal funding for medicaid program expenditures, or for which the centers for medicare and medicaid services has not approved the

distribution of the medicaid-directed payment program payments.

D. The authority shall annually calculate the assessment amount to be paid by each eligible hospital and shall annually notify the taxation and revenue department and all hospitals of the applicable rates. The authority shall calculate the assessment amount by applying the assessment rate to an eligible hospital's assessed days and assessed outpatient revenue so that total revenue from the assessment will equal the lesser of:

(1) the amount needed, in combination with other funds deposited or expected to be deposited in the health care delivery and access fund for the subsequent fiscal year, including unexpended and unencumbered money in the fund, to provide sufficient funding for:

medicaid-directed payment program payments for inpatient and outpatient hospital services for eligible hospitals at a level such that the total reimbursement for medicaid managed care patients, including any other inpatient or outpatient hospital directed payments, is equivalent to the average commercial rate or such other maximum level as may be set by the centers for medicare and medicaid services; and

(b) the purposes of the health care delivery and access fund; or

(2) the amount specified in Section 1903(w)(4)(C)(ii) of the federal Social Security Act, above which an indirect guarantee is determined to exist, with such amount determined each year based on the most recent available net patient revenue data.

- E. The authority shall notify an eligible hospital of its applicable assessment amount pursuant to the following schedule:
- (1) by November 1, 2024 for the period beginning on July 1, 2024 and ending on December 31, 2024; and
- (2) by November 1 of the preceding calendar year for each calendar year thereafter.
- F. The assessment imposed for the six-month period identified in Paragraph (1) of Subsection E of this section shall be based on assessed days and assessed outpatient revenue for a full year.
- G. The authority may require hospitals, regardless of whether they are eligible hospitals, to report information or data necessary to implement and administer the Health Care Delivery and Access Act. If the authority requires such reporting, it shall specify the frequency and due dates.
- H. The authority shall determine how the assessment is applied to newly created hospitals and hospitals that are merged, acquired or closed.

I. A hospital shall not specifically list the cost of the assessment on any invoice, claim or statement sent to a patient, insurer, self-insured employer program or other responsible party.

SECTION 4. HEALTH CARE DELIVERY AND ACCESS FUND-CREATED.--

A. The "health care delivery and access fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, transfers, gifts, grants, donations, bequests and income from investment of the fund. The authority shall administer the fund. Money in the fund is appropriated to the authority for the purposes of the fund provided in Subsection B of this section. Expenditures from the fund shall be by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of health care authority or the secretary's authorized representative.

- B. Money in the health care delivery and access fund shall be used only for the following purposes:
- (1) at least ninety percent for the non-federal share of the medicaid-directed payment program;
- (2) not more than ten percent for the non-federal share of costs incurred by the authority to administer the Health Care Delivery and Access Act; and
 - (3) for refunds to eligible hospitals, in

proportion to the assessment amounts paid by the hospitals,

if there is a final determination that the assessment is not

a permissible source of non-federal medicaid program

expenditures or if a substantial portion of the federal

funding for the directed payments is disallowed.

SECTION 5. HEALTH CARE DELIVERY AND ACCESS MEDICAID-DIRECTED PAYMENT PROGRAM.--

A. The "health care delivery and access medicaid-directed payment program" is created in the authority pursuant to the provisions of this section, to be approved by the centers for medicare and medicaid services.

B. The authority shall:

- (1) determine the amount of funds required for disproportionate share hospital payments but for the impact of the medicaid-directed payment program on the limit established by Section 1923(g) of the federal Social Security Act and direct a like amount of funds otherwise appropriated for the New Mexico medicaid program to fund the medicaid-directed payment program;
- (2) determine the total funding for the medicaid-directed payment program, including the amount pursuant to Paragraph (1) of this subsection, and the associated matching federal funds;
- (3) set aside forty percent of the medicaid-directed payment program funding for quality

1	incentive payments for eligible hospitals, to replace the
2	targeted access fee-for-service supplemental payment program
3	and the hospital value-based directed payment program,
4	including the hospital access payment program and the
5	hospital quality improvement initiative;
6	(4) establish quality measurements and
7	performance evaluation criteria based on hospital grouping
8	classifications, after soliciting input from key stakeholders
9	of the New Mexico hospital industry, for eligible hospitals
0	using quality measurements and performance evaluation
1	criteria:
l 2	(a) that have been endorsed by a
l 3	nationally recognized quality organization;
L 4	(b) that align with the New Mexico
15	medicaid strategic plan; or
l 6	(c) that align with the department of
L 7	health's state health improvement plan;
18	(5) ensure that a quality incentive payment
19	made to an eligible general acute care hospital:
20	(a) prior to calendar year 2026, is
21	distributed based only on quality measurements and not
22	performance evaluation; and
23	(b) for calendar year 2026 and
24	subsequent years, is distributed based on quality
) 5	measurements and performance evaluation:

(a) prior to calendar year 2027, is distributed based only on quality measurements and not performance evaluation; and

(b) for calendar year 2027 and subsequent years, is distributed based on quality measurements and performance evaluation;

stakeholders of New Mexico's hospital industry, structure payments to hospitals for the portion of the funding not used for the quality incentive payments as a uniform rate increase, to be paid to eligible hospitals through medicaid managed care organizations separately and in addition to capitation payments made to such organizations; and

(8) to the extent permitted by federal law, require, no more frequently than annually, that each eligible hospital submit to the authority, upon request, a report demonstrating that the increase in payment for medicaid managed care patients provided through the medicaid-directed payment program has enabled it to invest an amount equal to at least seventy-five percent of its net new funding into the delivery of and access to health care services in New Mexico, including investments in hospital operational costs, workforce recruitment and retention, staff and provider

-	compensation increases, on-carr physician coverage,
2	precepting incentives, creation or expansion of services,
3	community benefit activities or capital investments.
4	SECTION 6. DUE DATESHEALTH CARE DELIVERY AND ACCESS
5	ASSESSMENTDIRECTED PAYMENTS
6	A. For the period from July 1, 2024 through
7	December 31, 2024, a hospital shall pay the assessment to the
8	taxation and revenue department as follows:
9	(1) by March 10, 2025 for the uniform rate
10	increase; and
11	(2) by May 10, 2025 for the quality
12	incentive payment.
13	B. For calendar year 2025 and thereafter, a
14	hospital shall pay the assessment to the taxation and revenue
15	department as follows:
16	(1) seventy days after the end of each
17	calendar quarter for the uniform rate increase for that
18	quarter; and
19	(2) by May 10 of the subsequent year for the
20	quality incentive payment, unless approval by the centers for
21	medicare and medicaid services of the medicaid-directed
22	payment program for that year has not been received by the
23	assessment's due date, in which case the due date for that
24	assessment shall be forty-five days after such approval is

received.

C. An assessment shall not be due earlier than forty-five days after the date the centers for medicare and medicaid services approves the necessary authorization sought by the secretary pursuant to Section 12 of this 2024 act for the applicable period.

- D. The authority shall make directed payments to a managed care organization as follows:
- (1) for the period beginning on July 1, 2024 and ending on December 31, 2024, the authority shall transfer the uniform rate increase funding to a managed care organization in one installment by March 15, 2025 and the quality incentive payment by May 15, 2025; and
- (2) for calendar years 2025 and thereafter, the authority shall transfer the uniform rate increase funding to the managed care organization on a quarterly basis no later than seventy-five days after the end of the quarter and the quality incentive payment by May 15 of the subsequent calendar year.
- E. If the assessment due date has been postponed due to a delay in approval by the centers for medicare and medicaid services, the payments shall be due five days after the extended assessment due date.
- F. The authority shall require a managed care organization to make directed payments to hospitals no more than fifteen days after receipt of such payments from the

1	authority.	
2	SECTION 7. SUBSEQUENT APPROVALS FOR MANAGED CARE RATING	
3	PERIODPROMULGATION OF RULES	
4	A. The secretary shall seek subsequent approvals	
5	of the medicaid-directed payment program from the centers for	
6	medicare and medicaid services for each managed care rating	
7	period by submitting required information to the centers for	
8	medicare and medicaid services ninety days prior to the start	
9	of such rating period.	
10	B. The authority and the department shall	
11	promulgate rules as necessary to carry out the provisions of	
12	the Health Care Delivery and Access Act.	
13	SECTION 8. Section 7-1-2 NMSA 1978 (being Laws 1965,	
14	Chapter 248, Section 2, as amended) is amended to read:	
15	"7-1-2. APPLICABILITYThe Tax Administration Act	
16	applies to and governs:	
17	A. the administration and enforcement of the	
18	following taxes or tax acts as they now exist or may	
19	hereafter be amended:	
20	(1) Income Tax Act;	
21	(2) Withholding Tax Act;	
22	(3) Oil and Gas Proceeds and Pass-Through	
23	Entity Withholding Tax Act;	
24	(4) Gross Receipts and Compensating Tax Act,	
25	Interstate Telecommunications Gross Receipts Tax Act and	SB 17 Page 16

1	Leased Venicle Gloss Receipts Tax Act;
2	(5) Liquor Excise Tax Act;
3	(6) Local Liquor Excise Tax Act;
4	(7) any municipal local option gross
5	receipts tax or municipal compensating tax;
6	(8) any county local option gross receipts
7	tax or county compensating tax;
8	(9) Special Fuels Supplier Tax Act;
9	(10) Gasoline Tax Act;
10	(11) petroleum products loading fee, which
11	fee shall be considered a tax for the purpose of the Tax
12	Administration Act;
13	(12) Alternative Fuel Tax Act;
14	(13) Cigarette Tax Act;
15	(14) Estate Tax Act;
16	(15) Railroad Car Company Tax Act;
17	(16) Investment Credit Act, rural job tax
18	credit, Laboratory Partnership with Small Business Tax Credit
19	Act, Technology Jobs and Research and Development Tax Credit
20	Act, Film Production Tax Credit Act, Affordable Housing Tax
21	Credit Act and high-wage jobs tax credit;
22	(17) Corporate Income and Franchise Tax Act;
23	(18) Uniform Division of Income for Tax
24	Purposes Act;
25	(19) Multistate Tax Compact; SB 17
	Page 17

1	(20) Tobacco Products Tax Act;
2	(21) the telecommunications relay service
3	surcharge imposed by Section 63-9F-11 NMSA 1978, which
4	surcharge shall be considered a tax for the purposes of the
5	Tax Administration Act;
6	(22) the Insurance Premium Tax Act;
7	(23) the Health Care Quality Surcharge Act;
8	(24) the Cannabis Tax Act; and
9	(25) the Health Care Delivery and Access
10	Act;
11	B. the administration and enforcement of the
12	following taxes, surtaxes, advanced payments or tax acts as
13	they now exist or may hereafter be amended:
14	(1) Resources Excise Tax Act;
15	(2) Severance Tax Act;
16	(3) any severance surtax;
17	(4) Oil and Gas Severance Tax Act;
18	(5) Oil and Gas Conservation Tax Act;
19	(6) Oil and Gas Emergency School Tax Act;
20	(7) Oil and Gas Ad Valorem Production Tax
21	Act;
22	(8) Natural Gas Processors Tax Act;
23	(9) Oil and Gas Production Equipment Ad
24	Valorem Tax Act;
25	(10) Copper Production Ad Valorem Tax Act; SB 17 Page 18
	1460 10

1	(11) any advance payment required to be made
2	by any act specified in this subsection, which advance
3	payment shall be considered a tax for the purposes of the Tax
4	Administration Act;
5	(12) Enhanced Oil Recovery Act;
6	(13) Natural Gas and Crude Oil Production
7	Incentive Act; and
8	(14) intergovernmental production tax credit
9	and intergovernmental production equipment tax credit;
10	C. the administration and enforcement of the
11	following taxes, surcharges, fees or acts as they now exist
12	or may hereafter be amended:
13	(1) Weight Distance Tax Act;
14	(2) the workers' compensation fee authorized
15	by Section 52-5-19 NMSA 1978, which fee shall be considered a
16	tax for purposes of the Tax Administration Act;
17	(3) Uniform Unclaimed Property Act (1995);
18	(4) 911 emergency surcharge and the network
19	and database surcharge, which surcharges shall be considered
20	taxes for purposes of the Tax Administration Act;
21	(5) the solid waste assessment fee
22	authorized by the Solid Waste Act, which fee shall be
23	considered a tax for purposes of the Tax Administration Act;
24	(6) the water conservation fee imposed by
25	Section 74-1-13 NMSA 1978, which fee shall be considered a

tax for the purposes of the Tax Administration Act; and

(7) the gaming tax imposed pursuant to the Gaming Control Act; and

D. the administration and enforcement of all other laws, with respect to which the department is charged with responsibilities pursuant to the Tax Administration Act, but only to the extent that the other laws do not conflict with the Tax Administration Act."

SECTION 9. A new section of the Tax Administration Act is enacted to read:

"DISTRIBUTION--HEALTH CARE DELIVERY AND ACCESS FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the health care delivery and access fund in an amount equal to the net receipts attributable to the health care delivery and access assessment imposed on hospitals pursuant to the Health Care Delivery and Access Act and any associated interest or penalties collected from eligible hospitals."

SECTION 10. Section 7-1-8.8 NMSA 1978 (being Laws 2019, Chapter 87, Section 2, as amended) is amended to read:

"7-1-8.8. INFORMATION THAT MAY BE REVEALED TO OTHER STATE AND LEGISLATIVE AGENCIES.--An employee of the department may reveal confidential return information to the following agencies; provided that a person who receives the information on behalf of the agency shall be subject to the penalties in Section 7-1-76 NMSA 1978 if the person fails to

- A. a committee of the legislature for a valid legislative purpose, return information concerning any tax or fee imposed pursuant to the Cigarette Tax Act;
- B. the attorney general, return information acquired pursuant to the Cigarette Tax Act for purposes of Section 6-4-13 NMSA 1978 and the master settlement agreement defined in Section 6-4-12 NMSA 1978;
- C. the commissioner of public lands, return information for use in auditing that pertains to rentals, royalties, fees and other payments due the state under land sale, land lease or other land use contracts;
- D. the secretary of health care authority or the secretary's delegate under a written agreement with the department:
- (1) the last known address with date of all names certified to the department as being absent parents of children receiving public financial assistance, but only for the purpose of enforcing the support liability of the absent parents by the child support enforcement division or any successor organizational unit;
- (2) return information needed for reports required to be made to the federal government concerning the use of federal funds for low-income working families;
 - (3) return information of low-income

(4) return information required to administer the Health Care Quality Surcharge Act and the Health Care Delivery and Access Act; and

- (5) return information in accordance with the provisions of the Easy Enrollment Act;
- E. the department of information technology, by electronic media, a database updated quarterly that contains the names, addresses, county of address and taxpayer identification numbers of New Mexico personal income tax filers, but only for the purpose of producing the random jury list for the selection of petit or grand jurors for the state courts pursuant to Section 38-5-3 NMSA 1978;
- F. the state courts, the random jury lists produced by the department of information technology under Subsection E of this section;
- G. the director of the New Mexico department of agriculture or the director's authorized representative, upon request of the director or representative, the names and

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- the public regulation commission, return information with respect to the Corporate Income and Franchise Tax Act required to enable the commission to carry out its duties;
- I. the state racing commission, return information with respect to the state, municipal and county gross receipts taxes paid by racetracks;
- J. the gaming control board, tax returns of license applicants and their affiliates as provided in Subsection E of Section 60-2E-14 NMSA 1978;
- K. the director of the workers' compensation administration or to the director's representatives authorized for this purpose, return information to facilitate the identification of taxpayers that are delinquent or noncompliant in payment of fees required by Section 52-1-9.1 or 52-5-19 NMSA 1978;
- L. the secretary of workforce solutions or the secretary's delegate, return information for use in enforcement of unemployment insurance collections pursuant to the terms of a written reciprocal agreement entered into by the department with the secretary of workforce solutions for exchange of information;
 - the New Mexico finance authority, information Μ.

SB 17

- N. the superintendent of insurance, return information with respect to the premium tax and the health insurance premium surtax;
- O. the secretary of finance and administration or the secretary's designee, return information concerning a credit pursuant to the Film Production Tax Credit Act;
- P. the secretary of economic development or the secretary's designee, return information concerning a credit pursuant to the Film Production Tax Credit Act;
- Q. the secretary of public safety or the secretary's designee, return information concerning the Weight Distance Tax Act;
- R. the secretary of transportation or the secretary's designee, return information concerning the Weight Distance Tax Act;
- S. the secretary of energy, minerals and natural resources or the secretary's designee, return information concerning tax credits or deductions for which eligibility is

T. the secretary of environment or the secretary's designee, return information concerning tax credits for which eligibility is certified or otherwise determined by the secretary or the secretary's designee; and

U. the secretary of state or the secretary's designee, taxpayer information required to maintain voter registration records and as otherwise provided in the Election Code."

SECTION 11. A new section of the Medicaid Provider and Managed Care Act is enacted to read:

"HOSPITAL PAYMENT RATES--MANAGED CARE ORGANIZATIONS-NEGOTIATED RATES.--The department shall not reduce hospital
payment rates made pursuant to medicaid below those in effect
on the date this 2024 act takes effect. A managed care
organization shall not reduce negotiated rates paid to a
hospital pursuant to medicaid below the hospital payment
rates in effect on the date this 2024 act takes effect."

SECTION 12. TEMPORARY PROVISION--APPLICATION FOR AUTHORIZATION.--No later than July 15, 2024, the secretary of health care authority shall seek a waiver, a state plan amendment or federal authorization as necessary to implement the provisions of the Health Care Delivery and Access Act.

SECTION 13. DELAYED REPEAL. -- Sections 1 through 11 of

SB 17

this act are repealed effective July 1, 2030.

SECTION 14. CONTINGENT EFFECTIVE DATE.--The provisions of Sections 1 through 11 of this act shall become effective on the first day of the month subsequent to the health care authority department receiving the necessary federal authorizations and approvals of waivers required to implement and administer the Health Care Delivery and Access Act. Upon this occurring, the secretary of health care authority shall immediately notify the New Mexico compilation commission, the director of the legislative council service and the secretary of taxation and revenue.

SB 17 Page 26