

1 SENATE BILL 255

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO HEALTH CARE; REQUIRING THE HUMAN SERVICES
12 DEPARTMENT TO CREATE A MILEAGE REIMBURSEMENT RATE FOR
13 AMBULANCE, ENVIRONMENTAL MODIFICATION SERVICE AND DURABLE
14 MEDICAL EQUIPMENT PROVIDERS THAT RENDER SERVICES TO MEDICAID
15 PATIENTS; MAKING AN APPROPRIATION.

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

18 SECTION 1. A new section of the Public Assistance Act is
19 enacted to read:

20 "[NEW MATERIAL] MEDICAID MILEAGE REIMBURSEMENT FOR
21 AMBULANCE TRANSPORT, ENVIRONMENTAL MODIFICATION SERVICES AND
22 DELIVERY OF DURABLE MEDICAL EQUIPMENT.--

23 A. The department shall establish a mileage
24 reimbursement rate for ambulance providers that render services
25 to medicaid patients. Ambulance providers shall be reimbursed

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1 for every mile that they travel while transporting a patient.
2 When calculating the mileage reimbursement rate, the department
3 shall consider the average cost of:

- 4 (1) licensure and registration of an
5 ambulance;
- 6 (2) fuel;
- 7 (3) ambulance maintenance;
- 8 (4) repair;
- 9 (5) tires;
- 10 (6) ambulance insurance;
- 11 (7) mechanic wages, benefits and payroll
12 taxes;
- 13 (8) loan interest related to the ambulances;
- 14 (9) the cost of the weighted allocation of
15 overhead;
- 16 (10) the cost of depreciation; and
- 17 (11) reserves for replacement ambulance
18 vehicles and equipment.

19 B. The department shall establish a mileage
20 reimbursement rate for providers that travel to the homes of
21 medicaid patients to perform environmental modification
22 services or to deliver and install durable medical equipment.
23 When calculating the mileage reimbursement rate, the department
24 shall consider the average cost of:

- 25 (1) licensure and registration of a vehicle

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1 suited for providing environmental modification services or
2 durable medical equipment;

3 (2) fuel;

4 (3) vehicle maintenance;

5 (4) vehicle repair;

6 (5) tires;

7 (6) vehicle insurance;

8 (7) mechanic wages, benefits and payroll

9 taxes;

10 (8) vehicle loan interest;

11 (9) weighted allocation of overhead;

12 (10) depreciation; and

13 (11) reserves for replacement of vehicles and
14 supplies needed to provide environmental modification services
15 and durable medical equipment.

16 C. Ambulance, environmental modification service
17 and durable medical equipment providers shall not be reimbursed
18 at a rate higher than the internal revenue service's official
19 mileage reimbursement rate.

20 D. For the purposes of this section:

21 (1) "ambulance" means a vehicle designed and
22 used or intended to be used for the transportation of sick or
23 injured persons;

24 (2) "durable medical equipment" means
25 equipment that can withstand repeated use, is primarily and

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1 customarily used to serve a medical purpose, is not useful to
2 individuals in the absence of an illness or injury and is
3 appropriate for use at home; and

4 (3) "environmental modification service" means
5 the installation of equipment and the physical adaptations that
6 are made at an individual's residence that are necessary to
7 ensure the health, welfare and safety of the individual or
8 enhance the individual's independence."

9 SECTION 2. APPROPRIATION.--Two million dollars
10 (\$2,000,000) is appropriated from the general fund to the human
11 services department for expenditure in fiscal year 2024 to
12 cover the costs of reimbursing ambulance, environmental
13 modification service and durable medical equipment providers
14 for mileage. Any unexpended or unencumbered balance remaining
15 at the end of fiscal year 2024 shall revert to the general
16 fund.