



Consideration of Lea County Resolution No. 21-DEC-293R Authorizing Lea County's Fiscal Year 2021 - 2022 2nd Quarter Payment and Certification for the Safety Net Care Pool Fund

2nd Qtr. FY 22 SNCP SB268 Payment

FY 21 Matched Taxable Gross Receipts	\$ 4,993,595,360.58
FY 22 1/12 th Increment Due	\$ 4,161,329.47
FY 21 Quarterly Amount Due	\$ 1,040,332.36



**LEA COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY FORM**

LCBCC Meeting Date: Thursday, December 9, 2021

Submit this summary form & all attachments to the Finance Director clow@leacounty.net & cc the Executive Coordinator sstout@leacounty.net by: **Monday, November 22, 2021**

County Manager Approval mgallagher@leacounty.net required for all time sensitive issues that do not meet the above deadline.

DATE SUBMITTED mm-dd-yyyy: 11/19/2021	SUBMITTED BY Name, Title, Dept: Chip Low - Finance Director
SUBJECT: 2nd Quarter FY 22 SB 268 Payment	ATTACHMENT(S): 1. Resolution Approving Payment 2. Required Certification
NO. OF ORIGINALS FOR SIGNATURE:	ACTION REQUESTED: Action Item
BUDGET LINE ITEM NUMBER: 406-13-2890	FISCAL BUDGET YEAR: FY 22
STRATEGIC PLAN Implementation of 5 Year Strategic Plan: Section 3.4 - Quality of Life - Lea County shall have a variety of recreational & cultural amenities with access to convenient & quality healthcare.	
SUMMARY: Lea County is required to submit quarterly payments to the State of New Mexico for the Safety Net Care Pool. The amount due for the 4th Quarter FY21 is \$1,040,332.36.	
Requested Items Needed for Presentation Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> If checked; how many: Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other:	See Additional Summary Attached <input type="checkbox"/>
SUBMITTER'S RECOMMENDATION(S): Recommend Approval	Submitter's Signature Department Director, Etc. Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2021.11.19 09:53:40 -07'00'</small>
FINANCE REVIEW Fiscal Impact/Cost: The financial impact to Lea County will be expenditures from the Indigent Fund of \$1,040,332.36. Funds are budgeted and available in 406-13-2890.	Reviewed by Finance Director Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2021.11.19 09:53:54 -07'00'</small>
LEGAL REVIEW: (Note: Travel does not need legal review)	Reviewed by County Attorney
COUNTY MANAGER REVIEW:	Approved by County Manager to be Placed on Agenda
Item No. 0313 RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN Approved: 3/2 Denied: _____ Other: Jackson - No Resolution No. 21-DEC-293R Policy No. _____ Ordinance No. _____ Continued To: _____ Referred To: _____ Comments: _____	

STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 21-DEC-293R

**A RESOLUTION AUTHORIZING LEA COUNTY'S FISCAL YEAR 2021 – 2022 2ND QUARTER PAYMENT
AND CERTIFICATION FOR THE SAFETY NET CARE POOL FUND**

WHEREAS, in January 2014 the Sole Community Provider Program was replaced by the Safety Net Care Pool (SNCP) through the adoption of Senate Bill 268; *and*

WHEREAS, SNCP payments are dispersed state wide for uncompensated care and hospital quality improvements; *and*

WHEREAS, Lea County's 2nd quarter contribution to the SNCP funds is due in the amount of \$1,040,332.36.

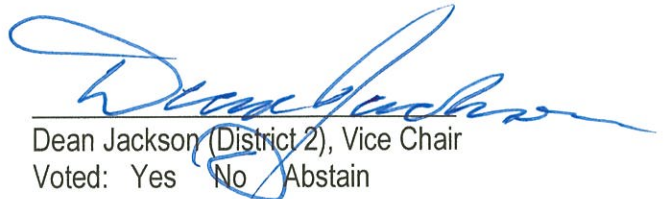
NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of County Commissioners of Lea County, that staff is hereby authorized and directed to issue the 2nd quarter payment in the amount of \$1,040,332.36 for the SNCP.

PASSED AND APPROVED on this 9th day of December 2021, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

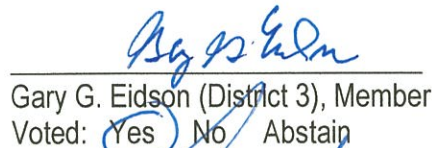
LEA COUNTY BOARD OF COUNTY COMMISSIONERS



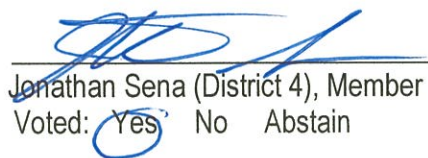
Rebecca Long (District 2), Chair
Voted: Yes ☒ No ☐ Abstain



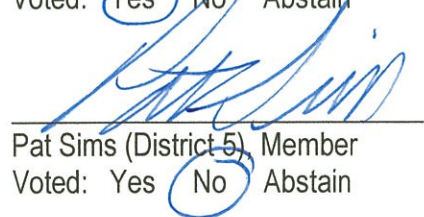
Dean Jackson (District 2), Vice Chair
Voted: Yes ☐ No ☒ Abstain



Gary G. Eidson (District 3), Member
Voted: Yes ☒ No ☐ Abstain



Jonathan Sena (District 4), Member
Voted: Yes ☒ No ☐ Abstain



Pat Sims (District 5), Member
Voted: Yes ☐ No ☒ Abstain

ATTEST: Keith Manes
Lea County Clerk

By: *Teri Davis*
Teri Davis, Deputy Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**

[Signature]
John W. Caldwell, County Attorney



NEW MEXICO HUMAN SERVICES DEPARTMENT
SAFETY NET CARE POOL PAYMENT PROGRAM
CERTIFICATION FOR LOCAL GOVERNMENTAL ENTITY PARTICIPATION

2nd QUARTER OF SFY 22

On behalf of Lea County, a County organized under the laws of the State of New Mexico (hereinafter referred to as the "Local Governmental Entity"), I, Rebecca Long, Chair, Lea County Board of County Commissioners affirm and certify the following:

I. Definitions

- A. The term "Local Governmental Entity" means any County or Counties that makes a transfer of funds to the State of New Mexico for the purpose of funding a payment to any hospital under the New Mexico Medicaid program.
- B. The term "Supplemental Payment" means any payment to a hospital pursuant to the Safety Net Care Pool ("SNCP") Payment provisions of the New Mexico Medicaid program.
- C. The term "State" means the State of New Mexico or any of its officers or agencies.

II. Public Adoption and Access

- A. The governing body of the Local Governmental Entity adopted the conditions described in this Certification by recorded vote taken in a public meeting held in compliance with the applicable state and federal laws.

III. Funding for the Supplemental Payments

- A. The Local Governmental Entity shall transfer Public Funds to the State of New Mexico for use as the non-federal share of the Safety-Net Care Pool supplemental Medicaid payments to one or more hospitals in accordance with the New Mexico Indigent Hospital and County Health Care Act, NMSA 1978, Sections 27-5-1 to 12.1, specifically NMSA 1978, Section 27-5-6.1.
- B. All transfers of Public Funds by the Local Governmental Entity to the State to support payments to hospitals under the SNCP must comply with:
 - (1) The applicable regulations that govern provider-related donations codified at section 1903 (s) of the Social Security Act (42 U.S.C. § 1396 b(w)), and Title 42, Code of Federal Regulations, Part 433, subpart B, section 433.52 and 433.54; and
 - (2) The conditions approved by the federal Centers for Medicare and Medicaid Services ("CMS") for governmental entities' and hospitals' participation in the SNCP.

III. Assurances and Representations

- A. The Local Governmental Entity does not and will not at any time receive any part of the Supplemental Payments that are made to hospitals under the SNCP.
- B. The Local Governmental Entity has not entered and will not enter into any agreement with Hospital to condition either the amount of Public Funds transferred by the Local Governmental Entity to the State or the amount of Supplemental Payments a Hospital receives on the amount of indigent care the Hospital has provided or will provide.
- C. The Local Governmental Entity has not received and will not receive refunds of payments the Local Governmental Entity made or makes to a Hospital for any purpose as consideration of any Intergovernmental Transfer from the Local Governmental Entity to the State to support the Supplemental Payments.
- D. The Local Governmental Entity has not received at any time after September 30, 2011; and will not receive any cash or in-kind transfers from a Hospital or any other entity acting on behalf of a hospital group of affiliated hospitals other than transfers that:
 - (1) Are unrelated to the administration of the SNCP Payment Program or the delivery of indigent care services by the Hospital(s); and
 - (2) Constitute fair market value for goods or services provided by the Local Governmental Entity to a Hospital; or
 - (3) Represents independent, bona fide transactions or arrangements negotiated at arms-length and in the ordinary course of business between the Hospital and the Local Governmental Entity.
- E. Except as specified in D, above, the Local Governmental Entity has not since September 30, 2011:
 - (1) Assigned or agreed to assign a contractual or statutory obligation of the Local Governmental Entity to a Hospital or any other entity acting on behalf of a Hospital or group of affiliated hospitals; or
 - (2) Authorized or consented to the assumption of a statutory or contractual obligation of the Local Governmental Entity by a Hospital or any other entity acting on behalf of a hospital or group of affiliated hospitals.

V. Education

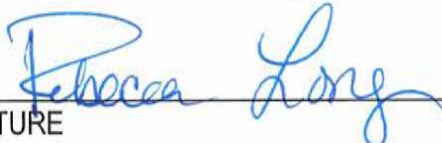
- A. Consistent with its constitutional, statutory, and fiduciary obligations, the Local Governmental Entity may evaluate a Hospital's historical experience in providing indigent care in the community, including the impact and amount of indigent care provided by the Hospital, for the following purposes:

- (1) To determine whether the Hospital's performance benefit the community and whether its continued participation in the indigent care program is likely to continue to benefit the community; and/or
- (2) To provide accountability to local taxpayers.

B. The Local Governmental Entity's evaluation under this provision may:

- (1) Occur on a schedule determined by the Local Governmental Entity, but not more often than once each calendar quarter;
- (2) Be documented in a manner sufficient to confirm achievement of the Local Governmental Entity's mission and provide an appropriate and constitutional basis on which a transfer of Public Funds has been made to the State; and
- (3) Not include consideration of matters expressly prohibited herein or prohibited by state and federal laws and regulations.

ON BEHALF of the Local governmental Entity, I hereby certify that I have read and understood the above statements; that the statements are true, correct, and complete; and that I am authorized to bind the Local Governmental Entity and to certify to the above.


SIGNATURE

December 9, 2021
DATE

Rebecca Long, Chair, Lea County Board of County Commissioners
PRINTED NAME AND TITLE



December 3, 2021

Michelle Lujan Grisham, Governor
David R. Scruse, M.D., Secretary
Nicole Comeaux, J.D., M.P.H., Director

Dear County Representative:

As you may be aware, the Safety Net Care Pool fund was created to make payments to qualifying hospitals. Section 27-5-6.2 NMSA 1978 requires counties to transfer an amount equal to a gross receipts tax rate of one-twelfth percent to the Safety Net Care Pool fund annually. The total amount is divided into four quarterly payments and statute directs each county to transfer the amount by the last day of March, June, September and December.

This correspondence serves as a reminder that the quarterly transfer to the Safety Net Care Pool fund is due. For your reference the enclosed table lists the amount equal to a gross receipt tax rate of one-twelfth percent for each county along with the calculated quarterly amount. This information can also be found at <http://www.tax.newmexico.gov/gross-receipts-taxes.aspx>.

The law also states that "a county may use public funds from any existing authorized revenue source of the county." Counties must also submit certification that the funding being transferred is from public funds ("authorized" revenue sources). This certification is required by federal regulation (see, for example 42 CFR §433.50-51). Please complete and sign the enclosed certification of participation template.

Send the original signed certification and a check made payable to the Human Services Department for the quarterly amount due to the Safety Net Care Pool fund to the following address:

HSD/Medical Assistance Division
Attn: Financial Management Bureau
P.O. Box 2348
Santa Fe, NM 87504-2348

If sending via Fed Ex or UPS:
HSD/Medical Assistance Division
Attn: Financial Management Bureau
1 Plaza La Prensa
Santa Fe, NM 87507

We would appreciate if you could send you payment in before December 30, 2021 due date.

If you have any questions regarding the Safety Net Care Pool fund, please feel free to call me at (505) 709-5430 or email Esther.Martinez@state.nm.us. Thank you for your prompt attention to this matter.

Sincerely,

Esther L. Martinez, Financial Specialist AO-O

Financial Management Bureau

Encl.

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AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA 1978 TO
COMPLY WITH CHANGES IN FEDERAL REGULATIONS REGARDING THE
REPLACEMENT OF SOLE COMMUNITY PROVIDERS WITH QUALIFYING
HOSPITALS; ALLOWING CERTAIN COUNTIES TO IMPOSE AN ADDITIONAL
INCREMENT OF THE COUNTY GROSS RECEIPTS TAX FOR THREE YEARS TO
SUPPORT CERTAIN HOSPITALS THAT PROVIDE INDIGENT CARE;
REQUIRING CERTAIN COUNTIES TO DEDICATE AND TRANSFER CERTAIN
FUNDS TO THE SAFETY NET CARE POOL FUND ~~FOR THREE YEARS~~;
DECLARING AN EMERGENCY.

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

SECTION 1. Section 7-1-6.13 NMSA 1978 (being Laws 1983,
Chapter 211, Section 18, as amended) is amended to read:

"7-1-6.13. TRANSFER--REVENUES FROM COUNTY LOCAL OPTION
GROSS RECEIPTS TAXES.--

A. Except as provided in Subsection B of this
section, a transfer pursuant to Section 7-1-6.1 NMSA 1978
shall be made to each county for which the department is
collecting a local option gross receipts tax imposed by that
county in an amount, subject to any increase or decrease made
pursuant to Section 7-1-6.15 NMSA 1978, equal to the net
receipts attributable to the local option gross receipts tax
imposed by that county, less any deduction for administrative

**Gross Receipts by Location: Calculation of 1/12% Increment for the
Safety Net Care Pool Required Contribution Calculation**

Counties	FY2021	FY2022	Quarterly
	Matched Taxable Gross Receipts (TGR)	1/12% Increment	
Bernalillo County	\$19,716,576,529.56	\$16,430,480.44	\$4,107,620.11
Catron County	\$53,915,739.29	\$44,929.78	\$11,232.45
Chaves County	\$1,293,869,299.69	\$1,078,224.42	\$269,556.10
Cibola County	\$389,069,793.11	\$324,224.83	\$81,056.20
Colfax County	\$335,354,778.30	\$279,462.32	\$69,865.58
Curry County	\$955,320,931.53	\$796,100.78	\$199,025.19
De Baca County	\$22,773,085.51	\$18,977.57	\$4,744.39
Dona Ana County	\$4,125,249,231.85	\$3,437,707.69	\$859,426.92
Eddy County	\$5,418,285,266.95	\$4,515,237.72	\$1,128,809.43
Grant County	\$479,993,424.77	\$399,994.52	\$99,998.63
Guadalupe County	\$131,504,981.40	\$109,587.48	\$27,396.87
Harding County	\$14,565,925.29	\$12,138.27	\$3,034.56
Hidalgo County	\$140,281,168.88	\$116,900.97	\$29,225.24
Lea County	\$4,993,595,360.58	\$4,161,329.47	\$1,040,332.36
Lincoln County	\$619,256,089.20	\$516,046.74	\$129,011.68
Los Alamos	\$1,844,620,313.83	\$1,537,183.59	\$384,295.89
Luna County	\$604,773,093.39	\$503,977.58	\$125,994.39
McKinley County	\$1,146,947,903.46	\$955,789.92	\$238,947.48
Mora County	\$39,348,130.03	\$32,790.11	\$8,242.52
Otero County	\$1,097,220,585.21	\$914,350.49	\$228,587.62
Quay County	\$160,203,953.41	\$133,503.29	\$33,375.82
Rio Arriba County	\$417,644,902.25	\$348,037.42	\$87,009.35
Roosevelt County	\$529,686,265.70	\$441,405.22	\$110,351.30
San Juan County	\$2,722,595,203.35	\$2,268,829.34	\$567,207.33
San Miguel Co	\$395,643,439.33	\$329,702.87	\$82,425.71
Sandoval County	\$1,883,260,261.04	\$1,569,383.55	\$392,345.88
Santa Fe County	\$4,232,838,458.30	\$3,527,365.38	\$881,841.34
Sierra County	\$207,817,349.49	\$173,181.12	\$43,295.28
Socorro County	\$217,681,969.36	\$181,401.64	\$45,350.41
Taos County	\$714,114,691.60	\$595,095.58	\$148,773.89
Torrance County	\$465,437,044.99	\$387,864.20	\$96,966.05
Union County	\$91,691,808.50	\$76,409.84	\$19,102.46
Valencia County	\$1,243,674,269.28	\$1,036,395.22	\$259,098.80
TOTAL	\$56,704,811,248.43	\$47,254,009.37	\$

Source: New Mexico Taxation and Revenue Department, Monthly Local Government Distribution Reports (RP-500). Data is by business activity month.