January 6, 2015

Reimbursement of Gross Receipts Tax for Long-Term Service and Supports

Presbyterian Health Plan, Inc. (PHP) is committed to keeping you updated about changes that may affect your organization. This communication contains a summary of pertinent information regarding the reimbursement of Gross Receipts Tax (GRT) for Long-Term Service and Supports.

In 2014, Presbyterian reimbursed GRT for participating providers at a county by county rate based on jurisdiction at the actual and current rates as established by the New Mexico Taxation and Revenue Department. On January 1, 2015, with guidance from the Human Services Department (HSD), Presbyterian will be implementing a tiered GRT rate structure. The GRT rate structure will have four rate tiers:

- 7 percent
- 7.5 percent
- 8 percent and
- 8.5 percent

The tiered rate closest to the prevailing rate(s) within a particular county will be assigned. All four managed care organizations are working under a letter of direction from HSD and will be implementing this new structure based on feedback from providers and as a way to reduce administrative burden.

If you have questions or need information on the reimbursement of GRT, please contact your Provider Network Management Relationship Executive. Thank you for your continued partnership.

Sincerely,

Bridgette Garcia
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