

Timothy M. Keller
State Auditor



Sanjay Bhakta, CPA, CGFM, CFE, CGMA
Deputy State Auditor

State of New Mexico
OFFICE OF THE STATE AUDITOR

For Immediate Release
November 4, 2016

Contact: Justine Freeman
505-476-3819

State Auditor Releases Special Audit of UNMH's Indigent Care Program
Indigent care costs have decreased, total funding shortfall remains

SANTA FE, NM – Today, State Auditor Tim Keller released a special audit of the indigent care program at the University of New Mexico Hospital (UNMH). Advocates and policymakers have long sought more transparency about revenues and expenses related to healthcare for economically disadvantaged people. The special audit, conducted by an independent audit firm, examined UNMH's indigent care costs and funding from fiscal year 2014 to 2016.

The audit found that UNMH had a total funding shortfall of over \$60 million, despite a reduction in indigent care costs of 50% from 2014 to 2016. The shortfall results from UNMH providing more indigent care than for which it receives funds. During the same time frame, UNMH increased the number of indigent patients receiving financial assistance by 34%, from over 53,000 patients in 2014 to over 70,000 patients in 2016. The reduction in the cost of serving patients who cannot afford care may be due to Medicaid expansion and the Affordable Care Act.

“For years, advocates and policymakers have pushed for more sunshine on how we’re doing when it comes to providing care to folks who can’t afford it,” stated State Auditor Tim Keller. “The audit helps meet a public need to make sure indigent care is transparent. The best way to hold hospitals like UNMH accountable for administering indigent care programs effectively is by providing more understandable information to the public.”

Utilizing the methodology developed in this audit, the State Auditor’s office will require similar data on indigent care from hospitals across New Mexico during the audit process.

The OSA has included a Transparency Report with the special audit to make information on the complex landscape of healthcare revenues and expenses more accessible. The information is available here: http://www.saonm.org/media/uploads/969-K_UNM_Hospital_Indigent_Care_Report_Nov_2016.pdf

The Office of the State Auditor helps government work better by providing transparency and accountability for government spending; informing policy choices; and tackling fraud, waste and abuse. OSA is an independently elected executive agency responsible for examining the use of public dollars in New Mexico.

###