

NM Congressional District Medicare Margins

Medicare payment shortfalls have resulted in a steady reduction in aggregate Medicare margins. New Mexico hospitals' Medicare margins were at a **negative 10.9 percent** in 2006, and the projected trend continues to move in a downward spiral. Without considering the Medicare payment windfall for specialty hospitals, a payment policy that Congress clearly needs to address, nearly all of New Mexico's Prospective Payment System (PPS) hospitals have negative Medicare operating margins.

Results from the most current complete data set, FFY 2006, show that Medicare margins continue to decline statewide as do the projections for 2007 and 2008:

	District Margin	Statewide Margin	Statewide Projection	
			2007	2008
1 st Congressional District	-5.8%	-10.9%	-10.8%	-10.8%
2 nd Congressional District	-11.6%	-10.9%	-10.8%	-10.8%
3 rd Congressional District	-17.6%	-10.9%	-10.8%	-10.8%