

SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR
SENATE BILL 209

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

AN ACT

RELATING TO HEALTH CARE; AMENDING THE NEW MEXICO INSURANCE CODE
TO PROVIDE FOR MULTIPLE-EMPLOYER HEALTH CARE SELF-INSURANCE.

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

Section 1. Section 59A-15-20 NMSA 1978 (being Laws 1991,
Chapter 125, Section 26) is amended to read:

"59A-15-20. MULTIPLE-EMPLOYER WELFARE ARRANGEMENTS--
REGULATIONS. --

A. The superintendent, after a public hearing
~~[thereon]~~, shall, ~~[make]~~ no later than October 1, 2001, adopt
reasonable rules and regulations governing any employee welfare
benefit plan that is a multiple-employer welfare arrangement.

The regulations at a minimum shall provide for:

- (1) registration of all such plans and

1 standards requiring the maintenance of specified levels of
2 reserves; [~~and~~]

3 (2) minimum solvency requirements;

4 (3) accounting standards and reporting
5 requirements;

6 (4) standards for appropriate investment of
7 assets;

8 (5) standards for excess or stop-loss
9 insurance coverage;

10 (6) specified levels of contributions that any
11 such plan, or any trust established under such a plan, must
12 meet;

13 (7) methods for equitable assessment of member
14 employers for any funding shortfall; and

15 (8) standards for adequate governance.

16 B. The rules and regulations shall provide for
17 compliance with the Patient Protection Act and provide
18 standards for minimum benefits.

19 C. Any [~~such~~] standards for determining or assuring
20 solvency shall not be applicable to plans that are fully
21 insured by carriers authorized to transact insurance in New
22 Mexico. If at any time a plan does not meet the standards
23 established, [~~no benefits may be paid under the plan~~] the
24 superintendent may take action pursuant to the Insurance Code."
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