

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  
11 any such plan, or any trust established under such a plan,  
12 must meet;

13 (7) methods for equitable assessment of  
14 member 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  
20 assuring solvency shall not be applicable to plans that are  
21 fully insured by carriers authorized to transact insurance in  
22 New 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  
25 Code. "