

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 418

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

INTRODUCED BY

Manny M. Aragon

FOR THE LEGISLATIVE HEALTH SUBCOMMITTEE

AN ACT

RELATING TO HEALTH; EXPANDING MEDICAID COVERAGE FOR CERTAIN  
CUSTODIAL PARENTS; REQUIRING CONSULTATION WITH THE  
LEGISLATURE; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978;  
MAKING AN APPROPRIATION.

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

Section 1. Section 27-12-3 NMSA 1978 (being Laws 1998,  
Chapter 52, Section 3) is amended to read:

"27-12-3. DEFINITIONS. --As used in the Child Health Act:

A. "child" means a natural person who has not  
reached his nineteenth birthday;

B. "department" means the human services  
department;

C. "earned income" includes cash or payment in  
kind that is received as wages from employment or payment in

underscored material = new  
[bracketed material] = delete

1 lieu of wages; earnings from self-employment or earnings  
2 acquired from the direct provision of services, goods or  
3 property, production of goods, management of property or  
4 supervision of services; and other income not classified as  
5 unearned income;

6 ~~[C-]~~ D. "low-income children and their families"  
7 means a family with a dependent child with income at or below  
8 the level specified in Section ~~[6 of the Child Health Act]~~  
9 27-12-6 NMSA 1978; [and

10 ~~D-]~~ E. "secretary" means the secretary of human  
11 services; and

12 F. "unearned income" includes old age, survivors  
13 and disability insurance; railroad retirement benefits;  
14 veterans administration compensation or pension; military  
15 retirement; pensions, annuities and retirement benefits; lodge  
16 or fraternal benefits; shared shelter payments; settlement  
17 payments; individual Indian money; and similar kinds of  
18 income. "

19 Section 2. A new section of the Child Health Act is  
20 enacted to read:

21 "[NEW MATERIAL] COVERAGE FOR PARENTS--INCOME DISREGARDS--  
22 CONSULTATION WITH THE LEGISLATURE. --

23 A. Subject to the availability of state and  
24 federal matching funds pursuant to Title 21 of the federal  
25 Social Security Act, a custodial parent of a medicaid-eligible

underscored material = new  
[bracketed material] = delete

1 child is eligible for medicaid if the parent's earned income  
2 is below one hundred percent of the federal poverty  
3 guidelines.

4 B. The department shall determine the parent's  
5 earned income by subtracting one hundred twenty dollars (\$120)  
6 and one-third of the remainder from the custodial parent's  
7 earned income, or from each parent's earned income in a two-  
8 parent family if at least one of them is the custodial parent.  
9 Liquid and non-liquid assets owned by the parents shall not be  
10 counted in the eligibility determination.

11 C. The department, after consultation with the  
12 legislature or, when it is not in session, with the  
13 legislative finance committee and the legislative health and  
14 human services committee, may establish different income  
15 disregard standards than those provided for in Subsection B of  
16 this section for recipients and applicants if the cost of the  
17 expanded coverage for certain custodial parents creates  
18 budgetary limitations or pressures. "

19 Section 3. APPROPRIATION. -- Five million three hundred  
20 twenty-two thousand six hundred dollars (\$5,322,600) is  
21 appropriated from the tobacco settlement program fund to the  
22 human services department for expenditure in fiscal year 2002  
23 to match the federal state children's health insurance program  
24 funds to expand medicaid coverage to certain custodial parents  
25 of medicaid-eligible children. Any unexpended or unencumbered

. 135468. 1

underscored material = new  
[bracketed material] = delete

1 balance remaining at the end of fiscal year 2002 shall revert  
2 to the tobacco settlement program fund.

3 - 4 -

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

. 135468. 1