FORTY-FIFTH LEGISLATURE
SECOND SESSION, 2002

February 7, 2002

Mr. Speaker:

   Your **GOVERNMENT AND URBAN AFFAIRS COMMITTEE,** to
whom has been referred

HOUSE BILL 262

has had it under consideration and reports same with
recommendation that it **DO PASS**, amended as follows:

   1.   On page 1, lines 11 and 12, strike "PUBLIC SCHOOL
INSURANCE AUTHORITY; EXEMPTING DENTAL CARE AND EYE CARE COVERAGE
FROM GROUP HEALTH INSURANCE" and insert in lieu thereof
"CONSOLIDATED PURCHASING OF HEALTH CARE BENEFITS; PROVIDING
EXEMPTIONS FOR CERTAIN HEALTH CARE BENEFITS".

   2.   On page 1, between lines 15 and 16, insert the following
two new sections:

   "Section 1.   Section 13-7-4 NMSA 1978 (being Laws 1997,
Chapter 74, Section 4) is amended to read:

   "13-7-4.   MANDATORY CONSOLIDATED PURCHASING.--

      A.   The <u>publicly funded health care</u> agencies shall enter
into a cooperative consolidated purchasing effort to provide plans
of health care benefits for the benefit of eligible participants
of the respective agencies.   The request for proposal shall set
forth one or more plans of health care benefits and shall include
accommodation of fully funded arrangements as well as varying
degrees of self-funded pool options.

      B.   A consolidated purchasing request for proposals for
all health care benefits by the publicly funded health care
agencies shall be issued on or before July 1, 1999 and any
contracts for health care benefits renewed or issued on or after
July 1, 2000 shall be the result of consolidated purchasing.

      C.   All requests for proposals issued as part of the
consolidated purchasing shall include at least one distinct
service area consisting of the Albuquerque metropolitan area.
Proposals on a distinct service area shall be evaluated
separately.

        D. A school district within the public school insurance authority is exempt from mandatory participation in the consolidated purchasing for dental care and eye care benefits provided that the school district offers dental care and eye care benefits to its employees. The school district may enter into a joint powers agreement with a county, municipality, state educational institution or other political subdivision to obtain an insurance policy or self-insure for dental care and eye care."

    Section 2. Section 13-7-5 NMSA 1978 (being Laws 2001, Chapter 351, Section 1) is amended to read:

    "13-7-5. CONSOLIDATED PURCHASING FOR OTHER PERSONS.--

        A. Counties, municipalities, state educational institutions and other political subdivisions that wish to use the consolidated purchasing single process for the procurement of health care benefits shall create or enter into an existing association, cooperative or other mutual alliance to create larger pools of eligible participants.

        B. Counties, municipalities, state educational institutions and other political subdivisions that wish to use the consolidated purchasing single process shall, through their respective association, cooperative or mutual alliance, participate in the subsequent consolidated purchasing single process with the publicly funded health care agencies.

        C. Counties, municipalities, state educational institutions and other political subdivisions that wish to use the consolidated purchasing single process are exempt from mandatory participation in the consolidated purchasing for dental care and eye care benefits. The county, municipality, state educational institution or other political subdivision may enter into a joint powers agreement with another political subdivision to obtain an insurance policy or self-insure for dental care and eye care benefits."".

    3. Renumber the succeeding sections accordingly.,

and thence referred to the **BUSINESS AND INDUSTRY COMMITTEE.**

Respectfully submitted,

_____
Mmi Stewart, Chairman

Adopted _____   Not Adopted _____
        (Chief Clerk)   (Chief Clerk)

Date _____

The roll call vote was 4 For 1 Against
Yes: 4
No: Stewart
Excused: None
Absent: Hobbs, Wallace

.140909.1
\\Mclaren\billtext\Amend_02\H0262GU1.wpd