

1 SENATE BILL 334

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

4 Mimi Stewart

5
6
7
8
9
10 AN ACT

11 RELATING TO PUBLIC EMPLOYEES AND RETIREES; AMENDING SECTIONS OF
12 THE HEALTH CARE PURCHASING ACT TO REQUIRE CERTAIN DISCLOSURES.

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

17 "13-7-4. MANDATORY CONSOLIDATED PURCHASING.--

18 A. The publicly funded health care agencies shall
19 enter into a cooperative consolidated purchasing effort to
20 provide plans of health care benefits for the benefit of
21 eligible participants of the respective agencies. The single
22 request for [~~proposal~~] proposals shall set forth one or more
23 plans of health care benefits and shall include accommodation
24 of fully funded arrangements as well as varying degrees of
25 self-funded pool options.

.206032.4

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

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

7 C. ~~[All requests]~~ The request for proposals issued
8 as part of the consolidated purchasing shall include at least
9 one distinct service area consisting of the Albuquerque
10 metropolitan area. Proposals on a distinct service area shall
11 be evaluated separately."

12 SECTION 2. Section 13-7-7 NMSA 1978 (being Laws 2001,
13 Chapter 351, Section 3, as amended) is amended to read:

14 "13-7-7. CONSOLIDATED ADMINISTRATIVE FUNCTIONS--BENEFIT--
15 DISCLOSURES--PENALTIES.--

16 A. By December 1, [~~2001~~] 2017, the publicly funded
17 health care agencies, political subdivisions and other persons
18 participating in the consolidated purchasing single process
19 pursuant to the Health Care Purchasing Act shall cooperatively
20 study and provide a status report on the consolidation of
21 administrative functions to the legislative health and human
22 services committee and the governor.

23 B. By December 31, 2003, the publicly funded health
24 care agencies, political subdivisions and other persons
25 participating in the consolidated purchasing single process

.206032.4

underscored material = new
~~[bracketed material] = delete~~

1 pursuant to the Health Care Purchasing Act shall consolidate,
2 standardize and administer the administrative functions that
3 those entities can effectively and efficiently administer as
4 reflected in the study.

5 C. The publicly funded health care agencies,
6 political subdivisions and other persons participating in the
7 consolidated purchasing single process pursuant to the Health
8 Care Purchasing Act may enter into a joint powers agreement
9 pursuant to the Joint Powers Agreements Act with the publicly
10 funded health care agencies and political subdivisions to
11 determine assessments or provisions of resources to
12 consolidate, standardize and administer the consolidated
13 purchasing single process and subsequent activities pursuant to
14 the Health Care Purchasing Act. The publicly funded health
15 care agencies, political subdivisions and other persons
16 participating in the consolidated purchasing single process
17 pursuant to the Health Care Purchasing Act may enter into
18 contracts with nonpublic persons to provide the service of
19 determining assessments or provision of resources for
20 consolidation, standardization and administrative activities.

21 D. Each agency will retain its responsibility to
22 determine policy direction of the benefit plans, plan
23 development, training and coordination with respect to
24 participants and its benefits staff, as well as to respond to
25 benefits eligibility inquiries and establish and enforce

.206032.4

underscored material = new
[bracketed material] = delete

1 eligibility rules.

2 E. Notwithstanding Subsection D of this section,
3 publicly funded health care agencies, political subdivisions
4 and other persons participating in the consolidated purchasing
5 single process pursuant to the Health Care Purchasing Act shall
6 provide coverage for children, from birth through three years
7 of age, for or under the family, infant, toddler program
8 administered by the department of health; provided that
9 eligibility criteria are met, for a maximum benefit of three
10 thousand five hundred dollars (\$3,500) annually for medically
11 necessary early intervention services provided as part of an
12 individualized family service plan and delivered by certified
13 and licensed personnel as defined in [~~7.30.8 NMAC who are~~
14 ~~working in early intervention programs approved by the~~]
15 department of health rules. No payment under this subsection
16 shall be applied against any maximum lifetime or annual limits
17 specified in the policy, health benefits plan or contract.

18 F. The publicly funded health care agencies,
19 political subdivisions and other persons participating in the
20 consolidated purchasing single process pursuant to the Health
21 Care Purchasing Act shall ensure that enrollees are informed on
22 a readily accessible website and are individually notified in
23 writing of all premiums, deductibles, copayments, coinsurance
24 and other cost-sharing associated with each group health plan
25 offered in a side-by-side comparison pursuant to the Health

.206032.4

underscored material = new
[bracketed material] = delete

1 Care Purchasing Act.

2 G. Each publicly funded health care agency shall
3 conduct a full and open annual enrollment period. Regardless
4 of whether an eligible participant is newly enrolling in group
5 health coverage or is seeking to re-enroll in group health
6 coverage, each eligible participant shall be provided with
7 thorough written, verbal and web-based education relating to
8 each group health plan, including the side-by-side comparison
9 required pursuant to Subsection F of this section.

10 H. Any violation of the provisions of Subsection F
11 of this section shall entitle an enrollee to rescission of that
12 enrollee's enrollment in a group health plan and eligibility to
13 enroll in another group health plan for the same plan year.

14 I. The provisions of this section shall be
15 applicable to a new open enrollment period for all publicly
16 funded health care agencies that shall begin on or after July
17 1, 2017."