

1 HOUSE BILL 527

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

4 Cristina Parajón

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10 AN ACT

11 RELATING TO INSURANCE; ENACTING NEW SECTIONS OF THE HEALTH CARE
12 PURCHASING ACT, THE PUBLIC ASSISTANCE ACT AND THE NEW MEXICO
13 INSURANCE CODE TO REQUIRE COVERAGE FOR AN ADEQUATE SUPPLY OF
14 MEDICAL CANNABIS TO TREAT DEBILITATING CONDITIONS OF QUALIFIED
15 PATIENTS; PROVIDING FOR DIRECT PAYMENT TO CANNABIS RETAILERS OR
16 REIMBURSEMENT TO QUALIFIED PATIENTS.

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 SECTION 1. A new section of the Health Care Purchasing
20 Act is enacted to read:

21 "[NEW MATERIAL] MEDICAL CANNABIS COVERAGE.--

22 A. As used in this section:

23 (1) "adequate supply" means an amount of
24 cannabis, in any form approved by the department of health,
25 possessed by a qualified patient that is determined by

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1 department of health rule to be no more than reasonably
2 necessary to ensure the uninterrupted availability of cannabis
3 for a period of three months and that is derived solely from an
4 intrastate source;

5 (2) "cannabis":

6 (a) means all parts of the plant
7 Cannabis containing a delta-9-tetrahydrocannabinol
8 concentration of more than three-tenths percent on a dry weight
9 basis, whether growing or not; the seeds of the plant; the
10 resin extracted from any part of the plant; and every compound,
11 manufacture, salt, derivative, mixture or preparation of the
12 plant, its seeds or its resin; and

13 (b) does not include the mature stalks
14 of the plant; fiber produced from the stalks; oil or cake made
15 from the seeds of the plant; any other compound, manufacture,
16 salt, derivative, mixture or preparation of the mature stalks,
17 fiber, oil or cake; the sterilized seed of the plant that is
18 incapable of germination; the weight of any other ingredient
19 combined with cannabis to prepare topical or oral
20 administrations, food, drink or another product; or hemp;

21 (3) "cannabis extract":

22 (a) means a product obtained by
23 separating resins from cannabis by solvent extraction using
24 solvents other than vegetable glycerin, such as butane, hexane,
25 isopropyl alcohol, ethanol or carbon dioxide; and

1 (b) does not include the weight of any
2 other ingredient combined with cannabis extract to prepare
3 topical or oral administrations, food, drink or another
4 product;

5 (4) "cannabis product":

6 (a) means a product that contains
7 cannabis, including edible or topical products that may also
8 contain other ingredients; and

9 (b) does not include the weight of any
10 other ingredient combined with cannabis or cannabis extract to
11 prepare topical or oral administrations, food, drink or another
12 product;

13 (5) "cannabis retailer" means a person that
14 sells cannabis products to consumers, pursuant to a license
15 issued by the cannabis control division of the regulation and
16 licensing department pursuant to the Cannabis Regulation Act;

17 (6) "coinsurance" means a cost-sharing method
18 that requires an enrollee to pay a stated percentage of medical
19 expenses after any deductible amount is paid; provided that
20 coinsurance rates may differ for different types of services
21 under the same individual or group health maintenance
22 organization contract;

23 (7) "copayment" means a cost-sharing method
24 that requires an enrollee to pay a fixed dollar amount when
25 health care services are received, with the carrier paying the

1 balance of the allowable amount; provided that there may be
2 different copayment requirements for different types of
3 services under the same individual or group health maintenance
4 organization contract;

5 (8) "cost sharing" means a copayment,
6 coinsurance, deductible or any other form of financial
7 obligation of an enrollee other than a premium or a share of a
8 premium, or any combination of any of these financial
9 obligations, as defined by the terms of an individual or group
10 health maintenance organization contract;

11 (9) "debilitating medical condition" means:

12 (a) cancer;
13 (b) glaucoma;
14 (c) multiple sclerosis;
15 (d) damage to the nervous tissue of the
16 spinal cord, with objective neurological indication of
17 intractable spasticity;

18 (e) seizure disorder, including
19 epilepsy;

20 (f) positive status for human
21 immunodeficiency virus or acquired immunodeficiency syndrome;

22 (g) admittance into hospice care in
23 accordance with rules promulgated by the department of health;

24 (h) amyotrophic lateral sclerosis;

25 (i) Crohn's disease;

- 1 (j) hepatitis C infection;
2 (k) Huntington's disease;
3 (l) inclusion body myositis;
4 (m) inflammatory autoimmune-mediated
5 arthritis;
6 (n) intractable nausea or vomiting;
7 (o) obstructive sleep apnea;
8 (p) painful peripheral neuropathy;
9 (q) Parkinson's disease;
10 (r) posttraumatic stress disorder;
11 (s) severe chronic pain;
12 (t) severe anorexia or cachexia;
13 (u) spasmodic torticollis;
14 (v) ulcerative colitis; or
15 (w) any other medical condition, medical

16 treatment or disease as approved by the department of health;

17 (10) "generally accepted standards" means
18 standards of care and clinical practice, including guidelines
19 and recommendations from professional associations, that are
20 generally recognized by health care providers practicing in
21 relevant clinical specialties;

22 (11) "medical cannabis" means cannabis
23 products used by a qualified patient or in accordance with the
24 Lynn and Erin Compassionate Use Act; and

25 (12) "qualified patient" means a resident of

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1 New Mexico who holds a registry identification card pursuant to
2 the Lynn and Erin Compassionate Use Act.

3 B. Group health coverage, including a form of self-
4 insurance, offered, issued or renewed under the Health Care
5 Purchasing Act shall provide coverage for:

6 (1) medical cannabis that is consistent with
7 the coverage provided for medication that would otherwise be
8 prescribed in accordance with generally recognized standards to
9 treat the eligible insured's debilitating medical condition,
10 including cost-sharing requirements; and

11 (2) an adequate supply of medical cannabis;
12 provided that the eligible insured:

13 (a) is a qualified patient; and

14 (b) obtains cannabis from a cannabis
15 retailer approved by the insurer.

16 C. The insurer shall provide:

17 (1) reimbursement to an eligible insured after
18 the submission of a claim in accordance with the process
19 established by the insurer's plan and in compliance with
20 department of health rule; or

21 (2) direct payment to a cannabis retailer
22 authorized by the insurer after submission of the claim in
23 accordance with the process established by the insurer's plan
24 and in compliance with department of health rule."

25 SECTION 2. A new section of the Public Assistance Act is

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1 enacted to read:

2 "[NEW MATERIAL] COVERAGE OF MEDICAL CANNABIS.--

3 A. As used in this section:

4 (1) "adequate supply" means an amount of
5 cannabis, in any form approved by the department of health,
6 possessed by a qualified patient that is determined by
7 department of health rule to be no more than reasonably
8 necessary to ensure the uninterrupted availability of cannabis
9 for a period of three months and that is derived solely from an
10 intrastate source;

11 (2) "cannabis":

12 (a) means all parts of the plant
13 Cannabis containing a delta-9-tetrahydrocannabinol
14 concentration of more than three-tenths percent on a dry weight
15 basis, whether growing or not; the seeds of the plant; the
16 resin extracted from any part of the plant; and every compound,
17 manufacture, salt, derivative, mixture or preparation of the
18 plant, its seeds or its resin; and

19 (b) does not include the mature stalks
20 of the plant; fiber produced from the stalks; oil or cake made
21 from the seeds of the plant; any other compound, manufacture,
22 salt, derivative, mixture or preparation of the mature stalks,
23 fiber, oil or cake; the sterilized seed of the plant that is
24 incapable of germination; the weight of any other ingredient
25 combined with cannabis to prepare topical or oral

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1 administrations, food, drink or another product; or hemp;

2 (3) "cannabis extract":

3 (a) means a product obtained by
4 separating resins from cannabis by solvent extraction using
5 solvents other than vegetable glycerin, such as butane, hexane,
6 isopropyl alcohol, ethanol or carbon dioxide; and

7 (b) does not include the weight of any
8 other ingredient combined with cannabis extract to prepare
9 topical or oral administrations, food, drink or another
10 product;

11 (4) "cannabis product":

12 (a) means a product that contains
13 cannabis, including edible or topical products that may also
14 contain other ingredients; and

15 (b) does not include the weight of any
16 other ingredient combined with cannabis or cannabis extract to
17 prepare topical or oral administrations, food, drink or another
18 product;

19 (5) "cannabis retailer" means a person that
20 sells cannabis products to consumers, pursuant to a license
21 issued by the cannabis control division of the regulation and
22 licensing department pursuant to the Cannabis Regulation Act;

23 (6) "coinsurance" means a cost-sharing method
24 that requires an enrollee to pay a stated percentage of medical
25 expenses after any deductible amount is paid; provided that

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1 coinsurance rates may differ for different types of services
2 under the same individual or group health maintenance
3 organization contract;

4 (7) "copayment" means a cost-sharing method
5 that requires an enrollee to pay a fixed dollar amount when
6 health care services are received, with the carrier paying the
7 balance of the allowable amount; provided that there may be
8 different copayment requirements for different types of
9 services under the same individual or group health maintenance
10 organization contract;

11 (8) "cost sharing" means a copayment,
12 coinsurance, deductible or any other form of financial
13 obligation of an enrollee other than a premium or a share of a
14 premium, or any combination of any of these financial
15 obligations, as defined by the terms of an individual or group
16 health maintenance organization contract;

17 (9) "debilitating medical condition" means:
18 (a) cancer;
19 (b) glaucoma;
20 (c) multiple sclerosis;
21 (d) damage to the nervous tissue of the
22 spinal cord, with objective neurological indication of
23 intractable spasticity;
24 (e) seizure disorder, including
25 epilepsy;

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- 1 (f) positive status for human
2 immunodeficiency virus or acquired immunodeficiency syndrome;
3 (g) admittance into hospice care in
4 accordance with rules promulgated by the department of health;
5 (h) amyotrophic lateral sclerosis;
6 (i) Crohn's disease;
7 (j) hepatitis C infection;
8 (k) Huntington's disease;
9 (l) inclusion body myositis;
10 (m) inflammatory autoimmune-mediated
11 arthritis;
12 (n) intractable nausea or vomiting;
13 (o) obstructive sleep apnea;
14 (p) painful peripheral neuropathy;
15 (q) Parkinson's disease;
16 (r) posttraumatic stress disorder;
17 (s) severe chronic pain;
18 (t) severe anorexia or cachexia;
19 (u) spasmodic torticollis;
20 (v) ulcerative colitis; or
21 (w) any other medical condition, medical
22 treatment or disease as approved by the department of health;
23 (10) "generally accepted standards" means
24 standards of care and clinical practice, including guidelines
25 and recommendations from professional associations, that are

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1 generally recognized by health care providers practicing in
2 relevant clinical specialties;

3 (11) "medical cannabis" means cannabis
4 products used by a qualified patient or in accordance with the
5 Lynn and Erin Compassionate Use Act; and

6 (12) "qualified patient" means a resident of
7 New Mexico who holds a registry identification card pursuant to
8 the Lynn and Erin Compassionate Use Act.

9 B. Medical assistance coverage provided pursuant to
10 the Public Assistance Act shall provide coverage for:

11 (1) medical cannabis that is consistent with
12 the coverage provided for medication that would otherwise be
13 prescribed in accordance with generally accepted standards to
14 treat the eligible enrollee's debilitating medical condition,
15 including cost-sharing requirements; and

16 (2) an adequate supply, as established by
17 department of health rule; provided that the eligible enrollee:

18 (a) is a qualified patient; and
19 (b) obtains cannabis from a cannabis
20 retailer approved by the insurer.

21 C. Medical assistance coverage provided pursuant to
22 the Public Assistance Act shall provide:

23 (1) reimbursement to an eligible enrollee
24 after the submission of a claim in accordance with the process
25 established by the department of health and in compliance with

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1 department rule; or

2 (2) direct payment to a cannabis retailer
3 authorized by the department of health after submission of the
4 claim in accordance with the process established by the
5 department of health and in compliance with department rule."

6 SECTION 3. A new section of Chapter 59A, Article 22 NMSA
7 1978 is enacted to read:

8 "[NEW MATERIAL] MEDICAL CANNABIS COVERAGE.--

9 A. As used in this section:

10 (1) "adequate supply" means an amount of
11 cannabis, in any form approved by the department of health,
12 possessed by a qualified patient that is determined by
13 department of health rule to be no more than reasonably
14 necessary to ensure the uninterrupted availability of cannabis
15 for a period of three months and that is derived solely from an
16 intrastate source;

17 (2) "cannabis":

18 (a) means all parts of the plant
19 Cannabis containing a delta-9-tetrahydrocannabinol
20 concentration of more than three-tenths percent on a dry weight
21 basis, whether growing or not; the seeds of the plant; the
22 resin extracted from any part of the plant; and every compound,
23 manufacture, salt, derivative, mixture or preparation of the
24 plant, its seeds or its resin; and

25 (b) does not include the mature stalks

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1 of the plant; fiber produced from the stalks; oil or cake made
2 from the seeds of the plant; any other compound, manufacture,
3 salt, derivative, mixture or preparation of the mature stalks,
4 fiber, oil or cake; the sterilized seed of the plant that is
5 incapable of germination; the weight of any other ingredient
6 combined with cannabis to prepare topical or oral
7 administrations, food, drink or another product; or hemp;

8 (3) "cannabis extract":

9 (a) means a product obtained by
10 separating resins from cannabis by solvent extraction using
11 solvents other than vegetable glycerin, such as butane, hexane,
12 isopropyl alcohol, ethanol or carbon dioxide; and

13 (b) does not include the weight of any
14 other ingredient combined with cannabis extract to prepare
15 topical or oral administrations, food, drink or another
16 product;

17 (4) "cannabis product":

18 (a) means a product that contains
19 cannabis, including edible or topical products that may also
20 contain other ingredients; and

21 (b) does not include the weight of any
22 other ingredient combined with cannabis or cannabis extract to
23 prepare topical or oral administrations, food, drink or another
24 product;

25 (5) "cannabis retailer" means a person that

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1 sells cannabis products to consumers, pursuant to a license
2 issued by the cannabis control division of the regulation and
3 licensing department pursuant to the Cannabis Regulation Act;

4 (6) "coinsurance" means a cost-sharing method
5 that requires an enrollee to pay a stated percentage of medical
6 expenses after any deductible amount is paid; provided that
7 coinsurance rates may differ for different types of services
8 under the same individual or group health maintenance
9 organization contract;

10 (7) "copayment" means a cost-sharing method
11 that requires an enrollee to pay a fixed dollar amount when
12 health care services are received, with the carrier paying the
13 balance of the allowable amount; provided that there may be
14 different copayment requirements for different types of
15 services under the same individual or group health maintenance
16 organization contract;

17 (8) "cost sharing" means a copayment,
18 coinsurance, deductible or any other form of financial
19 obligation of an enrollee other than a premium or a share of a
20 premium, or any combination of any of these financial
21 obligations, as defined by the terms of an individual or group
22 health maintenance organization contract;

23 (9) "debilitating medical condition" means:

- 24 (a) cancer;
25 (b) glaucoma;

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- 1 (c) multiple sclerosis;
- 2 (d) damage to the nervous tissue of the
- 3 spinal cord, with objective neurological indication of
- 4 intractable spasticity;
- 5 (e) seizure disorder, including
- 6 epilepsy;
- 7 (f) positive status for human
- 8 immunodeficiency virus or acquired immunodeficiency syndrome;
- 9 (g) admittance into hospice care in
- 10 accordance with rules promulgated by the department of health;
- 11 (h) amyotrophic lateral sclerosis;
- 12 (i) Crohn's disease;
- 13 (j) hepatitis C infection;
- 14 (k) Huntington's disease;
- 15 (l) inclusion body myositis;
- 16 (m) inflammatory autoimmune-mediated
- 17 arthritis;
- 18 (n) intractable nausea or vomiting;
- 19 (o) obstructive sleep apnea;
- 20 (p) painful peripheral neuropathy;
- 21 (q) Parkinson's disease;
- 22 (r) posttraumatic stress disorder;
- 23 (s) severe chronic pain;
- 24 (t) severe anorexia or cachexia;
- 25 (u) spasmodic torticollis;

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1 (v) ulcerative colitis; or

2 (w) any other medical condition, medical
3 treatment or disease as approved by the department of health;

4 (10) "generally accepted standards" means
5 standards of care and clinical practice, including clinical
6 practice guidelines and recommendations from professional
7 associations, that are generally recognized by health care
8 providers practicing in relevant clinical specialties;

9 (11) "medical cannabis" means cannabis
10 products used by a qualified patient or in accordance with the
11 Lynn and Erin Compassionate Use Act; and

12 (12) "qualified patient" means a resident of
13 New Mexico who holds a registry identification card pursuant to
14 the Lynn and Erin Compassionate Use Act.

15 B. An individual or group health insurance policy,
16 health care plan or certificate of health insurance delivered,
17 issued for delivery or renewed in this state shall provide
18 coverage for:

19 (1) medical cannabis that is consistent with
20 the coverage provided for medication that would otherwise be
21 prescribed in accordance with generally accepted standards to
22 treat the eligible insured's debilitating medical condition,
23 including cost-sharing requirements; and

24 (2) an adequate supply, as established by
25 department of health rule; provided that the eligible insured:

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- 1 (a) is a qualified patient; and
- 2 (b) obtains cannabis from a cannabis
- 3 retailer approved by the insurer.

- 4 C. An insurer shall provide:
 - 5 (1) reimbursement to an eligible insured after
 - 6 the submission of a claim in accordance with the process
 - 7 established by the insurer's plan and in compliance with
 - 8 department of health rule; or
 - 9 (2) direct payment to a cannabis retailer
 - 10 authorized by the insurer after submission of the claim in
 - 11 accordance with the process established by the insurer's plan
 - 12 and in compliance with department of health rule."

13 SECTION 4. A new section of Chapter 59A, Article 23 NMSA
14 1978 is enacted to read:

15 "[NEW MATERIAL] MEDICAL CANNABIS COVERAGE.--

- 16 A. As used in this section:
 - 17 (1) "adequate supply" means an amount of
 - 18 cannabis, in any form approved by the department of health,
 - 19 possessed by a qualified patient that is determined by
 - 20 department of health rule to be no more than reasonably
 - 21 necessary to ensure the uninterrupted availability of cannabis
 - 22 for a period of three months and that is derived solely from an
 - 23 intrastate source;
 - 24 (2) "cannabis":
 - 25 (a) means all parts of the plant

1 Cannabis containing a delta-9-tetrahydrocannabinol
2 concentration of more than three-tenths percent on a dry weight
3 basis, whether growing or not; the seeds of the plant; the
4 resin extracted from any part of the plant; and every compound,
5 manufacture, salt, derivative, mixture or preparation of the
6 plant, its seeds or its resin; and

7 (b) does not include the mature stalks
8 of the plant; fiber produced from the stalks; oil or cake made
9 from the seeds of the plant; any other compound, manufacture,
10 salt, derivative, mixture or preparation of the mature stalks,
11 fiber, oil or cake; the sterilized seed of the plant that is
12 incapable of germination; the weight of any other ingredient
13 combined with cannabis to prepare topical or oral
14 administrations, food, drink or another product; or hemp;

15 (3) "cannabis extract":

16 (a) means a product obtained by
17 separating resins from cannabis by solvent extraction using
18 solvents other than vegetable glycerin, such as butane, hexane,
19 isopropyl alcohol, ethanol or carbon dioxide; and

20 (b) does not include the weight of any
21 other ingredient combined with cannabis extract to prepare
22 topical or oral administrations, food, drink or another
23 product;

24 (4) "cannabis product":

25 (a) means a product that contains

1 cannabis, including edible or topical products that may also
2 contain other ingredients; and

3 (b) does not include the weight of any
4 other ingredient combined with cannabis or cannabis extract to
5 prepare topical or oral administrations, food, drink or another
6 product;

7 (5) "cannabis retailer" means a person that
8 sells cannabis products to consumers, pursuant to a license
9 issued by the cannabis control division of the regulation and
10 licensing department pursuant to the Cannabis Regulation Act;

11 (6) "coinsurance" means a cost-sharing method
12 that requires an enrollee to pay a stated percentage of medical
13 expenses after any deductible amount is paid; provided that
14 coinsurance rates may differ for different types of services
15 under the same individual or group health maintenance
16 organization contract;

17 (7) "copayment" means a cost-sharing method
18 that requires an enrollee to pay a fixed dollar amount when
19 health care services are received, with the carrier paying the
20 balance of the allowable amount; provided that there may be
21 different copayment requirements for different types of
22 services under the same individual or group health maintenance
23 organization contract;

24 (8) "cost sharing" means a copayment,
25 coinsurance, deductible or any other form of financial

1 obligation of an enrollee other than a premium or a share of a
2 premium, or any combination of any of these financial
3 obligations, as defined by the terms of an individual or group
4 health maintenance organization contract;

5 (9) "debilitating medical condition" means:

- 6 (a) cancer;
- 7 (b) glaucoma;
- 8 (c) multiple sclerosis;
- 9 (d) damage to the nervous tissue of the
10 spinal cord, with objective neurological indication of
11 intractable spasticity;
- 12 (e) seizure disorder, including
13 epilepsy;
- 14 (f) positive status for human
15 immunodeficiency virus or acquired immunodeficiency syndrome;
- 16 (g) admittance into hospice care in
17 accordance with rules promulgated by the department of health;
- 18 (h) amyotrophic lateral sclerosis;
- 19 (i) Crohn's disease;
- 20 (j) hepatitis C infection;
- 21 (k) Huntington's disease;
- 22 (l) inclusion body myositis;
- 23 (m) inflammatory autoimmune-mediated
24 arthritis;
- 25 (n) intractable nausea or vomiting;

- 1 (o) obstructive sleep apnea;
- 2 (p) painful peripheral neuropathy;
- 3 (q) Parkinson's disease;
- 4 (r) posttraumatic stress disorder;
- 5 (s) severe chronic pain;
- 6 (t) severe anorexia or cachexia;
- 7 (u) spasmodic torticollis;
- 8 (v) ulcerative colitis; or
- 9 (w) any other medical condition, medical

10 treatment or disease as approved by the department of health;

11 (10) "generally accepted standards" means
12 standards of care and clinical practice, including clinical
13 practice guidelines and recommendations, that are generally
14 recognized by health care providers practicing in relevant
15 clinical specialties;

16 (11) "medical cannabis" means cannabis
17 products used by a qualified patient or in accordance with the
18 Lynn and Erin Compassionate Use Act; and

19 (12) "qualified patient" means a resident of
20 New Mexico who holds a registry identification card pursuant to
21 the Lynn and Erin Compassionate Use Act.

22 B. A group or blanket health insurance policy or
23 contract that is delivered, issued for delivery or renewed in
24 this state shall provide coverage for:

- 25 (1) medical cannabis that is consistent with

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1 the coverage provided for medication that would otherwise be
2 prescribed in accordance with generally accepted standards to
3 treat the eligible insured's debilitating medical condition,
4 including cost-sharing requirements; and

5 (2) an adequate supply, as established by
6 department of health rule; provided that the eligible insured:

7 (a) is a qualified patient; and

8 (b) obtains cannabis from a cannabis
9 retailer approved by the insurer.

10 C. An insurer shall provide:

11 (1) reimbursement to an eligible insured after
12 the submission of a claim in accordance with the process
13 established by the insurer's plan and in compliance with
14 department of health rule; or

15 (2) direct payment to a cannabis retailer
16 authorized by the insurer after submission of the claim in
17 accordance with the process established by the insurer's plan
18 and in compliance with department of health rule."

19 SECTION 5. A new section of the Health Maintenance
20 Organization Law is enacted to read:

21 "[NEW MATERIAL] MEDICAL CANNABIS COVERAGE.--

22 A. As used in this section:

23 (1) "adequate supply" means an amount of
24 cannabis, in any form approved by the department of health,
25 possessed by a qualified patient that is determined by

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1 department of health rule to be no more than reasonably
2 necessary to ensure the uninterrupted availability of cannabis
3 for a period of three months and that is derived solely from an
4 intrastate source;

5 (2) "cannabis":

6 (a) means all parts of the plant
7 Cannabis containing a delta-9-tetrahydrocannabinol
8 concentration of more than three-tenths percent on a dry weight
9 basis, whether growing or not; the seeds of the plant; the
10 resin extracted from any part of the plant; and every compound,
11 manufacture, salt, derivative, mixture or preparation of the
12 plant, its seeds or its resin; and

13 (b) does not include the mature stalks
14 of the plant; fiber produced from the stalks; oil or cake made
15 from the seeds of the plant; any other compound, manufacture,
16 salt, derivative, mixture or preparation of the mature stalks,
17 fiber, oil or cake; the sterilized seed of the plant that is
18 incapable of germination; the weight of any other ingredient
19 combined with cannabis to prepare topical or oral
20 administrations, food, drink or another product; or hemp;

21 (3) "cannabis extract":

22 (a) means a product obtained by
23 separating resins from cannabis by solvent extraction using
24 solvents other than vegetable glycerin, such as butane, hexane,
25 isopropyl alcohol, ethanol or carbon dioxide; and

1 (b) does not include the weight of any
2 other ingredient combined with cannabis extract to prepare
3 topical or oral administrations, food, drink or another
4 product;

5 (4) "cannabis product":

6 (a) means a product that contains
7 cannabis, including edible or topical products that may also
8 contain other ingredients; and

9 (b) does not include the weight of any
10 other ingredient combined with cannabis or cannabis extract to
11 prepare topical or oral administrations, food, drink or another
12 product;

13 (5) "cannabis retailer" means a person that
14 sells cannabis products to consumers, pursuant to a license
15 issued by the cannabis control division of the regulation and
16 licensing department pursuant to the Cannabis Regulation Act;

17 (6) "coinsurance" means a cost-sharing method
18 that requires an enrollee to pay a stated percentage of medical
19 expenses after any deductible amount is paid; provided that
20 coinsurance rates may differ for different types of services
21 under the same individual or group health maintenance
22 organization contract;

23 (7) "copayment" means a cost-sharing method
24 that requires an enrollee to pay a fixed dollar amount when
25 health care services are received, with the carrier paying the

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1 balance of the allowable amount; provided that there may be
2 different copayment requirements for different types of
3 services under the same individual or group health maintenance
4 organization contract;

5 (8) "cost sharing" means a copayment,
6 coinsurance, deductible or any other form of financial
7 obligation of an enrollee other than a premium or a share of a
8 premium, or any combination of any of these financial
9 obligations, as defined by the terms of an individual or group
10 health maintenance organization contract;

11 (9) "debilitating medical condition" means:
12 (a) cancer;
13 (b) glaucoma;
14 (c) multiple sclerosis;
15 (d) damage to the nervous tissue of the
16 spinal cord, with objective neurological indication of
17 intractable spasticity;

18 (e) seizure disorder, including
19 epilepsy;

20 (f) positive status for human
21 immunodeficiency virus or acquired immunodeficiency syndrome;

22 (g) admittance into hospice care in
23 accordance with rules promulgated by the department of health;

24 (h) amyotrophic lateral sclerosis;

25 (i) Crohn's disease;

- 1 (j) hepatitis C infection;
2 (k) Huntington's disease;
3 (l) inclusion body myositis;
4 (m) inflammatory autoimmune-mediated
5 arthritis;
6 (n) intractable nausea or vomiting;
7 (o) obstructive sleep apnea;
8 (p) painful peripheral neuropathy;
9 (q) Parkinson's disease;
10 (r) posttraumatic stress disorder;
11 (s) severe chronic pain;
12 (t) severe anorexia or cachexia;
13 (u) spasmodic torticollis;
14 (v) ulcerative colitis; or
15 (w) any other medical condition, medical
16 treatment or disease as approved by the department of health;

17 (10) "generally accepted standards" means
18 standards of care and clinical practice, including clinical
19 practice guidelines and recommendations from professional
20 associations, that are generally recognized by health care
21 providers practicing in relevant clinical specialties;

22 (11) "medical cannabis" means cannabis
23 products used by a qualified patient or in accordance with the
24 Lynn and Erin Compassionate Use Act; and

25 (12) "qualified patient" means a resident of

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1 New Mexico who holds a registry identification card pursuant to
2 the Lynn and Erin Compassionate Use Act.

3 B. An individual or group health maintenance
4 organization contract that is delivered, issued for delivery or
5 renewed in this state shall provide coverage for:

6 (1) medical cannabis that is consistent with
7 the coverage provided for medication that would otherwise be
8 prescribed in accordance with generally accepted standards to
9 treat the eligible enrollee's debilitating medical condition,
10 including cost-sharing requirements; and

11 (2) an adequate supply, as established by
12 department of health rule; provided that the eligible enrollee:

13 (a) is a qualified patient; and

14 (b) obtains cannabis from a cannabis
15 retailer approved by the insurer.

16 C. An insurer shall provide:

17 (1) reimbursement to an eligible enrollee
18 after the submission of a claim in accordance with the process
19 established by the carrier and in compliance with department of
20 health rule; or

21 (2) direct payment to a cannabis retailer
22 authorized by the carrier after submission of the claim in
23 accordance with the process established by the carrier and in
24 compliance with department of health rule."

25 SECTION 6. A new section of the Nonprofit Health Care

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1 Plan Law is enacted to read:

2 "[NEW MATERIAL] COVERAGE FOR MEDICAL CANNABIS.--

3 A. As used in this section:

4 (1) "adequate supply" means an amount of
5 cannabis, in any form approved by the department of health,
6 possessed by a qualified patient that is determined by
7 department of health rule to be no more than reasonably
8 necessary to ensure the uninterrupted availability of cannabis
9 for a period of three months and that is derived solely from an
10 intrastate source;

11 (2) "cannabis":

12 (a) means all parts of the plant
13 Cannabis containing a delta-9-tetrahydrocannabinol
14 concentration of more than three-tenths percent on a dry weight
15 basis, whether growing or not; the seeds of the plant; the
16 resin extracted from any part of the plant; and every compound,
17 manufacture, salt, derivative, mixture or preparation of the
18 plant, its seeds or its resin; and

19 (b) does not include the mature stalks
20 of the plant; fiber produced from the stalks; oil or cake made
21 from the seeds of the plant; any other compound, manufacture,
22 salt, derivative, mixture or preparation of the mature stalks,
23 fiber, oil or cake; the sterilized seed of the plant that is
24 incapable of germination; the weight of any other ingredient
25 combined with cannabis to prepare topical or oral

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1 administrations, food, drink or another product; or hemp;

2 (3) "cannabis extract":

3 (a) means a product obtained by
4 separating resins from cannabis by solvent extraction using
5 solvents other than vegetable glycerin, such as butane, hexane,
6 isopropyl alcohol, ethanol or carbon dioxide; and

7 (b) does not include the weight of any
8 other ingredient combined with cannabis extract to prepare
9 topical or oral administrations, food, drink or another
10 product;

11 (4) "cannabis product":

12 (a) means a product that contains
13 cannabis, including edible or topical products that may also
14 contain other ingredients; and

15 (b) does not include the weight of any
16 other ingredient combined with cannabis or cannabis extract to
17 prepare topical or oral administrations, food, drink or another
18 product;

19 (5) "cannabis retailer" means a person that
20 sells cannabis products to consumers, pursuant to a license
21 issued by the cannabis control division of the regulation and
22 licensing department pursuant to the Cannabis Regulation Act;

23 (6) "coinsurance" means a cost-sharing method
24 that requires an enrollee to pay a stated percentage of medical
25 expenses after any deductible amount is paid; provided that

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1 coinsurance rates may differ for different types of services
2 under the same individual or group health maintenance
3 organization contract;

4 (7) "copayment" means a cost-sharing method
5 that requires an enrollee to pay a fixed dollar amount when
6 health care services are received, with the carrier paying the
7 balance of the allowable amount; provided that there may be
8 different copayment requirements for different types of
9 services under the same individual or group health maintenance
10 organization contract;

11 (8) "cost sharing" means a copayment,
12 coinsurance, deductible or any other form of financial
13 obligation of an enrollee other than a premium or a share of a
14 premium, or any combination of any of these financial
15 obligations, as defined by the terms of an individual or group
16 health maintenance organization contract;

17 (9) "debilitating medical condition" means:
18 (a) cancer;
19 (b) glaucoma;
20 (c) multiple sclerosis;
21 (d) damage to the nervous tissue of the
22 spinal cord, with objective neurological indication of
23 intractable spasticity;
24 (e) seizure disorder, including
25 epilepsy;

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- 1 (f) positive status for human
2 immunodeficiency virus or acquired immunodeficiency syndrome;
3 (g) admittance into hospice care in
4 accordance with rules promulgated by the department of health;
5 (h) amyotrophic lateral sclerosis;
6 (i) Crohn's disease;
7 (j) hepatitis C infection;
8 (k) Huntington's disease;
9 (l) inclusion body myositis;
10 (m) inflammatory autoimmune-mediated
11 arthritis;
12 (n) intractable nausea or vomiting;
13 (o) obstructive sleep apnea;
14 (p) painful peripheral neuropathy;
15 (q) Parkinson's disease;
16 (r) posttraumatic stress disorder;
17 (s) severe chronic pain;
18 (t) severe anorexia or cachexia;
19 (u) spasmodic torticollis;
20 (v) ulcerative colitis; or
21 (w) any other medical condition, medical
22 treatment or disease as approved by the department of health;
23 (10) "generally accepted standards" means
24 standards of care and clinical practice, including clinical
25 practice guidelines and recommendations from professional

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1 associations, that are generally recognized by health care
2 providers practicing in relevant clinical specialties;

3 (11) "medical cannabis" means cannabis
4 products used by a qualified patient or in accordance with the
5 Lynn and Erin Compassionate Use Act; and

6 (12) "qualified patient" means a resident of
7 New Mexico who holds a registry identification card pursuant to
8 the Lynn and Erin Compassionate Use Act.

9 B. An individual or group health care plan that is
10 delivered, issued for delivery or renewed in this state shall
11 provide coverage for:

12 (1) medical cannabis that is consistent with
13 the coverage provided for medication that would otherwise be
14 prescribed in accordance with generally recognized standards to
15 treat the eligible subscriber's debilitating medical condition,
16 including cost-sharing requirements; and

17 (2) an adequate supply, as established by
18 department of health rule; provided that the eligible
19 subscriber:

20 (a) is a qualified patient; and
21 (b) obtains cannabis from a cannabis
22 retailer approved by the insurer.

23 C. An insurer shall provide:

24 (1) reimbursement to an eligible subscriber
25 after the submission of a claim in accordance with the process

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1 established by the health care plan and in compliance with
2 department of health rule; or
3 (2) direct payment to a cannabis retailer
4 authorized by the health care plan after submission of the
5 claim in accordance with the process established by the health
6 care plan and in compliance with department of health rule."

7 SECTION 7. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is January 1, 2026.

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