

Proposed

HOUSE HEALTH AND HUMAN SERVICES COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 589

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

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;  
REQUIRING MEDICAID MANAGED CARE ORGANIZATIONS TO HAVE A  
PROPORTIONAL AMOUNT OF MEDICAID RECIPIENTS.

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

**SECTION 1.** Section 27-2-12.6 NMSA 1978 (being Laws 1994,  
Chapter 62, Section 22, as amended) is amended to read:

"27-2-12.6. MEDICAID PAYMENTS--MANAGED CARE.--

A. The department shall provide for a statewide,  
managed care system to provide cost-efficient, preventive,  
primary and acute care for medicaid recipients by July 1, 1995.

B. The managed care system shall ensure:

(1) access to medically necessary services,  
particularly for medicaid recipients with chronic health  
problems;

.231776.1

underscored material = new  
[bracketed material] = delete

1 (2) to the extent practicable, maintenance of  
2 the rural primary care delivery infrastructure;

3 (3) that the department's approach is  
4 consistent with national and state health care reform  
5 principles; ~~and~~

6 (4) to the maximum extent possible, that  
7 medicaid-eligible individuals are not identified as such except  
8 as necessary for billing purposes; and

9 (5) that a proportional number of medicaid  
10 recipients are balanced among the managed care organizations  
11 contracted with the state to provide medical assistance to  
12 medicaid recipients, including managed care organizations that  
13 are newly contracted with the state.

14 C. The department may exclude nursing homes,  
15 intermediate care facilities for individuals with developmental  
16 or intellectual disabilities, medicaid in-home and community-  
17 based waiver services and residential and community-based  
18 mental health services for children with serious emotional  
19 disorders from the provisions of this section."