

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.

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. "custodial parent" means a natural parent, adoptive parent, stepparent or legal guardian with whom the child lives;

C. "department" means the human services department;

D. "low-income children and their families" means a family with a dependent child with income at or below the level specified in Section 27-12-6 NMSA 1978; and

E. "secretary" means the secretary of human services. "

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

"COVERAGE FOR PARENTS-- INCOME DISREGARDS-- CONSULTATION

WITH THE LEGISLATURE. --

A. Subject to the availability of state and federal matching funds pursuant to Title 21 of the federal Social Security Act, a custodial parent of a medicaid-eligible child is eligible for medicaid if the parent's net countable income is below one hundred percent of the federal poverty guidelines.

B. The department shall, unless as otherwise provided in Subsection C of this section, determine the parent's net countable income by excluding income from exempted sources and disregarded income pursuant to Section 27-2B-7 NMSA 1978. Resources shall not be counted in the eligibility determination.

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

D. The department shall implement the health insurance premium payment program and, to the extent it is cost effective, allow participation for medicaid-eligible persons who have access to employer-based insurance. "