

AN ACT

RELATING TO HEALTH CARE; AMENDING THE NEW MEXICO INSURANCE
CODE TO PROVIDE FOR MULTIPLE-EMPLOYER HEALTH CARE SELF-
INSURANCE.

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

Section 1. Section 59A-15-20 NMSA 1978 (being Laws
1991, Chapter 125, Section 26) is amended to read:

"59A-15-20. MULTIPLE-EMPLOYER WELFARE ARRANGEMENTS--
REGULATIONS. --

A. The superintendent, after a public hearing,
shall, no later than October 1, 2001, adopt reasonable rules
and regulations governing any employee welfare benefit plan
that is a multiple-employer welfare arrangement. The
regulations at a minimum shall provide for:

- (1) registration of all such plans and
standards requiring the maintenance of specified levels of
reserves;
- (2) minimum solvency requirements;
- (3) accounting standards and reporting
requirements;
- (4) standards for appropriate investment of
assets;
- (5) standards for excess or stop-loss
insurance coverage;

(6) specified levels of contributions that any such plan, or any trust established under such a plan, must meet;

(7) methods for equitable assessment of member employers for any funding shortfall; and

(8) standards for adequate governance.

B. The rules and regulations shall provide for compliance with the Patient Protection Act and provide standards for minimum benefits, including coverage of all benefits required of health insurance under other sections of the Insurance Code.

C. The rules and regulations shall provide that all employees or association members shall be eligible for participation in the plan.

D. Any standards for determining or assuring solvency shall not be applicable to plans that are fully insured by carriers authorized to transact insurance in New Mexico. If at any time a plan does not meet the standards established, the superintendent may take action pursuant to the Insurance Code. "
