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SENATE BILL 719

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Carlos R. Cisneros

AN ACT

RELATING TO HEALTH; REQUIRING CERTAIN COVERAGE BY HEALTH CARE ORGANIZATIONS; CREATING THE EXPERIMENTAL TREATMENT FUND; AMENDING THE NEW MEXICO INSURANCE CODE; MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

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

Section 1. A new section of the New Mexico Insurance Code, Section 59A-25-15 NMSA 1978, is enacted to read:

"59A-25-15. [NEW MATERIAL] COVERAGE FOR INDIVIDUALS PARTICIPATING IN EXPERIMENTAL OR INVESTIGATIVE TREATMENT. -- A group health plan, fraternal benefit society, nonprofit health care plan, health maintenance organization or health benefit plan in a group plan, offered pursuant to the Health Care Purchasing Act, shall provide coverage for experimental or investigational treatment or procedures, provided the

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1 patient's physician determines the treatment or procedure
2 medically necessary to preserve or extend the life of the
3 patient and provided the experimental or investigational
4 treatment or procedures are approved as an ongoing or
5 completed experiment or clinical trial investigation by the
6 United States food and drug administration. "

7 Section 2. Section 59A-1-16 NMSA 1978 (being Laws 1984,
8 Chapter 127, Section 16, as amended) is amended to read:

9 "59A-1-16. EXEMPTED FROM CODE. --In addition to
10 organizations and businesses otherwise exempt, the Insurance
11 Code shall not apply to:

12 A. a labor organization that, incidental only to
13 operations as a labor organization, issues benefit
14 certificates to members or maintains funds to assist members
15 and their families in times of illness, injury or need, and is
16 not for profit;

17 B. the credit union share insurance corporation,
18 as identified in Chapter 58, Article 12 NMSA 1978, and similar
19 corporations and funds for protection of depositors,
20 shareholders or creditors of financial institutions and
21 businesses other than insurers; or

22 C. the risk management division of the general
23 services department or to insurance of public property or
24 public risks by any agency of government not otherwise engaged
25 in the business of insurance, except the provisions of the

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1 Patient Protection Act shall apply to the risk management
2 division and any managed health care plan it offers and the
3 provisions of Section 59A-25-15 NMSA 1978 shall apply to a
4 plan offered pursuant to the Health Care Purchasing Act. "

5 Section 3. Section 13-7-4 NMSA 1978 (being Laws 1997,
6 Chapter 74, Section 4) is amended to read:

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

8 A. The publicly funded health care agencies shall
9 enter into a cooperative consolidated purchasing effort to
10 provide plans of health care benefits for the benefit of
11 eligible participants of the respective agencies. The request
12 for proposal shall set forth one or more plans of health care
13 benefits and shall include accommodation of fully funded
14 arrangements [~~as well as~~], varying degrees of self-funded pool
15 options and the provisions of Section 59A-25-15 NMSA 1978.

16 B. A consolidated purchasing request for proposals
17 for all health care benefits by the publicly funded health
18 care agencies shall be issued on or before July 1, 1999 and
19 any contracts for health care benefits renewed or issued on or
20 after July 1, 2000 shall be the result of consolidated
21 purchasing.

22 C. All requests for proposals issued as part of
23 the consolidated purchasing shall include at least one
24 distinct service area consisting of the Albuquerque
25 metropolitan area. Proposals on a distinct service area shall

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1 be evaluated separately. "

2 Section 4. [NEW MATERIAL] EXPERIMENTAL TREATMENT FUND
3 CREATED. --

4 A. The "experimental treatment fund" is created in
5 the state treasury.

6 B. The experimental treatment fund shall be
7 administered by the secretary of health. The money in the
8 fund shall be used solely for the purpose of paying for the
9 costs of federal drug administration approved experimental
10 treatments or procedures for children with catastrophic,
11 debilitating or terminal illnesses. An attending physician of
12 a patient seeking coverage of a treatment or procedure from
13 the fund shall certify to the secretary of health that
14 conventional treatments or procedures have been considered and
15 in the physician's medical opinion conventional treatment
16 cannot provide the same probability of a cure or control of
17 the illness that is expected from the experimental treatment
18 or that conventional treatments and procedures will be
19 ineffective in providing a cure or control of the illness for
20 the patient. The patient shall provide documentation from his
21 medical insurer that the experimental treatment is not
22 included in the policy covering the patient.

23 C. The patient shall submit receipts from the
24 provider of the treatment or procedure setting forth the
25 amount due and payable to that provider to the secretary of

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1 health for payment from the experimental treatment fund.

2 D. Disbursements from the experimental treatment
3 fund shall be by warrant drawn by the secretary of finance and
4 administration pursuant to vouchers signed by the secretary of
5 health.

6 Section 5. APPROPRIATION.--Five hundred thousand dollars
7 (\$500,000) is appropriated from the general fund to the
8 experimental treatment fund for expenditure in fiscal years
9 2001 and 2002 for carrying out the purposes of the
10 experimental treatment fund. Any unexpended or unencumbered
11 balance remaining at the end of fiscal year 2002 shall revert
12 to the general fund.

13 Section 6. EMERGENCY.--It is necessary for the public
14 peace, health and safety that this act take effect
15 immediately.