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AN ACT
RELATING TO HEALTH COVERAGE; ELIMINATING THE WAITING PERIOD
FOR THE SMALL EMPLOYER HEALTH CARE COVERAGE PROGRAM;
RECONCILING MULTIPLE ENACTMENTS OF THE SAME SECTION OF LAW IN
LAWS 2005.

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

Section 1. Section 10-7B-6.1 NMSA 1978 (being Laws
2005, Chapter 301, Section 4 and Laws 2005, Chapter 305,
Section 4) is amended to read:

"10-7B-6.1. SMALL EMPLOYER HEALTH CARE COVERAGE.--

A. The director may enter into an agreement with a
small employer to voluntarily purchase health care coverage
offered pursuant to the Group Benefits Act for persons and
dependents eligible through the small employer.

B. The director may enter into agreements with an
association, cooperative or mutual alliance representing
small employers to provide outreach and assistance for small
employers to voluntarily purchase health care coverage
offered pursuant to the Group Benefits Act for persons and
dependents eligible through the small employer.

C. The director shall only permit voluntary
purchase of health care coverage by small employers if the
small employer has not offered health care coverage to
persons and dependents eligible through a small employer for

1 a period of at least twelve months prior to enrollment in the
2 coverage offered pursuant to the Group Benefits Act;
3 provided, however, that the waiting period in this subsection
4 shall not apply to a person having nonprofit status that
5 employs an average of fifty or fewer persons over a
6 twelve-month period.

7 D. A separate account shall be maintained for
8 small employers that voluntarily elect to purchase health
9 care coverage offered pursuant to the Group Benefits Act to
10 provide separate accounting, payment and private funding of
11 health care coverage for small employers. The funds in the
12 small employers account shall be maintained separately in
13 actuarially sound condition as evidenced by an annual written
14 certification of a qualified actuary, including verification
15 that the premiums charged are actuarially sound in relation
16 to the benefits provided. This certification shall be filed
17 with the superintendent of insurance."