HOUSE BILL 168

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

Mimi Stewart

AN ACT

RELATING TO HEALTH INSURANCE; ENACTING THE NEW MEXICO HEALTH
INSURANCE EXCHANGE; PROVIDING FOR THE APPOINTMENT, POWERS AND
DUTIES OF A BOARD OF DIRECTORS FOR THE EXCHANGE; PROVIDING THE
SUPERINTENDENT OF INSURANCE WITH RULEMAKING POWERS RELATING TO
THE EXCHANGE; PROVIDING FOR POWERS AND DUTIES OF THE EXCHANGE;
PROVIDING FOR TRANSPARENCY OF EXCHANGE FUNDING AND OPERATIONS;
ENACTING A PROVISION OF THE NEW MEXICO HEALTH INSURANCE
ALLIANCE ACT TO PROVIDE FOR TERMINATION AND PORTABILITY OF
APPROVED HEALTH PLAN COVERAGE; ENACTING A TEMPORARY PROVISION
TO PROVIDE FOR TRANSFER OF NEW MEXICO HEALTH INSURANCE ALLIANCE
PERSONNEL, PERSONAL PROPERTY, CONTRACTS AND REFERENCES IN LAW
TO THE NEW MEXICO HEALTH INSURANCE EXCHANGE; PROVIDING FOR THE
DELAYED REPEAL OF THE NEW MEXICO HEALTH INSURANCE ALLIANCE ACT;
AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA 1978;

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8	SECTION 2. [NEW MATERIAL] DEFINIT
9	New Mexico Health Insurance Exchange Ac
10	A. "board" means the board
11	exchange;
12	B. "carrier" means a person
13	licensure by the superintendent or subj
14	the New Mexico Insurance Code and that
15	health benefits or insurance plans in t
16	C. "dependent" means "depen
17	Section 152 of the federal Internal Rev
18	D. "employee" means an indi
19	individual or entity for a wage or fixe
20	for personal services and who does not
21	part of an independent business;
22	E. "exchange" means the New
23	exchange;
24	F. "health care provider" m
25	is licensed, certified or otherwise aut
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RECONCILING MULTIPLE AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2009.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1 through 9 of this act may be cited as the "New Mexico Health Insurance Exchange Act".

- TIONS.--As used in the t:
- of directors of the
- that is subject to ect to the provisions of provides one or more he state;
- dent" as defined in enue Code of 1986;
- vidual hired by another d payment in exchange provide the services as
- Mexico health insurance
- eans an individual who horized or permitted by

law pursuant to Chapter 61 NMSA 1978 to provide health care in the ordinary course of business or practice of a profession;

- G. "health care services, finance or coverage sector" means a business sector that includes carriers and other health insurance issuers; health maintenance or managed care organizations; nonprofit health plans; self-insured group health plans; trade associations of carriers; producers; persons licensed or otherwise authorized to provide health care in the regular course of business; and health care facilities;
 - H. "member" means a person appointed to the board;
 - I. "Native American" means:
- (1) an individual who is a member of any federally recognized Indian nation, tribe or pueblo or who is an Alaska Native; or
- (2) an individual who has been deemed eligible for services and programs provided to Native Americans by the United States public health service or the bureau of Indian affairs;
- J. "navigator" means an entity that, in a manner culturally and linguistically appropriate to the state's diverse populations, conducts public education, distributes tax credit and qualified health plan enrollment information, facilitates enrollment in qualified health plans and public health coverage programs or provides referrals to consumer assistance or ombudsman services. "Navigator" does not mean a

carrier or a person that receives any consideration, directly or indirectly, from any carrier in connection with the enrollment of a qualified individual in a qualified health plan;

- K. "qualified employer" means a small employer that elects to make its full-time employees, and, at the option of the employer, some or all of its part-time employees, eligible for one or more qualified health plans offered in the small group market through the exchange; provided that the employer:
- (1) has its principal place of business in the state and elects to provide coverage through the exchange to all of its eligible employees, wherever employed; or
- (2) elects to provide coverage through the exchange to all of its eligible employees who are principally employed in the state;
- L. "qualified health plan" means health insurance coverage or a group health plan that the superintendent has determined as meeting the requirements in federal law for coverage to be offered through the exchange;
 - M. "qualified individual" means an individual who:
- (1) seeks to enroll or who participates in a qualified health plan offered through the exchange and who meets one of the following residency requirements:
- (a) the individual is a resident of the state and is, and continues to be, legally domiciled and .191607.2

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physically residing on a full-time basis in a place of
habitation in the state that remains the person's principal
residence and from which the person is absent only for a
temporary or transitory purpose;

- (b) the individual is a full-time student attending an educational institution outside of the state but, prior to attending the educational institution, met the requirements of Subparagraph (a) of this paragraph;
- (c) the individual is a full-time student attending an institution of higher education located in the state;
- (d) the individual, whether a resident or not, is a dependent; or
- (e) the individual, whether a resident or not, is an employee of a qualified employer;
- is not incarcerated at the time of enrollment, other than incarceration pending the disposition of charges; and
- is a citizen or national of the United States or an alien lawfully present in the United States, or who is reasonably expected to be a citizen or national of the United States or an alien lawfully present in the United States during the entire period for which enrollment in the exchange is sought;
- "small employer" means a person that is actively N. .191607.2

engaged in business that employed an average of at least one but not more than fifty full-time-equivalent employees on business days during the preceding calendar year and that employs at least one employee in the first day of the plan year; provided that:

- (1) the small employer elects to make all full-time employees eligible for one or more qualified health plans offered in the small group market through the exchange;
- (2) persons that are affiliated persons or that are eligible to file a combined tax return for purposes of state income taxation shall be considered one small employer;
- (3) in the case of an employer that was not in existence throughout a preceding calendar year, the determination of whether the employer is a small employer shall be based on the average number of employees that the employer is reasonably expected to employ on working days in the current calendar year; and
 - (4) the person is not a self-insured entity;
- 0. "superintendent" means the superintendent of insurance of the office of superintendent of insurance; and
- P. "telemedicine" means the use of electronic information, imaging and communication technologies, including interactive audio, video and data communications as well as store-and-forward technologies, to provide and support health care delivery, diagnosis, consultation, treatment, transfer of

medical data and education.

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SECTION 3. [NEW MATERIAL] NEW MEXICO HEALTH INSURANCE EXCHANGE CREATED -- BOARD CREATED .--

- The "New Mexico health insurance exchange" is created as a nonprofit public corporation to provide qualified individuals and qualified employers with increased access to health insurance in the state and shall be governed by a board of directors constituted pursuant to the provisions of the New Mexico Health Insurance Exchange Act.
- The "board of directors of the New Mexico health insurance exchange" is created. The board consists of eleven voting members. One voting ex-officio member is the secretary of human services or the secretary's designee. One nonvoting ex-officio member is the superintendent or the superintendent's designee.
- Managerial and full-time employees of the exchange and appointed directors, while serving on the board, shall not have any affiliation with or any income derived from current or active employment as, a contract with or consultation for the health care services, finance or coverage sectors.
- Each member and employee of the exchange shall D. have a fiduciary duty to the exchange.
- The board shall be composed, as a whole, to assure representation of the state's Native American

1	population, ethnic diversity, cultural diversity and geographic
2	diversity. Members shall have demonstrated knowledge or
3	experience in at least one of the following areas:
4	(1) purchasing coverage in the individual
5	market;
6	(2) purchasing coverage in the small employer
7	market;
8	(3) health care finance;
9	(4) health care economics;
10	(5) health care policy;
11	(6) the enrollment of underserved residents in
12	health care coverage; or
13	(7) administering private or public health
14	care insurance.
15	F. Selection of the ten appointed voting members
16	shall be as follows:
17	(1) the governor shall appoint three members
18	who shall be chosen from officers, general partners or
19	proprietors of qualified employers;
20	(2) the superintendent shall appoint three
21	members, each of whom shall be a resident of the state who is a
22	consumer in the state's individual health insurance market; and
23	(3) the president pro tempore of the senate,
24	the speaker of the house of representatives, the senate
25	minority floor leader and the house minority floor leader shall
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each appoint one member.

- G. The appointed members shall have initial terms chosen by lot as follows: five members shall serve four-year terms and five members shall serve three-year terms.

 Thereafter, members shall serve three-year terms.
- H. A member shall serve until the member's successor is appointed by the respective appointing authority.
- I. The exchange, including the board, is a government entity for purposes of the Tort Claims Act and shall operate consistently with the provisions of the Governmental Conduct Act, the Inspection of Public Records Act, the Financial Disclosure Act and the Open Meetings Act and shall not be subject to the Procurement Code or the Personnel Act.
- J. A majority of members constitutes a quorum. The board may allow members to attend meetings by telephone or other electronic media. A decision by the board requires a quorum and a majority of members in attendance voting in favor of the decision.
- K. Within sixty days of the effective date of the New Mexico Health Insurance Exchange Act, the superintendent shall convene the organizational meeting of the board, during which the board shall elect a chair and vice chair from among its members. Thereafter, every three years the board shall elect in open meeting a chair and vice chair from among its members. The chair and vice chair shall serve no more than two

consecutive three-year terms as chair and vice chair.

- L. A vacancy on the board shall be filled by appointment by the original appointing authority for the remainder of the member's unexpired term.
- M. A member may be removed from the board by a majority vote of the members. The board shall set standards for attendance and may remove a member for lack of attendance, neglect of duty or malfeasance in office. A member shall not be removed without proceedings consisting of at least one ten-day notice of hearing and an opportunity to be heard. Removal proceedings shall be before the board and in accordance with procedures adopted by the board.
- N. Appointed members may receive per diem and mileage in accordance with the Per Diem and Mileage Act, subject to the travel policy set by the board. Appointed members shall receive no other compensation, perquisite or allowance.
- O. The board shall meet at the call of the chair and no less often than once per calendar quarter. There shall be at least seven days' notice given to members prior to any meeting.
- P. The board shall create, make appointments to and duly consider recommendations of an advisory committee or committees made up of stakeholders, including carriers, health care consumers, health care providers, health care

practitioners, brokers, qualified employer representatives and advocates for low-income or underserved residents.

Q. The board shall create an advisory committee made up of Native Americans, some of whom live on a reservation and some of whom do not live on a reservation, to guide the implementation of the Native-American-specific provisions of the federal Patient Protection and Affordable Care Act and the federal Indian Health Care Improvement Act.

SECTION 4. [NEW MATERIAL] BOARD OF DIRECTORS-POWERS.--The board may:

- A. seek and receive grant funding from federal, state or local governments or private philanthropic organizations to defray the costs of operating the exchange;
- B. generate funding, including charging assessments or fees, to support its operations in accordance with rules that the superintendent has promulgated and the provisions of the New Mexico Health Insurance Exchange Act;
 - C. create ad hoc advisory councils;
- D. request assistance from other boards, commissions, departments, agencies and organizations as necessary to provide appropriate expertise to accomplish the exchange's duties;
- E. enter into contracts with persons or other organizations as necessary or proper to carry out the provisions and purposes of the New Mexico Health Insurance .191607.2

Exchange Act, including the authority to contract or employ staff for the performance of administrative, legal, actuarial, accounting and other functions, provided that any contractor shall be subject to the conflict-of-interest provisions set forth in Subsection C of Section 3 of the New Mexico Health Insurance Exchange Act;

- F. enter into contracts with similar exchanges of other states for the joint performance of common administrative functions;
- G. enter into information-sharing agreements with federal and state agencies and other state exchanges to carry out its responsibilities; provided that these agreements include adequate protections of the confidentiality of the information to be shared and comply with all state and federal laws and regulations;
- H. sue or be sued or otherwise take any necessary or proper legal action in the execution of its duties and powers;
- I. appoint board committees, which may include non-board members, to provide technical assistance in the operation of the exchange and any other function within the authority of the exchange; and
- J. conduct periodic audits to assure the general accuracy of the financial data submitted to the exchange.

SECTION 5. [NEW MATERIAL] PLAN OF OPERATION. --

1	A. The board shall create a plan of operation
2	containing provisions to ensure the fair, reasonable and
3	equitable administration of the exchange.
4	B. The board shall provide for public notice and
5	hearing prior to approving the plan of operation.
6	C. The plan of operation shall:
7	(1) establish procedures to implement the
8	provisions of the New Mexico Health Insurance Exchange Act,
9	consistent with state law, approved waiver of federal law, the
10	federal Patient Protection and Affordable Care Act and other
11	federal law, including:
12	(a) determination of which qualified
13	health plans will be offered through the exchange;
14	(b) eligibility determination for the
15	exchange and related public programs;
16	(c) enrollment of qualified individuals
17	and qualified employers; and
18	(d) administration of assessments and
19	fees;
20	(2) establish procedures for handling and
21	accounting for the exchange's assets and money;
22	(3) establish regular times and meeting places
23	for meetings of the board;
24	(4) establish a program to publicize the
25	existence of the exchange, qualified health plans, the

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eligibility requirements and procedures for enrollment in a qualified health plan, medicaid or other public health coverage program and to maintain public awareness of the exchange;

- establish consumer complaint and grievance (5) procedures for issues raised with the exchange;
- establish conflict-of-interest policies and procedures;
- establish a consumer outreach and (7) assistance program, which shall include awarding grants to entities that demonstrate that they meet the requirements to be a navigator pursuant to state and federal law. The consumer outreach and assistance program may also include directly hiring staff or awarding grants to entities that are not navigators; provided that these staff or entities shall comply with all conflict of interest rules that apply to navigators under state and federal law. A recipient of consumer outreach assistance funding that facilitates enrollment in qualified health plans shall also facilitate enrollment in medicaid, the children's health insurance program and other public coverage programs; and
- contain additional provisions necessary and proper for the execution of the powers and duties of the board.
- SECTION 6. [NEW MATERIAL] BOARD DUTIES--REPORTING.--The board shall:

1	A. by August 1, 2013, establish an application				
2	process for the following:				
3	(1) qualified health plan status;				
4	(2) qualified individual status;				
5	(3) qualified employer status;				
6	(4) a premium assistance subsidy;				
7	(5) a tax credit for purchase of a qualified				
8	health plan;				
9	(6) exemption from the federal requirement to				
10	purchase health insurance; and				
11	(7) state public coverage programs, including				
12	medicaid;				
13	B. establish at least one ambulatory service center				
14	where persons may apply for any status, credit or exemption				
15	listed in Subsection A of this subsection and, if eligible,				
16	enroll in qualified health plans or public coverage programs;				
17	C. between July 1, 2013 and January 1, 2015,				
18	provide quarterly reports to the legislature, the governor and				
19	the superintendent on the implementation of the exchange and				
20	report annually and upon request thereafter;				
21	D. comply with the following reporting				
22	requirements:				
23	(1) by January 1, 2015, present findings to				
24	the governor, the superintendent, the legislative health and				
25	human services committee and the legislative finance committee				
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2	and make recommendations on how to minimize adverse
3	selection;
4	(2) by October 1, 2013, report to the
5	legislative health and human services committee and the
6	legislative finance committee its recommendations on:
7	(a) whether to combine the large group
8	market, the small group market or the individual market into a
9	single risk pool; and
10	(b) a transition plan for the exchange
11	and carriers to follow when changing the number of
12	full-time-equivalent employees to one hundred, whether
13	the change occurs prior to or on January 1, 2017;
14	(3) by October 1, 2013, report to the
15	legislative health and human services committee, the
16	legislative finance committee and the governor on how to ensure
17	that the plans offered through the exchange are of high quality
18	and value to New Mexicans, with a particular emphasis on
19	providing health care to low-income New Mexicans; and
20	(4) by January 1, 2015, report findings to the
21	governor, the superintendent, the legislative health and human
22	services committee and the legislative finance committee about
23	whether individuals with incomes below two hundred percent of
24	the federal poverty level are experiencing barriers to
25	enrollment in qualified health plans due to the affordability

about whether adverse selection is happening in the exchange

of qualified health plans, including whether these individuals are disproportionately enrolling in bronze level coverage. The board shall make recommendations about:

- (a) whether the state would benefit from the establishment of a basic health program pursuant to federal law to cover low-income individuals who are not eligible for medicaid; and
- (b) other potential affordability solutions for this population;
- E. keep an accurate accounting of all of the activities, receipts and expenditures of the exchange and submit this information annually to the superintendent and as required by federal law to the federal secretary of health and human services;
- F. beginning with the first year of operation in which access to health insurance coverage is provided, obtain an annual audit of the exchange's operations from an independent certified public accountant;
- G. cooperate with the medical assistance division of the human services department to share information and facilitate transitions in enrollment between the exchange and medicaid, the state children's health insurance program or any other state public health coverage program;
- H. publish the administrative costs of the exchange as required by state or federal law;

- I. discharge those duties required to implement and operate the exchange in accordance with the provisions of the New Mexico Health Insurance Exchange Act consistent with state and federal law;
- J. consult with representatives of New Mexico
 Indian nations, tribes and pueblos and develop and implement
 policies that:
- (1) promote effective communication and collaboration between the exchange and Indian nations, tribes and pueblos, including communicating and collaborating on those nations', tribes' and pueblos' plans for creating or participating in health insurance exchanges; and
- (2) promote cultural competency in providing effective services to Native Americans; and
- K. designate a Native American liaison, who shall assist the executive director of the exchange in developing and ensuring implementation of communication and collaboration between the exchange and Native Americans in the state. The tribal liaison shall serve as a contact person between the exchange and New Mexico Indian nations, tribes and pueblos and shall ensure that training is provided to the staff of the exchange.

SECTION 7. [NEW MATERIAL] RULES--DISPUTE RESOLUTION.--

A. The superintendent shall promulgate rules necessary to implement and carry out the provisions of the New .191607.2

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Mexico Health Insurance Exchange Act.

- The superintendent shall certify qualified health plans that conform to state and federal requirements for qualified health plans.
- C. The superintendent shall promulgate rules relating to the operation of the exchange in accordance with the provisions of the New Mexico Health Insurance Exchange Act and for resolving disputes arising from the exchange's operation. The rules shall relate to:
- (1) the eligibility of an individual, employer or carrier to participate in the exchange;
- (2) receiving an exemption from any state or federal individual requirement to retain minimum essential coverage;
- the exchange's collection and transmission (3) to the applicable qualified health plans any applications for enrollment and all premium payments or contributions made by or on behalf of qualified individuals or qualified employers participating in the exchange;
- (4) any assessment to cover administrative expenses, the operation of a navigator or consumer outreach and assistance activities of the exchange; and
- ensuring that each qualified health plan (5) provides access to telemedicine services.
- [NEW MATERIAL] EXEMPTION. -- The exchange is SECTION 8. .191607.2

exempt from payment of all fees and all taxes levied by this state or any of its political subdivisions.

SECTION 9. [NEW MATERIAL] FUNDING.--

A. To fund the planning, implementation and operation of the exchange, the board shall contract with the human services department or any other state agency that receives federal funds allocated, appropriated or granted to the state for purposes of funding the planning, implementation or operation of a health insurance exchange.

B. The human services department or any other state agency that receives federal funds allocated, appropriated or granted to the state for purposes of funding the planning, implementation or operation of a health insurance exchange shall contract with the board to provide those funds to the exchange in consideration for its planning, implementation or operation.

MEXICO HEALTH INSURANCE EXCHANGE. -- The medical assistance division of the human services department shall cooperate with the exchange to share information and facilitate transitions in enrollment between the exchange and medicaid, the state children's health insurance program or any other state public health coverage program.

SECTION 11. A new section of the New Mexico Insurance Code is enacted to read:

"[NEW MATERIAL] INSURANCE DIVISION--COOPERATION WITH NEW MEXICO HEALTH INSURANCE EXCHANGE.--The office of superintendent of insurance shall cooperate with the New Mexico health insurance exchange to share information and assist in the implementation of the functions of the exchange."

SECTION 12. Section 41-4-3 NMSA 1978 (being Laws 1976, Chapter 58, Section 3, as amended by Laws 2009, Chapter 8, Section 2 and by Laws 2009, Chapter 129, Section 2 and also by Laws 2009, Chapter 249, Section 2) is amended to read:

"41-4-3. DEFINITIONS.--As used in the Tort Claims Act:

- A. "board" means the risk management advisory board;
- B. "governmental entity" means the state or any local public body as defined in Subsections C and H of this section;
- C. "local public body" means all political subdivisions of the state and their agencies, instrumentalities and institutions and all water and natural gas associations organized pursuant to Chapter 3, Article 28 NMSA 1978;
- D. "law enforcement officer" means a full-time salaried public employee of a governmental entity, or a certified part-time salaried police officer employed by a governmental entity, whose principal duties under law are to hold in custody any person accused of a criminal offense, to maintain public order or to make arrests for crimes, or members .191607.2

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of the national guard when called to active duty by the governor;

"maintenance" does not include: Ε.

- conduct involved in the issuance of a permit, driver's license or other official authorization to use the roads or highways of the state in a particular manner; or
- (2) an activity or event relating to a public building or public housing project that was not foreseeable;
- F. "public employee" means an officer, employee or servant of a governmental entity, excluding independent contractors except for individuals defined in Paragraphs (7), (8), (10), (14) and (17) of this subsection, or of a corporation organized pursuant to the Educational Assistance Act, the Small Business Investment Act or the Mortgage Finance Authority Act or a licensed health care provider, who has no medical liability insurance, providing voluntary services as defined in Paragraph (16) of this subsection and including:
 - elected or appointed officials; (1)
 - law enforcement officers: (2)
- (3) persons acting on behalf or in service of a governmental entity in any official capacity, whether with or without compensation;
- licensed foster parents providing care for (4) children in the custody of the human services department, corrections department or department of health, but not

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including foster parents certified by a licensed child placement agency;

- (5) members of state or local selection panels established pursuant to the Adult Community Corrections Act;
- (6) members of state or local selection panels established pursuant to the Juvenile Community Corrections Act;
- (7) licensed medical, psychological or dental arts practitioners providing services to the corrections department pursuant to contract;
- (8) members of the board of directors of the New Mexico medical insurance pool;
- (9) individuals who are members of medical review boards, committees or panels established by the educational retirement board or the retirement board of the public employees retirement association;
- (10) licensed medical, psychological or dental arts practitioners providing services to the children, youth and families department pursuant to contract;
- (11) members of the board of directors of the New Mexico educational assistance foundation;
- (12) members of the board of directors of the New Mexico student loan guarantee corporation;
- (13) members of the New Mexico mortgage finance authority;
 - (14) volunteers, employees and board members

of	court-appointed	special	advocate	programs:
OΤ	court-appointed	эрсстат	auvocate	programs,

- (15) members of the board of directors of the small business investment corporation;
- (16) health care providers licensed in New Mexico who render voluntary health care services without compensation in accordance with rules promulgated by the secretary of health. The rules shall include requirements for the types of locations at which the services are rendered, the allowed scope of practice and measures to ensure quality of care; [and]
- (17) an individual while participating in the state's adaptive driving program and only while using a special-use state vehicle for evaluation and training purposes in that program; and
- (18) the staff and members of the board of directors of the New Mexico health insurance exchange established pursuant to the New Mexico Health Insurance Exchange Act;
- G. "scope of duty" means performing any duties that a public employee is requested, required or authorized to perform by the governmental entity, regardless of the time and place of performance; and
- H. "state" or "state agency" means the state of New Mexico or any of its branches, agencies, departments, boards, instrumentalities or institutions."

SECTION 13.	Α	new	section	of	the	New	Mexico	Health
Insurance Alliance	Δ	kct i	s enacte	d t	o re	ad:		

"[NEW MATERIAL] NEW MEXICO HEALTH INSURANCE ALLIANCE-TERMINATION OF APPROVED HEALTH PLANS--REPORTING.--

- A. The alliance shall not issue approved health plan coverage after December 31, 2013.
- B. By July 1, 2013, the board shall develop a plan to provide portability of coverage for individuals and employers covered by approved health plans offered by the alliance to qualified health plans offered pursuant to the New Mexico Health Insurance Exchange Act. The board shall prepare a report to the second session of the fifty-first legislature with recommendations for continued and expanded health coverage of the state's residents."

SECTION 14. TEMPORARY PROVISION--NEW MEXICO HEALTH
INSURANCE ALLIANCE--NEW MEXICO HEALTH INSURANCE EXCHANGE-TRANSFER OF PERSONNEL, FUNDS AND PERSONAL PROPERTY--REFERENCES
IN LAW--CONTRACTS.--

A. On June 15, 2013:

- (1) all personnel, appropriations, money, records, equipment, supplies and other personal property of the New Mexico health insurance alliance shall transfer to the New Mexico health insurance exchange;
- (2) all contracts of the New Mexico health insurance alliance shall be binding and effective on the New .191607.2

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Mexico health insurance exchange; and

(3) all references in law to the New Mexico health insurance alliance shall be deemed to be references to the New Mexico health insurance exchange.

B. As used in this section:

- (1) "personal property" means property other than real property; and
- (2) "real property" means an estate or interest in, over or under land and other things or interests, including minerals, water, structures and fixtures that by custom, usage or law pass with a transfer of land even if the estate or interest is not described or mentioned in the contract of sale or instrument of conveyance and, if appropriate to the context, the land in which the estate or interest is claimed.

SECTION 15. DELAYED REPEAL.--On January 1, 2015, Sections 59A-56-1 through 59A-56-25 NMSA 1978 (being Laws 1994, Chapter 75, Sections 1 through 25, as amended) are repealed.

SECTION 16. SEVERABILITY.--If any part or application of this act is held invalid, the remainder or its application to other situations or persons shall not be affected.