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AN ACT

RELATING TO HEALTH CARE; REQUIRING A STUDY ON THE FEASIBILITY
OF CREATING AND IMPLEMENTING A STATE-ADMINISTERED HEALTH
COVERAGE PLAN; REQUIRING REPORTING.

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

SECTION 1. Section 27-2-2 NMSA 1978 (being Laws 1973,
Chapter 376, Section 2, as amended) is amended to read:

"27-2-2. DEFINITIONS.--As used in the Public Assistance
Act:

A. "department" means the human services
department;

B. "board" means the human services department;

C. "director" means the secretary of human
services;

D. "local office" means the county or district
office of the human services department;

E. "medicaid advisory committee" means the body,
established by federal law, that advises the New Mexico
medicaid program on policy development and program
administration;

F. "medicaid forward plan" means a health care
coverage plan that leverages the medicaid program to provide
a state-administered health care coverage option;

G. "public welfare" or "public assistance" means

1 any aid or relief granted to or on behalf of an eligible
2 person under the Public Assistance Act and regulations issued
3 pursuant to that act;

4 H. "applicant" means a person who has applied for
5 assistance or services under the Public Assistance Act;

6 I. "recipient" means a person who is receiving
7 assistance or services under the Public Assistance Act;

8 J. "federal act" means the federal Social Security
9 Act, as may be amended from time to time, and regulations
10 issued pursuant to that act; and

11 K. "secretary" means the secretary of human
12 services."

13 SECTION 2. A new section of the Public Assistance Act
14 is enacted to read:

15 "STUDY OF THE MEDICAID FORWARD PLAN.--

16 A. The secretary, in coordination with the
17 superintendent of insurance and in consultation with the
18 medicaid advisory committee, other stakeholders identified by
19 the secretary and representatives of Indian nations, tribes
20 and pueblos that are located wholly or partially in New
21 Mexico, shall study the following operational needs for and
22 effects of implementing the medicaid forward plan and
23 amending the New Mexico medicaid state plan, pursuant to the
24 federal act to provide medical assistance to residents who
25 are under age sixty-five, are not otherwise eligible for and

1 enrolled in mandatory coverage under the New Mexico medicaid
2 state plan and have a household income that exceeds one
3 hundred thirty-three percent of the federal poverty level:

4 (1) the effects on the individual, group and
5 self-insured health insurance markets, including the New
6 Mexico health insurance exchange and the health benefits
7 programs provided to state or local public employees or
8 public school employees, of providing mandatory or optional
9 medicaid coverage to individuals who would otherwise be
10 eligible for health insurance through those markets;

11 (2) the effects on health care providers and
12 health care facilities, including reimbursement rates needed
13 to maximize access to health care services;

14 (3) the operational needs for administering
15 the medicaid forward plan, including staffing and technical
16 needs for enrollment and collection of premiums or
17 cost-sharing;

18 (4) the funding plan, including necessary
19 expenditures and total revenue generated;

20 (5) the fiscal effects on recurring and
21 nonrecurring spending in the state budget; and

22 (6) the financial sustainability, including
23 steps necessary for the department and the superintendent of
24 insurance to apply for federal waivers to maximize federal
25 funding and leverage those waivers to ensure affordability

1 for enrollees in the medicaid forward plan.

2 B. The secretary's proposed program design for the
3 medicaid forward plan shall be contingent on the results of
4 the study and shall include:

5 (1) a financing plan, which shall include
6 recommended appropriation of state funds, projected federal
7 funds, savings directly or indirectly attributable to the
8 program design, a sliding scale for premiums and cost-sharing
9 based on household income for individuals eligible to enroll
10 in the medicaid forward plan and other potential cost
11 offsets;

12 (2) information about recommended
13 reimbursement rates to maximize access to health care
14 services under the medicaid forward plan;

15 (3) details about the department's
16 operational needs for administering the medicaid forward
17 plan; and

18 (4) information about federal waivers needed
19 to maximize federal funding and ensure affordability and
20 choice for enrollees.

21 C. By October 1, 2024, the secretary shall submit
22 a report to the legislative finance committee and the
23 legislative health and human services committee detailing the
24 secretary's study of, and proposed program design for, the
25 medicaid forward plan."
