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SENATE BILL 334

**53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

INTRODUCED BY

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AN ACT

RELATING TO PUBLIC EMPLOYEES AND RETIREES; AMENDING SECTIONS OF  
THE HEALTH CARE PURCHASING ACT TO REQUIRE CERTAIN DISCLOSURES.

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

SECTION 1. Section 13-7-4 NMSA 1978 (being Laws 1997,  
Chapter 74, Section 4) is amended to read:

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

A. The publicly funded health care agencies shall  
enter into a cooperative consolidated purchasing effort to  
provide plans of health care benefits for the benefit of  
eligible participants of the respective agencies. The single  
request for ~~[proposal]~~ proposals shall set forth one or more  
plans of health care benefits and shall include accommodation  
of fully funded arrangements as well as varying degrees of  
self-funded pool options.

.206032.4

1           B. A consolidated purchasing request for proposals  
2 for all health care benefits by the publicly funded health care  
3 agencies shall be issued on or before July 1, 1999 and any  
4 contracts for health care benefits renewed or issued on or  
5 after July 1, 2000 shall be the result of consolidated  
6 purchasing.

7           C. ~~[All requests]~~ The request for proposals issued  
8 as part of the consolidated purchasing shall include at least  
9 one distinct service area consisting of the Albuquerque  
10 metropolitan area. Proposals on a distinct service area shall  
11 be evaluated separately."

12           SECTION 2. Section 13-7-7 NMSA 1978 (being Laws 2001,  
13 Chapter 351, Section 3, as amended) is amended to read:

14           "13-7-7. CONSOLIDATED ADMINISTRATIVE FUNCTIONS--BENEFIT--  
15 DISCLOSURES--PENALTIES.--

16           A. By December 1, ~~[2001]~~ 2017, the publicly funded  
17 health care agencies, political subdivisions and other persons  
18 participating in the consolidated purchasing single process  
19 pursuant to the Health Care Purchasing Act shall cooperatively  
20 study and provide a status report on the consolidation of  
21 administrative functions to the legislative health and human  
22 services committee and the governor.

23           B. By December 31, 2003, the publicly funded health  
24 care agencies, political subdivisions and other persons  
25 participating in the consolidated purchasing single process

1 pursuant to the Health Care Purchasing Act shall consolidate,  
2 standardize and administer the administrative functions that  
3 those entities can effectively and efficiently administer as  
4 reflected in the study.

5 C. The publicly funded health care agencies,  
6 political subdivisions and other persons participating in the  
7 consolidated purchasing single process pursuant to the Health  
8 Care Purchasing Act may enter into a joint powers agreement  
9 pursuant to the Joint Powers Agreements Act with the publicly  
10 funded health care agencies and political subdivisions to  
11 determine assessments or provisions of resources to  
12 consolidate, standardize and administer the consolidated  
13 purchasing single process and subsequent activities pursuant to  
14 the Health Care Purchasing Act. The publicly funded health  
15 care agencies, political subdivisions and other persons  
16 participating in the consolidated purchasing single process  
17 pursuant to the Health Care Purchasing Act may enter into  
18 contracts with nonpublic persons to provide the service of  
19 determining assessments or provision of resources for  
20 consolidation, standardization and administrative activities.

21 D. Each agency will retain its responsibility to  
22 determine policy direction of the benefit plans, plan  
23 development, training and coordination with respect to  
24 participants and its benefits staff, as well as to respond to  
25 benefits eligibility inquiries and establish and enforce

1 eligibility rules.

2 E. Notwithstanding Subsection D of this section,  
3 publicly funded health care agencies, political subdivisions  
4 and other persons participating in the consolidated purchasing  
5 single process pursuant to the Health Care Purchasing Act shall  
6 provide coverage for children, from birth through three years  
7 of age, for or under the family, infant, toddler program  
8 administered by the department of health; provided that  
9 eligibility criteria are met, for a maximum benefit of three  
10 thousand five hundred dollars (\$3,500) annually for medically  
11 necessary early intervention services provided as part of an  
12 individualized family service plan and delivered by certified  
13 and licensed personnel as defined in ~~[7.30.8 NMAC who are~~  
14 ~~working in early intervention programs approved by the]~~  
15 department of health rules. No payment under this subsection  
16 shall be applied against any maximum lifetime or annual limits  
17 specified in the policy, health benefits plan or contract.

18 F. The publicly funded health care agencies,  
19 political subdivisions and other persons participating in the  
20 consolidated purchasing single process pursuant to the Health  
21 Care Purchasing Act shall ensure that enrollees are informed on  
22 a readily accessible website and are individually notified in  
23 writing of all premiums, deductibles, copayments, coinsurance  
24 and other cost-sharing associated with each group health plan  
25 offered in a side-by-side comparison pursuant to the Health

1 Care Purchasing Act.

2 G. Each publicly funded health care agency shall  
3 conduct a full and open annual enrollment period. Regardless  
4 of whether an eligible participant is newly enrolling in group  
5 health coverage or is seeking to re-enroll in group health  
6 coverage, each eligible participant shall be provided with  
7 thorough written, verbal and web-based education relating to  
8 each group health plan, including the side-by-side comparison  
9 required pursuant to Subsection F of this section.

10 H. Any violation of the provisions of Subsection F  
11 of this section shall entitle an enrollee to rescission of that  
12 enrollee's enrollment in a group health plan and eligibility to  
13 enroll in another group health plan for the same plan year.

14 I. The provisions of this section shall be  
15 applicable to a new open enrollment period for all publicly  
16 funded health care agencies that shall begin on or after July  
17 1, 2017."