

1 AN ACT  
2 RELATING TO PUBLIC EMPLOYEES AND RETIREES; AMENDING SECTIONS  
3 OF THE HEALTH CARE PURCHASING ACT TO REQUIRE CERTAIN  
4 DISCLOSURES.

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

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

9 "13-7-4. MANDATORY CONSOLIDATED PURCHASING.--

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

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

24 C. The request for proposals issued as part of the  
25 consolidated purchasing shall include at least one distinct

1 service area consisting of the Albuquerque metropolitan area.  
2 Proposals on a distinct service area shall be evaluated  
3 separately."

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

6 "13-7-7. CONSOLIDATED ADMINISTRATIVE FUNCTIONS--  
7 BENEFIT--DISCLOSURES.--

8 A. By December 1, 2001, the publicly funded health  
9 care agencies, political subdivisions and other persons  
10 participating in the consolidated purchasing single process  
11 pursuant to the Health Care Purchasing Act shall  
12 cooperatively study and provide a status report on the  
13 consolidation of administrative functions to the legislative  
14 health and human services committee and the governor.

15 B. By December 31, 2003, the publicly funded  
16 health care agencies, political subdivisions and other  
17 persons participating in the consolidated purchasing single  
18 process pursuant to the Health Care Purchasing Act shall  
19 consolidate, standardize and administer the administrative  
20 functions that those entities can effectively and efficiently  
21 administer as reflected in the study.

22 C. The publicly funded health care agencies,  
23 political subdivisions and other persons participating in the  
24 consolidated purchasing single process pursuant to the Health  
25 Care Purchasing Act may enter into a joint powers agreement

1 pursuant to the Joint Powers Agreements Act with the publicly  
2 funded health care agencies and political subdivisions to  
3 determine assessments or provisions of resources to  
4 consolidate, standardize and administer the consolidated  
5 purchasing single process and subsequent activities pursuant  
6 to the Health Care Purchasing Act. The publicly funded  
7 health care agencies, political subdivisions and other  
8 persons participating in the consolidated purchasing single  
9 process pursuant to the Health Care Purchasing Act may enter  
10 into contracts with nonpublic persons to provide the service  
11 of determining assessments or provision of resources for  
12 consolidation, standardization and administrative activities.

13 D. Each agency will retain its responsibility to  
14 determine policy direction of the benefit plans, plan  
15 development, training and coordination with respect to  
16 participants and its benefits staff, as well as to respond to  
17 benefits eligibility inquiries and establish and enforce  
18 eligibility rules.

19 E. Notwithstanding Subsection D of this section,  
20 publicly funded health care agencies, political subdivisions  
21 and other persons participating in the consolidated  
22 purchasing single process pursuant to the Health Care  
23 Purchasing Act shall provide coverage for children, from  
24 birth through three years of age, for or under the family,  
25 infant, toddler program administered by the department of

1 health; provided that eligibility criteria are met, for a  
2 maximum benefit of three thousand five hundred dollars  
3 (\$3,500) annually for medically necessary early intervention  
4 services provided as part of an individualized family service  
5 plan and delivered by certified and licensed personnel as  
6 defined in department of health rules. No payment under this  
7 subsection shall be applied against any maximum lifetime or  
8 annual limits specified in the policy, health benefits plan  
9 or contract.

10 F. The publicly funded health care agencies,  
11 political subdivisions and other persons participating in the  
12 consolidated purchasing single process pursuant to the Health  
13 Care Purchasing Act shall offer for enrollment to each  
14 applicant and enrollee each health plan that the publicly  
15 funded health care agencies approve and shall ensure that  
16 enrollees are informed on a readily accessible website of all  
17 premiums, deductibles, copayments, coinsurance and other  
18 cost-sharing associated with each group health plan offered in  
19 a side-by-side comparison pursuant to the Health Care  
20 Purchasing Act.”

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