

1 SENATE BILL 317

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Martin Hickey and Jeff Steinborn

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10 AN ACT

11 RELATING TO HEALTH COVERAGE; PROHIBITING IMPOSITION OF COST
12 SHARING FOR BEHAVIORAL HEALTH SERVICES UNDER CERTAIN INSURANCE
13 COVERAGE POLICIES OR PLANS; ALLOWING PLANS EXEMPT FROM
14 REGULATION UNDER THE NEW MEXICO INSURANCE CODE TO ELIMINATE
15 COST SHARING FOR BEHAVIORAL HEALTH SERVICES; ESTABLISHING
16 REPORTING REQUIREMENTS.

17
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 SECTION 1. A new section of the Health Care Purchasing
20 Act is enacted to read:

21 "[NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--ELIMINATION OF
22 COST SHARING.--

23 A. Until January 1, 2027, group health coverage,
24 including any form of self-insurance, offered, issued or
25 renewed under the Health Care Purchasing Act that offers

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1 coverage of behavioral health services shall not impose cost
2 sharing on those behavioral health services.

3 B. For the purposes of this section:

4 (1) "behavioral health services" means
5 professional and ancillary services for the treatment,
6 habilitation, prevention and identification of mental
7 illnesses, substance abuse disorders and trauma spectrum
8 disorders, including inpatient, detoxification, residential
9 treatment and partial hospitalization, intensive outpatient
10 therapy, outpatient and all medications, including brand-name
11 pharmacy drugs when generics are unavailable;

12 (2) "coinsurance" means a cost-sharing method
13 that requires an enrollee to pay a stated percentage of medical
14 expenses after any deductible amount is paid; provided that
15 coinsurance rates may differ for different types of services
16 under the same group health plan;

17 (3) "copayment" means a cost-sharing method
18 that requires an enrollee to pay a fixed dollar amount when
19 health care services are received, with the plan administrator
20 paying the balance of the allowable amount; provided that there
21 may be different copayment requirements for different types of
22 services under the same group health plan; and

23 (4) "cost sharing" means a copayment,
24 coinsurance, deductible or any other form of financial
25 obligation of an enrollee other than a premium or a share of a

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1 premium, or any combination of any of these financial
2 obligations, as defined by the terms of a group health plan."

3 SECTION 2. A new section of Chapter 59A, Article 22 NMSA
4 1978 is enacted to read:

5 "[NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--ELIMINATION OF
6 COST SHARING.--

7 A. Until January 1, 2027, an individual or group
8 health insurance policy, health care plan or certificate of
9 health insurance that is delivered, issued for delivery or
10 renewed in this state that offers coverage of behavioral health
11 services shall not impose cost sharing on those behavioral
12 health services.

13 B. For the purposes of this section:

14 (1) "behavioral health services" means
15 professional and ancillary services for the treatment,
16 habilitation, prevention and identification of mental
17 illnesses, substance abuse disorders and trauma spectrum
18 disorders, including inpatient, detoxification, residential
19 treatment and partial hospitalization, intensive outpatient
20 therapy, outpatient and all medications, including brand-name
21 pharmacy drugs when generics are unavailable;

22 (2) "coinsurance" means a cost-sharing method
23 that requires the insured to pay a stated percentage of medical
24 expenses after any deductible amount is paid; provided that
25 coinsurance rates may differ for different types of services

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1 under the same individual or group health insurance policy,
2 health care plan or certificate of health insurance;

3 (3) "copayment" means a cost-sharing method
4 that requires the insured to pay a fixed dollar amount when
5 health care services are received, with the insurer paying the
6 balance of the allowable amount; provided that there may be
7 different copayment requirements for different types of
8 services under the same individual or group health insurance
9 policy, health care plan or certificate of health insurance;
10 and

11 (4) "cost sharing" means a copayment,
12 coinsurance, deductible or any other form of financial
13 obligation of the insured other than a premium or a share of a
14 premium, or any combination of any of these financial
15 obligations, as defined by the terms of an individual or group
16 health insurance policy, health care plan or certificate of
17 health insurance."

18 SECTION 3. A new section of Chapter 59A, Article 23 NMSA
19 1978 is enacted to read:

20 "[NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--ELIMINATION OF
21 COST SHARING.--

22 A. Until January 1, 2027, a group or blanket health
23 insurance policy, health care plan or certificate of health
24 insurance that is delivered, issued for delivery or renewed in
25 this state that offers coverage of behavioral health services

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1 shall not impose cost sharing on those behavioral health
2 services.

3 B. For the purposes of this section:

4 (1) "behavioral health services" means
5 professional and ancillary services for the treatment,
6 habilitation, prevention and identification of mental
7 illnesses, substance abuse disorders and trauma spectrum
8 disorders, including inpatient, detoxification, residential
9 treatment and partial hospitalization, intensive outpatient
10 therapy, outpatient and all medications, including brand-name
11 pharmacy drugs when generics are unavailable;

12 (2) "coinsurance" means a cost-sharing method
13 that requires a covered person to pay a stated percentage of
14 medical expenses after any deductible amount is paid; provided
15 that coinsurance rates may differ for different types of
16 services under the same group or blanket health insurance
17 policy, health care plan or certificate of health insurance;

18 (3) "copayment" means a cost-sharing method
19 that requires a covered person to pay a fixed dollar amount
20 when health care services are received, with the insurer paying
21 the balance of the allowable amount; provided that there may be
22 different copayment requirements for different types of
23 services under the same group or blanket health insurance
24 policy, health care plan or certificate of health insurance;
25 and

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1 (4) "cost sharing" means a copayment,
2 coinsurance, deductible or any other form of financial
3 obligation of a covered person other than a premium or a share
4 of a premium, or any combination of any of these financial
5 obligations, as defined by the terms of a group or blanket
6 health insurance policy, health care plan or certificate of
7 health insurance."

8 SECTION 4. A new section of the Health Maintenance
9 Organization Law is enacted to read:

10 "[NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--ELIMINATION OF
11 COST SHARING.--

12 A. Until January 1, 2027, an individual or group
13 health maintenance organization contract that is delivered,
14 issued for delivery or renewed in this state that offers
15 coverage of behavioral health services shall not impose cost
16 sharing on those behavioral health services.

17 B. For the purposes of this section:

18 (1) "behavioral health services" means
19 professional and ancillary services for the treatment,
20 habilitation, prevention and identification of mental
21 illnesses, substance abuse disorders and trauma spectrum
22 disorders, including inpatient, detoxification, residential
23 treatment and partial hospitalization, intensive outpatient
24 therapy, outpatient and all medications, including brand-name
25 pharmacy drugs when generics are unavailable;

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1 (2) "coinsurance" means a cost-sharing method
2 that requires an enrollee to pay a stated percentage of medical
3 expenses after any deductible amount is paid; provided that
4 coinsurance rates may differ for different types of services
5 under the same individual or group health maintenance
6 organization contract;

7 (3) "copayment" means a cost-sharing method
8 that requires an enrollee to pay a fixed dollar amount when
9 health care services are received, with the carrier paying the
10 balance of the allowable amount; provided that there may be
11 different copayment requirements for different types of
12 services under the same individual or group health maintenance
13 organization contract; and

14 (4) "cost sharing" means a copayment,
15 coinsurance, deductible or any other form of financial
16 obligation of an enrollee other than a premium or a share of a
17 premium, or any combination of any of these financial
18 obligations, as defined by the terms of an individual or group
19 health maintenance organization contract."

20 SECTION 5. A new section of the Nonprofit Health Care
21 Plan Law is enacted to read:

22 "[NEW MATERIAL] BEHAVIORAL HEALTH SERVICES--ELIMINATION OF
23 COST SHARING.--

24 A. Until January 1, 2027, an individual or group
25 health care plan that is delivered, issued for delivery or

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1 renewed in this state that offers coverage of behavioral health
2 services shall not impose cost sharing on those behavioral
3 health services.

4 B. For the purposes of this section:

5 (1) "behavioral health services" means
6 professional and ancillary services for the treatment,
7 habilitation, prevention and identification of mental
8 illnesses, substance abuse disorders and trauma spectrum
9 disorders, including inpatient, detoxification, residential
10 treatment and partial hospitalization, intensive outpatient
11 therapy, outpatient and all medications, including brand-name
12 pharmacy drugs when generics are unavailable;

13 (2) "coinsurance" means a cost-sharing method
14 that requires a subscriber to pay a stated percentage of
15 medical expenses after any deductible amount is paid; provided
16 that coinsurance rates may differ for different types of
17 services under the same individual or group health care plan;

18 (3) "copayment" means a cost-sharing method
19 that requires a subscriber to pay a fixed dollar amount when
20 health care services are received, with the health care plan
21 paying the balance of the allowable amount; provided that there
22 may be different copayment requirements for different types of
23 services under the same individual or group health care plan;
24 and

25 (4) "cost sharing" means a copayment,

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1 coinsurance, deductible or any other form of financial
2 obligation of a subscriber other than a premium or a share of a
3 premium, or any combination of any of these financial
4 obligations, as defined by the terms of an individual or group
5 health care plan."

6 SECTION 6. [NEW MATERIAL] REPORTING.--Until January 1,
7 2027:

8 A. the office of superintendent of insurance shall
9 report by November 1 of each year to the governor, the
10 legislative finance committee and the interim legislative
11 health and human services committee data regarding the
12 elimination of cost sharing pursuant to the provisions of this
13 2021 act, including the effects on providers and patients with
14 regard to costs for behavioral health services and the effects
15 on health and social outcomes for patients, by using a set of
16 performance measurement tools related to health care quality
17 assurance, developed by a nationally recognized organization;
18 and

19 B. the legislative finance committee shall report
20 by November 1 of each year to the governor and the interim
21 legislative health and human services committee data regarding
22 the elimination of cost sharing pursuant to the provisions of
23 this 2021 act, including the effects on providers and patients
24 with regard to costs for behavioral health services and the
25 effects on health and social outcomes for patients, by using a

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1 set of performance measurement tools related to health care
2 quality assurance, developed by a nationally recognized
3 organization.

4 SECTION 7. EFFECTIVE DATE.--The effective date of the
5 provisions of this act is January 1, 2022.

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