HOUSE FLOOR SUBSTITUTE FOR HOUSE BILL 592

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

AN ACT

RELATING TO HEALTH; EXPANDING MEDICAID COVERAGE FOR CERTAIN

CUSTODIAL PARENTS; REQUIRING CONSULTATION WITH THE LEGISLATURE;

AMENDING AND ENACTING SECTIONS OF THE NMSA 1978; MAKING AN

APPROPRIATION.

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

Section 1. Section 27-12-3 NMSA 1978 (being Laws 1998, Chapter 52, Section 3) is amended to read:

"27-12-3. DEFINITIONS.--As used in the Child Health Act:

A. "child" means a natural person who has not reached his nineteenth birthday;

B. "custodial parent" means a natural parent,
adoptive parent, stepparent or legal guardian with whom the
child lives;

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	[B.]	<u>C.</u>	"department"	means	the	human	servi ces
department;							

[C.] <u>D.</u> "low-income children and their families" means a family with a dependent child with income at or below the level specified in Section [6 of the Child Health Act] 27-12-6 NMSA 1978; and

 $[\overline{\textbf{p}.}]$ $\underline{\textbf{E}.}$ "secretary" means the secretary of human services."

Section 2. A new section of the Child Health Act is enacted to read:

"[NEW MATERIAL] COVERAGE FOR PARENTS--INCOME DISREGARDS--CONSULTATION WITH THE LEGISLATURE. --

A. Subject to the availability of state and federal matching funds pursuant to Title 21 of the federal Social Security Act, a custodial parent of a medicaid-eligible child is eligible for medicaid if the parent's net countable income is below one hundred percent of the federal poverty guidelines.

B. The department shall, unless as otherwise provided in Subsection C of this section, determine the parent's net countable income by excluding income from exempted sources and disregarded income pursuant to Section 27-2B-7 NMSA 1978. Resources shall not be counted in the eligibility determination.

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C. The department, after consultation with the legislature or, when it is not in session, with the legislative finance committee and the legislative health and human services committee, may establish different income disregard standards than those provided for in Subsection B of this section for recipients and applicants if the cost of the expanded coverage for certain custodial parents creates budgetary limitations or pressures.

D. The department shall implement the health

D. The department shall implement the health insurance premium payment program and, to the extent it is cost effective, allow participation for medicaid-eligible persons who have access to employer-based insurance."

Section 3. APPROPRIATION. -- Five million three hundred twenty-two thousand six hundred dollars (\$5,322,600) is appropriated from the tobacco settlement program fund to the human services department for expenditure in fiscal year 2002 to match the federal state children's health insurance program funds to expand medicaid coverage to certain custodial parents of medicaid-eligible children. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the tobacco settlement program fund.

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