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FISCAL IMPACT REPORT

ORIGINAL DATE
LAST UPDATED _____

SPONSOR Wirth HB 24

SHORT TITLE EXPAND HEALTH INSURANCE ALLIANCE COVERAGE SB _____

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)
Human Services Department (HSD)
Department of Health (DH)

SUMMARY

Synopsis of Bill

House Bill 24 proposes a technical amendment to the Health Insurance Alliance statute. The technical amendment allows an employer to take up health insurance coverage for its employees through both the Health Insurance Alliance and a state or federal agency offering health insurance coverage based on the employees' income.

SIGNIFICANT ISSUES

HSD and DOH contribute the following:

The effect of the bill is to assure that an employer offering the State Coverage Insurance (SCI) Program, or some similar federal or state program, to its employees may also offer coverage through the Health Insurance Alliance (HIA). The Insure New Mexico! initiative works with employers to offer their employees an array of coverage from SCI, HIA or other appropriate state

or quasi-state health insurance plans. This bill simply codifies that an employer may take up health insurance for its employees from a federal and state income-tested plan as well as from the HIA.

The Health Insurance Alliance (HIA) increases access to health insurance coverage for small businesses, self-employed and qualified individuals. Currently, the HIA statute does not allow co-existence with another employer- based health insurance plan. SCI is a program administered by the state that allows employers to enroll low-income employees who are not currently insured. Affordable employer-sponsored health plans currently available through HIA may still not meet the needs of some low-income employees. Therefore, the Insure New Mexico! Council recommended to expand the ability of the HIA to allow enrollment of SCI members to co-exist in an employer group which purchases an HIA employer sponsored health plan.

MW/mt