Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR _	SCORC	ORIGINAL DATE LAST UPDATED		
SHORT TITLE Claims Data to		her Health Insurers	SB	CS/257/aSJC
			ANALYST	Wilson

# **<u>APPROPRIATION</u>** (dollars in thousands)

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

## SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to Senate Corporation and Transportation Committee Substitute for Senate Bill 257 removes the language requiring the superintendent of insurance to promulgate rules to carry out the provisions of this bill.

The amendment requires an insurer to provide an employer to provide certain data within 60 days if certain conditions are met. The requested data cannot violate state and federal privacy laws.

Synopsis of Original Bill

Senate Corporation and Transportation Committee Substitute for Senate Bill 257 amends the Insurance code to provide that the Superintendent of Insurance shall promulgate reasonable rules and plans for the sharing of information or data necessary for rating plans.

### Senate Bill CS/257/aSJC – Page 2

## FISCAL IMPLICATIONS

There is no fiscal impact as the provisions of this bill are part of the ongoing responsibilities of the Division of Insurance (DOI).

#### SIGNIFICANT ISSUES

Employers need claims data in order to shop for quotes at renewal time. This sharing of information is necessary for a competitive market place in employer-sponsored health insurance. The intent of this bill is to make sure such information is available in such detail and in a timely manner to allow an employer to shop for the best deal. This is particularly important when an employer has received notice of a substantial rate increase.

This bill is also intended to promote uniformity in administration of rate regulatory laws with other states.

### **ADMINISTRATIVE IMPLICATIONS**

This bill requires the Superintendent of the DOI to conduct a rulemaking to promulgate reasonable rules. The DOI is already staffed to conduct rulemaking hearings and to promulgate reasonable rules.

### **POSSIBLE QUESTIONS**

Shouldn't the bill require the Superintendent to include timeliness standards of the transfer when establishing rules for the information transfer?

DW/nt