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HOUSE BILL 255

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Keith J. Gardner

AN ACT

RELATING TO HEALTH INSURANCE; REQUIRING THAT HEALTH COVERAGE
OPTIONS FOR CERTAIN STATE AND LOCAL PUBLIC EMPLOYEES AND
COVERED DEPENDENTS INCLUDE COVERAGE PURSUANT TO THE MEDICAL
CARE SAVINGS ACCOUNT ACT; REQUIRING THAT HEALTH COVERAGE
OPTIONS OFFERED TO EMPLOYEES AND COVERED DEPENDENTS BY THE
PUBLIC SCHOOL INSURANCE AUTHORITY INCLUDE COVERAGE PURSUANT TO
THE MEDICAL CARE SAVINGS ACCOUNT ACT; REQUIRING THAT HEALTH
COVERAGE OPTIONS OFFERED TO EMPLOYEES AND COVERED DEPENDENTS BY
A SCHOOL DISTRICT WITH A STUDENT ENROLLMENT IN EXCESS OF SIXTY
THOUSAND STUDENTS INCLUDE COVERAGE PURSUANT TO THE MEDICAL CARE
SAVINGS ACCOUNT ACT.

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

Section 1. A new section of the Group Benefits Act is
enacted to read:

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underscoring material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 "[NEW MATERIAL] HEALTH COVERAGE REQUIREMENT--MEDICAL CARE
2 SAVINGS ACCOUNT.--

3 A. Beginning with the switch enrollment period for
4 the 2012 plan year, the risk management division of the general
5 services department shall offer to employees and their covered
6 dependents the option of receiving health care coverage through
7 a high-deductible plan in conjunction with a medical care
8 savings account pursuant to the provisions of the Medical Care
9 Savings Account Act. The employee or covered dependent shall
10 present evidence, in a manner that the risk management division
11 has prescribed in rules established pursuant to Subsection C of
12 this section, that the employee or covered dependent has
13 established a medical care savings account in compliance with
14 the Medical Care Savings Account Act and any rules that the
15 risk management division has promulgated pursuant to that act.

16 B. The group insurance contributions of the state
17 as well as employee contributions shall be made in equal
18 proportions to the high-deductible plan and to the medical care
19 savings account at a rate equaling the total premium cost of
20 the lowest-cost major medical group health coverage option
21 otherwise available to employees, provided that these
22 contributions meet the contribution requirements pursuant to
23 Sections 10-7-4 and 22-29-10 NMSA 1978.

24 C. The risk management division of the general
25 services department shall promulgate rules for the

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1 administration and implementation of this section.

2 D. As used in this section, "covered dependent"
3 means an individual who is eligible for coverage pursuant to
4 the provisions of the Group Benefits Act on the basis of the
5 individual's relationship to an employee."

6 Section 2. A new section of the Public School Insurance
7 Authority Act is enacted to read:

8 "[NEW MATERIAL] HEALTH COVERAGE OPTION REQUIREMENT--
9 MEDICAL CARE SAVINGS ACCOUNT.--

10 A. Beginning with the switch enrollment period for
11 the 2012 plan year, the authority shall offer to all
12 subscribers and their covered dependents the option of
13 receiving health coverage through a high-deductible plan in
14 conjunction with a medical care savings account pursuant to the
15 provisions of the Medical Care Savings Account Act. A
16 subscriber or covered dependent who wishes to opt for coverage
17 pursuant to the Medical Care Savings Account Act shall present
18 evidence, in a manner that the authority has prescribed in
19 rules promulgated pursuant to Subsection C of this section,
20 that the subscriber has established a medical care savings
21 account in compliance with the Medical Care Savings Account Act
22 and any regulations that the insurance division of the public
23 regulation commission has promulgated pursuant to that act.

24 B. The group insurance contributions of the
25 authority as well as employee contributions shall be made in

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1 equal proportions to the high-deductible plan and to the
2 medical care savings account at a rate equaling the total
3 premium cost of the lowest-cost major medical group health
4 coverage option otherwise available to employees, provided that
5 these contributions meet the contribution requirements pursuant
6 to Section 22-29-10 NMSA 1978.

7 C. The authority shall promulgate rules for the
8 administration and implementation of this section.

9 D. As used in this section:

10 (1) "covered dependent" means an individual
11 who is eligible for health coverage offered by the authority
12 due to the individual's relationship to a subscriber; and

13 (2) "subscriber" means a public school
14 employee, school board member, school board retiree or public
15 school retiree participating in group health insurance offered
16 by the authority."

17 Section 3. [NEW MATERIAL] HEALTH COVERAGE REQUIREMENT--
18 MEDICAL CARE SAVINGS ACCOUNT.--

19 A. Beginning with the switch enrollment period for
20 the 2012 plan year, a publicly funded health coverage program
21 of any public school district with a student enrollment in
22 excess of sixty thousand students shall offer to employees and
23 their covered dependents the option of receiving health care
24 coverage through a high-deductible plan in conjunction with a
25 medical care savings account pursuant to the provisions of the

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1 Medical Care Savings Account Act. The employee or covered
2 dependent shall present evidence, in a manner that the
3 superintendent of the school district has prescribed in rules
4 established pursuant to Subsection C of this section, that the
5 employee or covered dependent has established a medical care
6 savings account in compliance with the Medical Care Savings
7 Account Act and any rules that the superintendent has
8 promulgated pursuant to that act.

9 B. The group insurance contributions of the school
10 district as well as employee contributions shall be made in
11 equal proportions to the high-deductible plan and to the
12 medical care savings account at a rate equaling the total
13 premium cost of the lowest-cost major medical group health
14 coverage option otherwise available to employees of that school
15 district, provided that these contributions meet the
16 contribution requirements pursuant to Section 10-7-4 NMSA 1978.

17 C. The superintendent of a school district with a
18 student enrollment in excess of sixty thousand students shall
19 promulgate rules for the administration and implementation of
20 this section.

21 D. As used in this section, "covered dependent"
22 means an individual who is eligible for coverage on the basis
23 of the individual's relationship to an employee of a school
24 district with a student enrollment in excess of sixty thousand
25 students.

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