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SENATE BILL 297

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Gerald Ortiz y Pino

AN ACT

RELATING TO HEALTH INSURANCE; AMENDING CHAPTER 59A, ARTICLE 22
NMSA 1978, CHAPTER 59A, ARTICLE 23 NMSA 1978, THE HEALTH
MAINTENANCE ORGANIZATION LAW AND THE NONPROFIT HEALTH CARE PLAN
LAW TO REMOVE BENEFITS CAPS FOR FAMILY, INFANT, TODDLER PROGRAM
COVERAGE.

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

SECTION 1. Section 59A-22-34.2 NMSA 1978 (being Laws
1994, Chapter 64, Section 2, as amended) is amended to read:

"59A-22-34.2. COVERAGE OF CHILDREN.--

A. An insurer shall not deny enrollment of a child
under the health plan of the child's parent on the grounds that
the child:

(1) was born out of wedlock;

(2) is not claimed as a dependent on the

1 parent's federal tax return; or

2 (3) does not reside with the parent or in the
3 insurer's service area.

4 B. When a child has health coverage through an
5 insurer of a noncustodial parent, the insurer shall:

6 (1) provide such information to the custodial
7 parent as may be necessary for the child to obtain benefits
8 through that coverage;

9 (2) permit the custodial parent or the
10 provider, with the custodial parent's approval, to submit
11 claims for covered services without the approval of the
12 noncustodial parent; and

13 (3) make payments on claims submitted in
14 accordance with Paragraph (2) of this subsection directly to
15 the custodial parent, the provider or the state medicaid
16 agency.

17 C. When a parent is required by a court or
18 administrative order to provide health coverage for a child and
19 the parent is eligible for family health coverage, the insurer
20 shall be required:

21 (1) to permit the parent to enroll, under the
22 family coverage, a child who is otherwise eligible for the
23 coverage without regard to any enrollment season restrictions;

24 (2) if the parent is enrolled but fails to
25 make application to obtain coverage for the child, to enroll

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1 the child under family coverage upon application of the child's
2 other parent, the state agency administering the medicaid
3 program or the state agency administering 42 U.S.C. Sections
4 651 through 669, the child support enforcement program; and

5 (3) not to disenroll or eliminate coverage of
6 the child unless the insurer is provided satisfactory written
7 evidence that:

8 (a) the court or administrative order is
9 no longer in effect; or

10 (b) the child is or will be enrolled in
11 comparable health coverage through another insurer that will
12 take effect not later than the effective date of disenrollment.

13 D. An insurer shall not impose requirements on a
14 state agency that has been assigned the rights of an individual
15 eligible for medical assistance under the medicaid program and
16 covered for health benefits from the insurer that are different
17 from requirements applicable to an agent or assignee of any
18 other individual so covered.

19 E. An insurer shall provide coverage for children,
20 from birth through three years of age, for or under the family,
21 infant, toddler program administered by the department of
22 health, provided eligibility criteria are met, [~~for a maximum~~
23 ~~benefit of three thousand five hundred dollars (\$3,500)~~
24 ~~annually~~] for medically necessary early intervention services
25 provided as part of an individualized family service plan and

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1 delivered by certified and licensed personnel as defined in
2 7.30.8 NMAC who are working in early intervention programs
3 approved by the department of health. No payment under this
4 subsection shall be applied against any maximum lifetime or
5 annual limits specified in the policy, health benefits plan or
6 contract."

7 SECTION 2. Section 59A-23-7.2 NMSA 1978 (being Laws 1994,
8 Chapter 64, Section 5, as amended) is amended to read:

9 "59A-23-7.2. COVERAGE OF CHILDREN.--

10 A. An insurer shall not deny enrollment of a child
11 under the health plan of the child's parent on the grounds that
12 the child:

13 (1) was born out of wedlock;

14 (2) is not claimed as a dependent on the
15 parent's federal tax return; or

16 (3) does not reside with the parent or in the
17 insurer's service area.

18 B. When a child has health coverage through an
19 insurer of a noncustodial parent, the insurer shall:

20 (1) provide such information to the custodial
21 parent as may be necessary for the child to obtain benefits
22 through that coverage;

23 (2) permit the custodial parent or the
24 provider, with the custodial parent's approval, to submit
25 claims for covered services without the approval of the

1 noncustodial parent; and

2 (3) make payments on claims submitted in
3 accordance with Paragraph (2) of this subsection directly to
4 the custodial parent, the provider or the state medicaid
5 agency.

6 C. When a parent is required by a court or
7 administrative order to provide health coverage for a child and
8 the parent is eligible for family health coverage, the insurer
9 shall be required:

10 (1) to permit the parent to enroll, under the
11 family coverage, a child who is otherwise eligible for the
12 coverage without regard to any enrollment season restrictions;

13 (2) if the parent is enrolled but fails to
14 make application to obtain coverage for the child, to enroll
15 the child under family coverage upon application of the child's
16 other parent, the state agency administering the medicaid
17 program or the state agency administering 42 U.S.C. Sections
18 651 through 669, the child support enforcement program; and

19 (3) not to disenroll or eliminate coverage of
20 the child unless the insurer is provided satisfactory written
21 evidence that:

22 (a) the court or administrative order is
23 no longer in effect; or

24 (b) the child is or will be enrolled in
25 comparable health coverage through another insurer that will

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1 take effect not later than the effective date of disenrollment.

2 D. An insurer shall not impose requirements on a
3 state agency that has been assigned the rights of an individual
4 eligible for medical assistance under the medicaid program and
5 covered for health benefits from the insurer that are different
6 from requirements applicable to an agent or assignee of any
7 other individual so covered.

8 E. An insurer shall provide coverage for children,
9 from birth through three years of age, for or under the family,
10 infant, toddler program administered by the department of
11 health, provided eligibility criteria are met, [~~for a maximum~~
12 ~~benefit of three thousand five hundred dollars (\$3,500)~~
13 ~~annually~~] for medically necessary early intervention services
14 provided as part of an individualized family service plan and
15 delivered by certified and licensed personnel as defined in
16 7.30.8 NMAC who are working in early intervention programs
17 approved by the department of health. No payment under this
18 subsection shall be applied against any maximum lifetime or
19 annual limits specified in the policy, health benefits plan or
20 contract."

21 SECTION 3. Section 59A-46-38.1 NMSA 1978 (being Laws
22 1994, Chapter 64, Section 9, as amended) is amended to read:

23 "59A-46-38.1. COVERAGE OF CHILDREN.--

24 A. An insurer shall not deny enrollment of a child
25 under the health plan of the child's parent on the grounds that

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1 the child:

2 (1) was born out of wedlock;

3 (2) is not claimed as a dependent on the
4 parent's federal tax return; or

5 (3) does not reside with the parent or in the
6 insurer's service area.

7 B. When a child has health coverage through an
8 insurer of a noncustodial parent, the insurer shall:

9 (1) provide such information to the custodial
10 parent as may be necessary for the child to obtain benefits
11 through that coverage;

12 (2) permit the custodial parent or the
13 provider, with the custodial parent's approval, to submit
14 claims for covered services without the approval of the
15 noncustodial parent; and

16 (3) make payments on claims submitted in
17 accordance with Paragraph (2) of this subsection directly to
18 the custodial parent, the provider or the state medicaid
19 agency.

20 C. When a parent is required by a court or
21 administrative order to provide health coverage for a child and
22 the parent is eligible for family health coverage, the insurer
23 shall be required:

24 (1) to permit the parent to enroll, under the
25 family coverage, a child who is otherwise eligible for the

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1 coverage without regard to any enrollment season restrictions;

2 (2) if the parent is enrolled but fails to
3 make application to obtain coverage for the child, to enroll
4 the child under family coverage upon application of the child's
5 other parent, the state agency administering the medicaid
6 program or the state agency administering 42 U.S.C. Sections
7 651 through 669, the child support enforcement program; and

8 (3) not to disenroll or eliminate coverage of
9 the child unless the insurer is provided satisfactory written
10 evidence that:

11 (a) the court or administrative order is
12 no longer in effect; or

13 (b) the child is or will be enrolled in
14 comparable health coverage through another insurer that will
15 take effect not later than the effective date of disenrollment.

16 D. An insurer shall not impose requirements on a
17 state agency that has been assigned the rights of an individual
18 eligible for medical assistance under the medicaid program and
19 covered for health benefits from the insurer that are different
20 from requirements applicable to an agent or assignee of any
21 other individual so covered.

22 E. An insurer shall provide coverage for children,
23 from birth through three years of age, for or under the family,
24 infant, toddler program administered by the department of
25 health, provided eligibility criteria are met, [~~for a maximum~~

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1 ~~benefit of three thousand five hundred dollars (\$3,500)~~
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3 provided as part of an individualized family service plan and
4 delivered by certified and licensed personnel as defined in
5 7.30.8 NMAC who are working in early intervention programs
6 approved by the department of health. No payment under this
7 subsection shall be applied against any maximum lifetime or
8 annual limits specified in the policy, health benefits plan or
9 contract."

10 SECTION 4. Section 59A-47-37 NMSA 1978 (being Laws 1994,
11 Chapter 64, Section 12, as amended) is amended to read:

12 "59A-47-37. COVERAGE OF CHILDREN.--

13 A. An insurer shall not deny enrollment of a child
14 under the health plan of the child's parent on the grounds that
15 the child:

16 (1) was born out of wedlock;

17 (2) is not claimed as a dependent on the
18 parent's federal tax return; or

19 (3) does not reside with the parent or in the
20 insurer's service area.

21 B. When a child has health coverage through an
22 insurer of a noncustodial parent, the insurer shall:

23 (1) provide such information to the custodial
24 parent as may be necessary for the child to obtain benefits
25 through that coverage;

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1 (2) permit the custodial parent or the
2 provider, with the custodial parent's approval, to submit
3 claims for covered services without the approval of the
4 noncustodial parent; and

5 (3) make payments on claims submitted in
6 accordance with Paragraph (2) of this subsection directly to
7 the custodial parent, the provider or the state medicaid
8 agency.

9 C. When a parent is required by a court or
10 administrative order to provide health coverage for a child,
11 and the parent is eligible for family health coverage, the
12 insurer shall be required:

13 (1) to permit the parent to enroll, under the
14 family coverage, a child who is otherwise eligible for the
15 coverage without regard to any enrollment season restrictions;

16 (2) if the parent is enrolled but fails to
17 make application to obtain coverage for the child, to enroll
18 the child under family coverage upon application of the child's
19 other parent, the state agency administering the medicaid
20 program or the state agency administering 42 U.S.C. Sections
21 651 through 669, the child support enforcement program; and

22 (3) not to disenroll or eliminate coverage of
23 the child unless the insurer is provided satisfactory written
24 evidence that:

25 (a) the court or administrative order is

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1 no longer in effect; or

2 (b) the child is or will be enrolled in
3 comparable health coverage through another insurer that will
4 take effect not later than the effective date of disenrollment.

5 D. An insurer shall not impose requirements on a
6 state agency that has been assigned the rights of an individual
7 eligible for medical assistance under the medicaid program and
8 covered for health benefits from the insurer that are different
9 from requirements applicable to an agent or assignee of any
10 other individual so covered.

11 E. An insurer shall provide coverage for children,
12 from birth through three years of age, for or under the family,
13 infant, toddler program administered by the department of
14 health, provided eligibility criteria are met, [~~for a maximum~~
15 ~~benefit of three thousand five hundred dollars (\$3,500)~~
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17 provided as part of an individualized family service plan and
18 delivered by certified and licensed personnel as defined in
19 7.30.8 NMAC who are working in early intervention programs
20 approved by the department of health. No payment under this
21 subsection shall be applied against any maximum lifetime or
22 annual limits specified in the policy, health benefits plan or
23 contract."