

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number:** CS/CS/HB 66a

**51st Legislature, 1st Session, 2013**

**Tracking Number:** .193190.2

**Short Title:** Health Care Coverage I.D. Cards

**Sponsor(s):** Representative Bill McCamley

**Analyst:** Mark Murphy

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**HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR  
HOUSE HEALTH, GOVERNMENT AND INDIAN AFFAIRS COMMITTEE  
SUBSTITUTE FOR HOUSE BILL 66**

**AS AMENDED**

**The House Floor Amendment:**

- **modifies the definition of “identification card” throughout all sections of the bill;**
- **defines “identification card” as:**
  - **a card on which information required by the provisions of this bill regarding a group health plan, a health insurance policy, plan or certificate, or a health maintenance organization contract is printed; and**
  - **provides that the Secretary of General Services or the Superintendent of Insurance may adopt and promulgate rules as technology develops to establish an “identification card” as a block of information that conforms to the requirements of the provisions of this bill to be provided in a medium that the Secretary or Superintendent deems optimal for providing this information.**

**Original Bill Summary:**

CS/CS/HB 66 adds new sections to the *Health Care Purchasing Act*, the *New Mexico Insurance Code*, the *Health Maintenance Organization Law*, and the *Non-Profit Health Care Plan Law* to require New Mexico entities providing health insurance to issue healthcare coverage identification cards to insured individuals.

Among its provisions, CS/CS/HB 66 requires that:

- the following information be included on the face of, and via electronic coding associated with, all healthcare coverage identification cards for a group health plan:
  - the name of the insured;
  - the identification number of the insured;
  - the group health plan or contract number; and
  - a telephone number or electronic address at which authorization or admission certification may be obtained, if authorization or admission certification is required;

- the following information be included on the face of, and via electronic coding associated with, all healthcare coverage identification cards for an insurer that delivers, issues for delivery, or renews an individual health insurance policy, health care plan, or certificate of health insurance:
  - the name of the insurer issuing the health insurance policy, health care plan, or certificate of health insurance;
  - the name of the insured;
  - the insured's identification number ;
  - the policy, plan or certificate contract number; and
  - a telephone number or electronic address at which authorization or admission certification may be obtained, if authorization or admission certification is required;
  
- the following information be included on the face of, and via electronic coding associated with, all healthcare coverage identification cards for an insurer that delivers, issues for delivery, or renews a group or blanket health insurance policy, health care plan, or certificate of health insurance:
  - the name of the insurer issuing the health insurance policy, health care plan, or certificate of health insurance;
  - the name of the insured;
  - the identification number of the insured;
  - the group or blanket number, if applicable;
  - the policy, plan, or certificate number, if applicable; and
  - a telephone number or electronic address at which authorization or admission certification may be obtained, if authorization or admission certification is required;
  
- the following information be included on the face of, and via electronic coding associated with, all healthcare coverage identification cards for a carrier that delivers, issues for delivery or renews an individual or group health maintenance organization contract:
  - the name of the carrier issuing the health maintenance organization contract;
  - the name of the enrollee;
  - the identification number of the enrollee;
  - the contract number, if applicable;
  - the group number, if applicable; and
  - a telephone number or electronic address at which authorization or admission certification may be obtained, if authorization or admission certification is required; and
  
- the following information be included on the face of, and via electronic coding associated with, all healthcare coverage identification cards for an individual or group health care plan:
  - the name of the issuer of the health care plan;
  - the name of the subscriber;
  - the identification number of the subscriber;
  - the health care plan or contract number, if applicable;

- the group number, if applicable; and
- a telephone number or electronic address at which authorization or admission certification may be obtained, if authorization or admission certification is required.

CS/CS/HB 66 further requires that the healthcare coverage identification cards be issued and renewed according to the following schedule:

- within 30 days of the effective date of a group health plan, health insurance policy, health care plan, certificate of health insurance, or health maintenance organization contract;
- within 30 days of the date that the group health plan, insurer, or carrier receives the enrollment information of the primary insured, enrollee, or subscriber after the primary insured, enrollee, or subscriber initially becomes eligible for coverage under an existing group health plan, health insurance policy, health care plan, health maintenance organization contract, or certificate of health insurance; and
- no later than 30 days after a change in any information that an identification card is required to contain.

Finally, CS/CS/HB 66:

- specifies that the provisions of the bill do not apply to group health coverage intended to supplement major medical group-type coverage such as Medicare supplement, long-term care, disability income, specified disease, accident-only, hospital indemnity, or any other limited-benefit health insurance policy; and
- requires the Secretary of General Services to consult with and consider the recommendations of the Superintendent of Insurance in order to adopt and promulgate rules to establish machine-readability standards for identification cards issued pursuant to the provisions of this bill with consideration of the following factors:
  - state and national industry standards for machine-readability of identification cards;
  - the cost associated with issuing machine-readable identification cards;
  - the feasibility of issuing machine-readable identification cards; and
  - the projected utilization of the machine-readable portions of identification cards.

**Fiscal Impact:**

CS/CS/HB 66 does not contain an appropriation.

**Fiscal Issues:**

The Legislative Finance Committee (LFC) Fiscal Impact Report (FIR) on the original bill states that:

- any additional cost related to the cards would be assumed by the issuer; and
- because cards are generally already issued to insured individuals, the financial impact may not be substantial; and
- it would ultimately be passed on to the consumer.

Other agency bill analyses on CS/HB 66 indicate that the cost to implement CS/CS/HB 66 would be:

- approximately \$50,000 for the New Mexico Public Schools Insurance Authority; and
- approximately \$15,000 for the New Mexico Retiree Health Care Authority.

**Substantive Issues:**

This bill requires the inclusion of at least four specific pieces of information on an insured individual's healthcare coverage identification card. It also specifies timelines within which cards must be issued and replaced. Further, the bill requires that the Secretary of General Services adopt and promulgate rules relating to machine-readability standards.

The modifications made to the bill in CS/HB 66 resolved technical issues presented in the original analysis of HB 66 and helped align the bill with the federal *Affordable Care Act*.

**Background:**

The *New Mexico Administrative Code* currently requires managed healthcare plans to provide an insurance coverage card to the primary subscriber at the time of enrollment and include on the card the managed healthcare provider's phone number and e-mail address.

**Committee Referrals:**

HHGIC/HJC/SCORC/SJC

**Related Bills:**

CS/CS/HB 168a *NM Health Insurance Exchange Act*

HB 262 *Health Security Act*

\*CS/SB 221 *NM Health Insurance Exchange Act*

SB 226 *Health Security Act*