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HOUSE BILL 139

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Joanne J. Ferrary and Bill McCamley

AN ACT

RELATING TO HEALTH COVERAGE; ENACTING NEW SECTIONS OF THE HEALTH CARE PURCHASING ACT, THE NEW MEXICO INSURANCE CODE, THE HEALTH MAINTENANCE ORGANIZATION LAW AND THE NONPROFIT HEALTH CARE PLAN LAW TO ESTABLISH HEALTH CARE COVERAGE IDENTIFICATION CARD REQUIREMENTS.

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

SECTION 1. A new section of the Health Care Purchasing Act is enacted to read:

"[NEW MATERIAL] IDENTIFICATION CARDS--REQUIREMENTS--TIMELY ISSUANCE AND RENEWAL--RULEMAKING.--

A. A group health plan offering coverage pursuant to this section shall make available or provide an identification card to the primary insured. The group health plan may also make available or provide identification cards to

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1 individuals covered under the primary insured's coverage. The
2 identification card shall contain the following data:

- 3 (1) the card issuer identifier;
- 4 (2) the name of the cardholder;
- 5 (3) the cardholder's identification number;

6 and

- 7 (4) the group health plan number.

8 B. A group health plan shall provide each primary
9 insured a new identification card issued pursuant to this
10 section according to the following schedule:

- 11 (1) within thirty days of a group health
12 plan's effective date; and

- 13 (2) no later than thirty days after the group
14 health plan receives notice of a change in any information that
15 an identification card is required to contain pursuant to
16 Subsection A of this section.

17 C. By July 1, 2018, the secretary of general
18 services shall consult with the superintendent of insurance and
19 adopt and promulgate rules, that are identical to the rules
20 adopted by the office of superintendent of insurance pursuant
21 to Sections 2, 3, 4 and 5 of this 2017 act, to establish
22 standards for identification cards issued pursuant to this
23 section. In adopting these rules, the secretary shall consider
24 the following factors:

- 25 (1) state and national industry standards for

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1 machine readability of identification cards;

2 (2) the cost associated with issuing machine-
3 readable identification cards;

4 (3) the feasibility of issuing machine-
5 readable identification cards; and

6 (4) the projected utilization of the machine-
7 readable portions of identification cards.

8 D. The provisions of this section shall not apply
9 to group health coverage intended to supplement major medical
10 group-type coverage such as medicare supplement, long-term
11 care, disability income, specified disease, accident-only,
12 hospital indemnity or any other limited-benefit health
13 insurance policy.

14 E. As used in this section, "identification card"
15 means a card or other machine-readable format or medium,
16 including bar codes or other electronic coding, that contains
17 the information required pursuant to this section."

18 SECTION 2. A new section of Chapter 59A, Article 22 NMSA
19 1978 is enacted to read:

20 "[NEW MATERIAL] IDENTIFICATION CARDS--REQUIREMENTS--TIMELY
21 ISSUANCE AND RENEWAL--RULEMAKING.--

22 A. An insurer that delivers, issues for delivery or
23 renews an individual health insurance policy, health care plan
24 or certificate of health insurance in this state shall make
25 available or provide an identification card to the primary

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1 insured. The insurer may also make available or provide
2 identification cards to individuals covered under the primary
3 insured's coverage. The identification card shall contain the
4 following data:

- 5 (1) the card issuer identifier;
- 6 (2) the name of the cardholder;
- 7 (3) the cardholder's identification number;
- 8 and
- 9 (4) the policy, plan or certificate number.

10 B. An insurer shall provide each primary insured a
11 new identification card issued pursuant to this section
12 according to the following schedule:

13 (1) within thirty days of a health insurance
14 policy's, health care plan's or certificate of health
15 insurance's effective date; and

16 (2) no later than thirty days after the
17 insurer receives notice of a change in any information that an
18 identification card is required to contain pursuant to
19 Subsection A of this section.

20 C. By July 1, 2018, the superintendent shall adopt
21 and promulgate rules, that are identical to the rules that the
22 secretary of general services adopts pursuant to Section 1 of
23 this 2017 act, to establish standards for identification cards
24 issued pursuant to this section. In adopting these rules, the
25 superintendent shall consider the following factors:

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1 (1) state and national industry standards for
2 machine readability of identification cards;

3 (2) the cost associated with issuing machine-
4 readable identification cards;

5 (3) the feasibility of issuing machine-
6 readable identification cards; and

7 (4) the projected utilization of the machine-
8 readable portions of identification cards.

9 D. The provisions of this section shall not apply
10 to individual health insurance policies, plans or certificates
11 intended to supplement major medical group-type coverage such
12 as medicare supplement, long-term care, disability income,
13 specified disease, accident-only, hospital indemnity or any
14 other limited-benefit health insurance policy, plan or
15 certificate.

16 E. As used in this section, "identification card"
17 means a card or other machine-readable format or medium,
18 including bar codes or other electronic coding, that contains
19 the information required pursuant to this section."

20 SECTION 3. A new section of Chapter 59A, Article 23 NMSA
21 1978 is enacted to read:

22 "[NEW MATERIAL] IDENTIFICATION CARDS--REQUIREMENTS--TIMELY
23 ISSUANCE AND RENEWAL--RULEMAKING.--

24 A. An insurer that delivers, issues for delivery or
25 renews a group or blanket health insurance policy, health care

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1 plan or certificate of health insurance in this state shall
2 make available or provide an identification card to the primary
3 insured. The insurer may also make available or provide
4 identification cards to individuals covered under the primary
5 insured's coverage. The identification card shall contain the
6 following information in a readily identifiable format on the
7 face of the card and via electronic coding associated with the
8 card:

- 9 (1) the card issuer identifier;
- 10 (2) the name of the cardholder;
- 11 (3) the cardholder's identification number;

12 and

- 13 (4) the policy, plan or certificate number.

14 B. An insurer shall provide each primary insured a
15 new identification card issued pursuant to this section
16 according to the following schedule:

17 (1) within thirty days of a health insurance
18 policy, health care plan or certificate of health insurance
19 becoming effective; and

20 (2) no later than thirty days after the
21 insurer receives notice of a change in any information that an
22 identification card is required to contain pursuant to
23 Subsection A of this section.

24 C. By July 1, 2018, the superintendent shall adopt
25 and promulgate rules, that are identical to the rules that the

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1 secretary of general services adopts pursuant to Section 1 of
2 this 2017 act, to establish standards for identification cards
3 issued pursuant to this section. In adopting these rules, the
4 superintendent shall consider the following factors:

5 (1) state and national industry standards for
6 machine readability of identification cards;

7 (2) the cost associated with issuing machine-
8 readable identification cards;

9 (3) the feasibility of issuing machine-
10 readable identification cards; and

11 (4) the projected utilization of the machine-
12 readable portions of identification cards.

13 D. The provisions of this section shall not apply
14 to a group or blanket policy, plan or contract intended to
15 supplement major medical coverage such as medicare supplement,
16 long-term care, disability income, specified disease, accident-
17 only, hospital indemnity or any other limited-benefit health
18 insurance policy.

19 E. As used in this section, "identification card"
20 means a card or other machine-readable format or medium,
21 including bar codes or other electronic coding, that contains
22 the information required pursuant to this section."

23 SECTION 4. A new section of the Health Maintenance
24 Organization Law is enacted to read:

25 "[NEW MATERIAL] IDENTIFICATION CARDS--REQUIREMENTS--TIMELY

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1 ISSUANCE AND RENEWAL--RULEMAKING.--

2 A. A carrier that delivers, issues for delivery or
3 renews an individual or group health maintenance organization
4 contract in this state shall make available or provide an
5 identification card to the primary enrollee. The carrier may
6 also make available or provide identification cards to
7 individuals covered under the primary enrollee's coverage. The
8 identification card shall contain the following data:

- 9 (1) the card issuer identifier;
10 (2) the name of the cardholder;
11 (3) the cardholder's identification number;

12 and

- 13 (4) the health maintenance organization plan
14 or contract number.

15 B. A carrier shall provide each primary enrollee a
16 new identification card issued pursuant to this section
17 according to the following schedule:

- 18 (1) within thirty days of a health maintenance
19 organization contract's effective date; and

- 20 (2) no later than thirty days after the
21 carrier receives notice of a change in any information that an
22 identification card is required to contain pursuant to
23 Subsection A of this section.

24 C. By July 1, 2018, the superintendent shall adopt
25 and promulgate rules, that are identical to the rules that the

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1 secretary of general services adopts pursuant to Section 1 of
2 this 2017 act, to establish standards for identification cards
3 issued pursuant to this section. In adopting these rules, the
4 superintendent shall consider the following factors:

5 (1) state and national industry standards for
6 machine readability of identification cards;

7 (2) the cost associated with issuing machine-
8 readable identification cards;

9 (3) the feasibility of issuing machine-
10 readable identification cards; and

11 (4) the projected utilization of the machine-
12 readable portions of identification cards.

13 D. The provisions of this section shall not apply
14 to an individual or group health maintenance organization
15 contract intended to supplement major medical coverage such as
16 medicare supplement, long-term care, disability income,
17 specified disease, accident-only, hospital indemnity or any
18 other limited-benefit health insurance contract.

19 E. As used in this section, "identification card"
20 means a card or other machine-readable format or medium,
21 including bar codes or other electronic coding, that contains
22 the information required pursuant to this section."

23 SECTION 5. A new section of the Nonprofit Health Care
24 Plan Law is enacted to read:

25 "[NEW MATERIAL] IDENTIFICATION CARDS--REQUIREMENTS--TIMELY

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1 ISSUANCE AND RENEWAL--RULEMAKING.--

2 A. An individual or group health care plan shall
3 make available or provide an identification card to the primary
4 subscriber. The health care plan may also make available or
5 provide identification cards to individuals covered under the
6 primary subscriber's coverage. The identification card shall
7 contain the following data:

- 8 (1) the card issuer identifier;
- 9 (2) the name of the cardholder;
- 10 (3) the cardholder's identification number;

11 and

- 12 (4) the health care plan number.

13 B. A health care plan shall provide each primary
14 subscriber a new identification card issued pursuant to this
15 section according to the following schedule:

- 16 (1) within thirty days of a health care plan's
17 effective date; and

- 18 (2) no later than thirty days after the health
19 care plan receives notice of a change in any information that
20 an identification card is required to contain pursuant to
21 Subsection A of this section.

22 C. By July 1, 2018, the superintendent shall adopt
23 and promulgate rules, that are identical to the rules that the
24 secretary of general services adopts pursuant to Section 1 of
25 this 2017 act, to establish standards for identification cards

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1 issued pursuant to this section. In adopting these rules, the
2 superintendent shall consider the following factors:

3 (1) state and national industry standards for
4 machine readability of identification cards;

5 (2) the cost associated with issuing machine-
6 readable identification cards;

7 (3) the feasibility of issuing machine-
8 readable identification cards; and

9 (4) the projected utilization of the machine-
10 readable portions of identification cards.

11 D. The provisions of this section shall not apply
12 to an individual or group health care plan intended to
13 supplement major medical coverage such as medicare supplement,
14 long-term care, disability income, specified disease,
15 accident-only, hospital indemnity or any other limited-benefit
16 health insurance health care plan.

17 E. As used in this section, "identification card"
18 means a card or other machine-readable format or medium,
19 including bar codes or other electronic coding, that contains
20 the information required pursuant to this section."

21 **SECTION 6. EFFECTIVE DATE.**--The effective date of the
22 provisions of this act is January 1, 2018.