AN ACT

RELATING TO HEALTH CARE; REQUIRING A STUDY ON THE FEASIBILITY OF CREATING AND IMPLEMENTING A STATE-ADMINISTERED HEALTH COVERAGE PLAN; REQUIRING REPORTING.

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

SECTION 1. Section 27-2-2 NMSA 1978 (being Laws 1973, Chapter 376, Section 2, as amended) is amended to read:

"27-2-2. DEFINITIONS.--As used in the Public Assistance Act:

A. "department" means the human services department;
B. "board" means the human services department;
C. "director" means the secretary of human services;
D. "local office" means the county or district office of the human services department;
E. "medicaid advisory committee" means the body, established by federal law, that advises the New Mexico medicaid program on policy development and program administration;
F. "medicaid forward plan" means a health care coverage plan that leverages the medicaid program to provide a state-administered health care coverage option;
G. "public welfare" or "public assistance" means
any aid or relief granted to or on behalf of an eligible
person under the Public Assistance Act and regulations issued
pursuant to that act;

H. "applicant" means a person who has applied for
assistance or services under the Public Assistance Act;

I. "recipient" means a person who is receiving
assistance or services under the Public Assistance Act;

J. "federal act" means the federal Social Security
Act, as may be amended from time to time, and regulations
issued pursuant to that act; and

K. "secretary" means the secretary of human
services."

SECTION 2. A new section of the Public Assistance Act
is enacted to read:

"STUDY OF THE MEDICAID FORWARD PLAN.--

A. The secretary, in coordination with the
superintendent of insurance and in consultation with the
medicaid advisory committee, other stakeholders identified by
the secretary and representatives of Indian nations, tribes
and pueblos that are located wholly or partially in New
Mexico, shall study the following operational needs for and
effects of implementing the medicaid forward plan and
amending the New Mexico medicaid state plan, pursuant to the
federal act to provide medical assistance to residents who
are under age sixty-five, are not otherwise eligible for and
enrolled in mandatory coverage under the New Mexico medicaid state plan and have a household income that exceeds one hundred thirty-three percent of the federal poverty level:

(1) the effects on the individual, group and self-insured health insurance markets, including the New Mexico health insurance exchange and the health benefits programs provided to state or local public employees or public school employees, of providing mandatory or optional medicaid coverage to individuals who would otherwise be eligible for health insurance through those markets;

(2) the effects on health care providers and health care facilities, including reimbursement rates needed to maximize access to health care services;

(3) the operational needs for administering the medicaid forward plan, including staffing and technical needs for enrollment and collection of premiums or cost-sharing;

(4) the funding plan, including necessary expenditures and total revenue generated;

(5) the fiscal effects on recurring and nonrecurring spending in the state budget; and

(6) the financial sustainability, including steps necessary for the department and the superintendent of insurance to apply for federal waivers to maximize federal funding and leverage those waivers to ensure affordability
for enrollees in the medicaid forward plan.

B. The secretary's proposed program design for the medicaid forward plan shall be contingent on the results of the study and shall include:

   (1) a financing plan, which shall include recommended appropriation of state funds, projected federal funds, savings directly or indirectly attributable to the program design, a sliding scale for premiums and cost-sharing based on household income for individuals eligible to enroll in the medicaid forward plan and other potential cost offsets;

   (2) information about recommended reimbursement rates to maximize access to health care services under the medicaid forward plan;

   (3) details about the department's operational needs for administering the medicaid forward plan; and

   (4) information about federal waivers needed to maximize federal funding and ensure affordability and choice for enrollees.

C. By October 1, 2024, the secretary shall submit a report to the legislative finance committee and the legislative health and human services committee detailing the secretary's study of, and proposed program design for, the medicaid forward plan.