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HOUSE BILL 436

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

LISA L. LUTZ

AN ACT

RELATING TO STATE EMPLOYEES; REQUIRING DEPARTMENT OF HEALTH
EMPLOYEES TO MEET THE STANDARD OF CONDUCT APPLICABLE TO HUMAN
SERVICES DEPARTMENT EMPLOYEES FOR MEDICAID-FUNDED PROGRAMS.

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

Section 1. Section 27-2-12.7 NMSA 1978 (being Laws 1980,
Chapter 86, Section 1) is amended to read:

"27-2-12.7. MEDICAID--HUMAN SERVICES DEPARTMENT
EMPLOYEES--STANDARDS OF CONDUCT--ENFORCEMENT.--

A. As used in this section:

(1) "business" means a corporation,
partnership, sole proprietorship, firm, organization or
individual carrying on a business;

(2) "department" means the human services
department;

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1 (3) "employee" means [~~any~~] a person who has
2 been appointed to or hired for [~~any~~] a department office
3 connected with the administration of medicaid funds or a
4 department of health office connected with the administration
5 of medicaid waiver funds and who receives compensation in the
6 form of a salary;

7 (4) "employee with responsibility" means an
8 employee who is directly involved in or has a significant part
9 in the medicaid decision-making, regulatory, procurement or
10 contracting process; and

11 (5) "financial interest" means an interest
12 held by an individual, his spouse or minor child [~~which~~] that
13 is:

14 (a) an ownership interest in business;
15 or

16 (b) [~~any~~] an employment or prospective
17 employment for which negotiations have already begun.

18 B. No employee with responsibility shall, for
19 twenty-four months following the date on which he ceases to be
20 an employee, act as agent or attorney for [~~any other~~] another
21 person or business in connection with a judicial or
22 administrative proceeding, application, ruling, contract,
23 claim or other matter relating to the medicaid program with
24 respect to which the employee made an investigation, rendered
25 [~~any~~] a ruling or was otherwise substantially and directly

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1 involved during the last year he was an employee and which was
2 actually pending under his responsibility within that period.

3 C. No [~~department~~] secretary of human services,
4 income support division director or medical assistance bureau
5 chief or their deputies shall, for twelve months following the
6 date on which he ceases to be an employee, participate [~~in any~~
7 ~~manner~~] with respect to a judicial or administrative
8 proceeding, application, ruling, contract, claim or other
9 matter relating to the medicaid program and pending before the
10 department.

11 D. No employee with responsibility shall
12 participate [~~in any manner~~] with respect to a judicial or
13 administrative proceeding, application, ruling, contract,
14 claim or other matter relating to the medicaid program and
15 involving his spouse, minor child or [~~any~~] a business in which
16 he has a financial interest unless prior to [~~such~~] the
17 participation:

18 (1) full disclosure of his relationship or
19 financial interest is made in writing to the secretary of [~~the~~
20 ~~department~~] human services; and

21 (2) a written determination is made by the
22 secretary of human services that the disclosed relationship or
23 financial interest is too remote or inconsequential to affect
24 the integrity of the services of the employee.

25 E. Violation of any of the provisions of this

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1 section by an employee is grounds for dismissal, demotion or
2 suspension. A former employee who violates [~~any of the~~
3 ~~provisions~~] a provision of this section [~~shall be~~] is subject
4 to assessment by the department of a civil money penalty of
5 two hundred fifty dollars (\$250) for each violation. The
6 department shall promulgate [~~regulations~~] rules to provide for
7 an administrative appeal of any assessment imposed."

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
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6 February 14, 1998
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8 Mr. Speaker:
9

10 Your GOVERNMENT AND URBAN AFFAIRS COMMITTEE, to
11 whom has been referred
12

13 HOUSE BILL 436
14

15 has had it under consideration and reports same with
16 recommendation that it DO PASS, and thence referred to the
17 JUDICIARY COMMITTEE.

18 Respectfully submitted,
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22 _____
23 Lynda M. Lovejoy, Chairman
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1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998

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4 Adopted _____ Not Adopted _____

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6 (Chief Clerk)

(Chief Clerk)

7
8 Date _____

9
10 The roll call vote was 4 For 0 Against

11 Yes: 4

12 Excused: Pearce, Saavedra, Taylor, J. G.

13 Absent: None

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