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December 18, 2014

**MEMORANDUM**

**TO:** Legislative Education Study Committee

**FR:** Kevin Force

**RE: STAFF BRIEF: ADMINISTRATIVE RULEMAKING**

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**Proposed Rules:**

- **6.50.1 NMAC, General Provisions**
- **6.50.10 NMAC, Employee Benefit Coverage Enrollment Policy**

**Proposed Rulemakings**

In the November 13, 2014 issue, the New Mexico Public Schools Insurance Authority (NMPSIA) published in the *New Mexico Register* a Notice of Public Hearing regarding a proposed repeal and replacement of 6.50.1 and 6.50.10 NMAC, "General Provisions," and "Employee Benefit Coverage Enrollment Policy," respectively

The Notice solicited comments on the rule, to be submitted by January 28, 2015, and announced a public hearing, which will be held at the NMPSIA Board Meeting on February 5, 2015, at 9:00 a.m., at Cooperative Educational Services, 4216 Balloon Park Road, NE, in Albuquerque. (See **Attachment 1, NMPSIA Notice of Public Hearing, 11/13/14.**)

It should be noted that, while the rulemakings are proposed as “repeal and replace,” of the two sections of rule, the actual effect of the rulemaking is limited to simple amendment of two subsections of the rules:

- 6.50.1.9, Board Procedures and General Authority; and
- 6.50.10.10, Requirements for Enrollment of Employee Dependents.

### **6.50.1 NMAC, General Provisions**

The proposed amendment to this section is straightforward. In Subsection 6.50.1.9, the following language has been added to Paragraph (N):

“The board may also name an ex-board member to serve on the advisory committees as either a voting or ad-hoc member for a term not to exceed three years, with the option to renew the appointment for an additional three years.”

The effect of this additional language is to allow the current board to name former board members to sit on the permanent risk advisory committee and the permanent employee benefits advisory committee. Currently, committee members may only be named from authority-participating entities or covered individuals, with an eye toward maintaining a balance of geographic regions, as well as both large and small participating entities, on these committees. (See **Attachment 2, Proposed Rule, General Provisions, 11/13/14.**)

### **6.50.10 NMAC, Employee Benefit Coverage Enrollment Policy**

Proposed amendments to this section are also quite brief. In Paragraph (A):

- in order to add a newborn infant to employee coverage, certification of the information on the infant’s birth certificate, or a state-filled birth certificate registration certification, must be received within 61 calendar days of the newborn’s birth date. Currently, the rule allows for the required documentation to be submitted within 31 days; and
- similarly, to add a newly adopted dependent to employee coverage, documentation of the adoption must be submitted within 61 days of the date of placement of the adopted dependent by a state agency, where the current rule requires documentation within 31 days.

In Paragraph (E), the proposed amendment would require documentation (with the application for coverage) including evidence of medical insurability, where required, to be provided by the person seeking coverage within 61 days, rather than the current requirement of submittal within 31 days. (See **Attachment 3, Proposed Rule, Employee Benefit Coverage Enrollment Policy, 11/13/14.**)

NMPSIA Notice of Public Hearing, 11/13/14  
New Mexico Register / Volume XXV, Number 21 / November 13, 2014

**NOTICE OF PUBLIC HEARING REGARDING PROPOSED REPEAL AND REPLACEMENT OF RULES 6.50.1 NMAC AND 6.50.10 NMAC IN ORDER TO UPDATE REGULATIONS IN ACCORDANCE NEW MEXICO PUBLIC SCHOOL AUTHORITY POLICY CHANGES.**

Notice is hereby given pursuant to amendments to Sections 22-29-7(E) and 22-29-7(F), NMSA 1978 (being Laws 1986, Chapter 94, Section 7 as amended) that the New Mexico Public School Insurance Authority plans to repeal and replace rules 6.50.1 NMAC and 6.50.10 NMAC in order to update the regulations in accordance with Authority policy changes.

The proposed new rules will be discussed and comments taken at a public hearing to be held February 4, 2015 at 9:00 a.m. at the New Mexico Public Schools Insurance Authority Board Meeting on February 4, 2015 at 9:00a.m. at the Cooperative Educational Services, 4216 Balloon Park Road, NE, Albuquerque, NM 87109. The Board Meeting will be called pursuant to Subsection H of 6.50.1.9 NMAC of the Board's Rules and Regulations and as provided by the current Open Meeting Act Resolution of the Authority. Copies of the proposed rules will be provided to all of the member of school districts, charter schools and other educational entities and may be obtained before the meeting at the New Mexico Public School Insurance Authority's offices at 410 old Taos Highway, Santa Fe, New Mexico by contacting Christy Edwards (505) 988-2736 or by email to [christy.edwards@state.nm.us](mailto:christy.edwards@state.nm.us).

Interested person may submit written comments to the New Mexico Public Schools Insurance Authority at 410 Old Taos Highway, Santa Fe, New Mexico 87501 or email comments to [christy.edwards@state.nm.us](mailto:christy.edwards@state.nm.us) to be received by 5:00p.m. January 28, 2015. Written comments should suggest specific reasons for any suggested amendments or comments and include and proposed amendatory language.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the meeting, please contact the office of the Executive Director of the New Mexico Public School Insurance Authority at 1-800-548-3724 prior to the hearing, or as soon as possible. The proposed rules can be provided in various accessible formats. Please contact the office of the Executive Director of the New Mexico Public School Insurance Authority at 1-800-548-3724 if a summary or other type of accessible format is needed before January 28, 2015. If accommodation is not requested in advance, we cannot guarantee the availability of accommodation on-site.

**Proposed Rule, General Provisions, 11/13/14**

Explanatory paragraph: This is an amendment to 6.50.1 NMAC, Section 9, effective xx/xx/2015. In 6.50.1 NMAC, Subsection A through M and O through R were not published as there were no changes.

**6.50.1.9 BOARD PROCEDURES AND GENERAL AUTHORITY:** This section establishes procedures governing the board operations for conducting its business affairs and sets forth the general authority of the board.

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**N.** The permanent risk advisory committee and the permanent employee benefits advisory committee shall be chaired by members of the board or if no board member is available, then by staff. The board shall name the advisory committee members from authority participating entities or covered individuals assuring a balance of large and small participating entities and a geographic balance. The board may also name an ex-board member to serve on the advisory committees as either a voting or ad-hoc member for a term not to exceed three years, with the option to renew the appointment for an additional three years.

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[6.50.1.9 NMAC - Rp, 6.50.1.9 NMAC, 9/1/2014; A, xx/xx/2015]

Proposed Rule, Employee Benefit Coverage Enrollment Policy, 11/13/14

Explanatory paragraph: This is an amendment to 6.50.10 NMAC, Section 10, effective xx/xx/2015. In 6.50.10 NMAC, Subsection B through D and F through G not published as there were no changes.

**6.50.10.10 REQUIREMENTS FOR ENROLLMENT OF EMPLOYEE DEPENDENTS:**

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**A.** Eligible employee participants may enroll their eligible dependents during the enrollment period established by the authority. If the employee is enrolled in family medical coverage, a newborn dependent of an employee parent is covered from the date of birth under the same lines of family coverage in which the employee parent is enrolled at the time of the newborn's birth. In cases where the employee is not enrolled in family medical coverage but has family coverage for other lines of employee benefits, the employee parent must enroll the newborn dependent within 31 calendar days from the date of birth to be covered from the date of birth. In cases where there is a change of status in premium (i.e., single to two-party, single to family, or two-party to family) due to the addition of a newborn dependent, the employee parent must enroll the newborn dependent within 31 calendar days from the date of birth to be covered from the date of birth. Certification of information from the official state publicly filed birth certificate or a state-filed birth certificate registration certification must accompany the enrollment form, or if the birth certificate or certification is not available, it must be submitted within [~~31~~] 61 calendar days from the first day of the month following the newborn dependent's date of birth. Adopted dependents of an employee are eligible for coverage from the date of placement by a licensed state agency, a governmental agency or a court of competent jurisdiction. Supportive documentation of such placement is required with the change of status application within [~~31~~] 61 calendar days of the date of placement.

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**E.** Proper documentation (together with application for coverage) including evidence of medical insurability where required, must be provided by the person seeking coverage within [~~31~~] 61 calendar days of the qualifying event. Coverage may be rejected where adequate proof and documentation satisfactory to the authority is not submitted in a timely manner.

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[6.50.10.10 NMAC - Rp, 6.50.10.10 NMAC, 9/1/2014; A, xx/xx/2015]