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The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Hurt	DATE TYPED:	1/31/03	НВ	
SHORT TITLE: Mandatory Assign:		Assignment of Health Cl	nent of Health Claims		150
	ANALYST:				Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

SOURCES OF INFORMATION

Responses Received From

General Services Administration (GSD)
Agency on Aging (AOA)
Public School Insurance Authority (PSIA)
Retiree Health Care Authority (RHCA)
Public Regulation Commission (PRC)
Department of Health (DOH)
Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 150 enacts a new section of the Insurance Code. It requires a health care provider to bill a patient's health care plan directly, The provider may not collect any payment from the patient except a co-payment, coinsurance, deductible or other amount for which the patient is liable under the health care plan.

Significant Issues

Patients should have the right to designate the payee associated with their health plan benefits. "Assignment of Benefits" is widely accepted in the health insurance industry. GSD notes that all vendors associated with health plans serving State of New Mexico employees, with one exception, honor a claim that assigns benefits to the provider of service. Direct payment to the provider causes some of the administrative burden on patients who, in many cases, are overwhelmed

Senate Bill 150 Page 2

with paperwork. Blue Cross Blue Shield of New Mexico is the only health plan that does not honor "Assignment of Benefits".

Patients who have insurance are sometimes required to pay up-front for their health care and then wait to be reimbursed by their health care plan. For some people, this can cause financial hardship, and might act as a deterrent to seeking necessary medical assistance. Delays in care can often lead to more serious, and more costly, health conditions.

ADMINISTRATIVE IMPLICATIONS

The PRC is responsible for enforcing the provisions of the Insurance Code. SB 150 will add only a very small increase to the workload.

POSSIBLE QUESTIONS

In the event that a health plan does not pay for services rendered by a non-participating provider, will the provisions in SB150 require that those services go uncompensated?

DW/njw