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FISCAL IMPACT REPORT

ORIGINAL DATE 1/25/08

SPONSOR Gardner LAST UPDATED _____ HB 274

SHORT TITLE PRC Reporting on Legislative Health Mandates SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Human Services Department (HSD)

SUMMARY

Synopsis of Bill

House Bill 274 adds a new section to the New Mexico Insurance Code to require the Insurance Division of the Public Regulation Commission to examine the impact of health benefit mandates, health insurance rating requirements, statues or rules regarding the issuance or coverage of health insurance and the impact that each of these has on: 1) the cost and availability of insurance products; 2) health care costs; 3) the availability of health care providers, durable medical equipment and pharmaceuticals; and 4) the overall policy goals stated in the mandate.

The superintendent shall report to the interim legislative health and human services committee by September 1, 2008, and by September 1 every five years thereafter.

FISCAL IMPLICATIONS

No significant fiscal impact. There may be some administrative impact on the PRC.

SIGNIFICANT ISSUES

HB 274 seeks to require a formal reporting mechanism regarding the impact of health insurance laws or rules passed or promulgated by the Legislature or executive, respectively.

HSD reports that HB 274 does not directly impact Medical Assistance Division programs. However, programs available to the public in the private market would be affected by this bill. Scrutiny by the Insurance Division to ensure that health benefit and health insurance rating legislation, regulation and rules have achieved appropriate goals or are causing unintended consequences is beneficial to the state.

ADMINISTRATIVE IMPLICATIONS

The examinations and reports outlined in the bill may carry a significant administrative impact for the PRC.

BE/nt