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HOUSE BILL 31

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Danice Picraux

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO HEALTH INSURANCE; PROVIDING FOR GUARANTEED ISSUE BY
HEALTH INSURERS.

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

Section 1. A new section of the New Mexico Insurance Code
is enacted to read:

"~~[NEW MATERIAL]~~ HEALTH INSURERS--GUARANTEED ISSUE--
PREEXISTING CONDITIONS.--

A. Effective January 1, 2011, a health insurer
shall issue coverage to any individual who requests and offers
to purchase the coverage without permanent exclusion of
preexisting conditions.

B. A health insurer may impose a waiting period not
to exceed six months before payment for any service related to
a preexisting condition.

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underscoring material = new
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underscoring material = new
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1 C. A health insurer may continue an individual
2 policy in existence on July 1, 2010 that has a permanent
3 exclusion of payment for a preexisting condition until renewal.
4 Upon renewal of such a policy, an insured, at the sole
5 discretion of the insured, may opt to continue the existing
6 individual policy with the exclusion of payment for the
7 preexisting condition.

8 D. A health insurer shall ensure that an insured's
9 privacy and confidentiality are protected and made applicable
10 to individual policies, similar to privacy requirements
11 pursuant to the federal Health Insurance Portability and
12 Accountability Act of 1996 for other policies.

13 E. For the purposes of this section:

14 (1) "coverage" does not include short-term,
15 accident, fixed indemnity, specified disease policy or
16 disability income, limited-benefit, credit, workers'
17 compensation, automobile, medical or other insurance under
18 which benefits are payable with or without regard to fault and
19 that is required by law to be contained in any liability
20 insurance policy;

21 (2) "health insurer" means a person duly
22 authorized to transact the business of health insurance in the
23 state pursuant to the Insurance Code but does not include a
24 person that only issues a limited-benefit policy intended to
25 supplement major medical coverage, including medicare

underscored material = new
[bracketed material] = delete

1 supplement, long-term care, disability income, disease-
2 specific, accident-only or hospital-indemnity-only insurance
3 policies; and

4 (3) "preexisting condition" means a physical
5 or mental condition for which medical advice, medication,
6 diagnosis, care or treatment was recommended for or received by
7 an applicant for health insurance within six months before the
8 effective date of coverage, except that pregnancy is not
9 considered a preexisting condition for federally defined
10 individuals."