

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 41

50th Legislature, 1st Session, 2011

Tracking Number: .183564.2

Short Title: Health Care Student Intern Liability Coverage

Sponsor(s): Senator Phil A. Griego

Analyst: Kevin Force

Date: February 2, 2011 (revised)

Bill Summary:

SB 41 amends the duties of the New Mexico Public Schools Insurance Authority (NMPSIA) in the *Public School Insurance Authority Act* to provide liability insurance coverage for student interns currently enrolled in health care instructional programs provided by NMPSIA member educational institutions.

Currently, according to NMPSIA, Central New Mexico Community College (CNM) is the only educational institution that offers a health instructional program that includes internships.

Fiscal Impact:

SB 41 does not contain an appropriation.

Substantive Issues:

According to NMPSIA, SB 41 codifies and clarifies the provision of liability coverage for health care student interns that historically has been included in the NMPSIA's Memorandum of Coverage with member institutions.

According to the Department of Health analysis:

- New Mexico has a documented shortage of health care professionals;
- 32 of the state's 33 counties are classified, in whole or in part, as medical, mental health or dental Health Professional Shortage Areas;
- many ways to address New Mexico's health care professional shortages involve increasing the availability of educational, training, and intern opportunities to young people, so that they might become exposed to, and interested in, health care professions; and
- the lack of liability coverage for health care student interns potentially discourages NMPSIA member schools, which include both secondary and public postsecondary schools, and their students, from becoming involved in health care instructional programs.

According to the Public Education Department analysis, SB 41 only covers health care interns that are enrolled in a health care instructional program at NMPSIA member institutions.

Background:

- In 1986, NMPSIA was created in the *Public School Insurance Authority Act* to serve as a purchasing agency for public school districts, postsecondary educational entities, and charter schools.
- Currently, NMPSIA provides health and risk insurance coverage for 88 of New Mexico’s public school districts, its 81 charter schools, and at least 22 other educational entities, including, CNM, Eastern New Mexico University, Luna Community College, Mesalands Community College, New Mexico Junior College, Santa Fe Community College, and Western New Mexico University.
- Current law exempts any school district with a student enrollment in excess of 60,000 students from NMPSIA coverage, which applies only to the Albuquerque Public Schools.
- Health coverage by NMPSIA includes:
 - basic life and accidental death and dismemberment;
 - voluntary life;
 - long-term disability;
 - two medical plans;
 - a dental plan with basic and comprehensive coverage;
 - a vision plan; and
 - risk coverage; including:
 - property insurance;
 - liability insurance;
 - worker’s compensation;
 - student catastrophic insurance;
 - student accident insurance;
 - boiler and machinery insurance; and
 - underground storage tanks coverage.
- NMPSIA’s medical plans are “self-insured,” meaning that NMPSIA is responsible for the design of the plan and the setting of contributions.
- NMPSIA sets the contribution rates to provide the necessary revenue to pay for the claims its participating members incur. When the claims exceed the contributions, the contribution rates have to be increased to cover any deficit.

Related Bills:

None as of 01-31-2011.