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HOUSE BILL 257

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY  
Eleanor Chavez

AN ACT

RELATING TO HEALTH CARE REFORM; REQUIRING THE LEGISLATIVE  
FINANCE COMMITTEE TO PERFORM A FISCAL IMPACT ANALYSIS AND  
REPORT COMPARING THE COSTS AND COVERAGE OPPORTUNITIES UNDER  
EACH OF THREE PLAN DESIGNS INVOLVING EITHER A NEW MEXICO HEALTH  
BENEFITS EXCHANGE OR A SINGLE STATEWIDE, SELF-INSURED HEALTH  
PLAN; PROVIDING FOR THE USE OF FEDERAL APPROPRIATIONS TO FUND  
ANALYSIS AND REPORTING; REQUIRING THAT AGENCIES THAT RECEIVE  
FEDERAL FUNDS FOR HEALTH BENEFITS EXCHANGE PLANNING AND  
IMPLEMENTATION PROVIDE FUNDS FOR FISCAL ANALYSIS AND REPORTING;  
MAKING AN APPROPRIATION.

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

**SECTION 1. TEMPORARY PROVISION--LEGISLATIVE FINANCE  
COMMITTEE--FISCAL IMPACT ANALYSIS AND REPORT--A NEW MEXICO  
HEALTH BENEFITS EXCHANGE AND SINGLE, STATEWIDE, SELF-INSURED**

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1 HEALTH PLAN DESIGNS.--

2 A. The legislative finance committee, in  
3 collaboration with the office of the governor, the human  
4 services department, the department of health, the insurance  
5 division of the public regulation commission, the legislative  
6 council service and other experts as it deems appropriate,  
7 shall perform a fiscal impact analysis of the following health  
8 care finance and administration plan designs:

9 (1) a New Mexico health benefits exchange that  
10 negotiates with carriers and sells health plans for purchase to  
11 individuals and small businesses in the state;

12 (2) a New Mexico health benefits exchange that  
13 acts as an insurance market clearinghouse for individuals and  
14 small businesses in the state to learn about and compare health  
15 plans according to level of coverage, but that does not  
16 negotiate with carriers or sell health plans; and

17 (3) a single, statewide, self-insured health  
18 plan that provides comprehensive coverage for most individuals,  
19 households, employees and their dependents and self-employed  
20 individuals. This plan design could include individuals  
21 currently eligible for medicaid; individuals over sixty-five;  
22 and individuals covered by medicare.

23 B. The fiscal impact analysis performed pursuant to  
24 Subsection A of this section shall include:

25 (1) the costs of establishing and initially

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1 operating a New Mexico health benefits exchange or a single,  
2 statewide, self-insured health plan for each of the plan  
3 designs listed in Paragraphs (1) through (3) of Subsection A of  
4 this section;

5 (2) the costs of operating a New Mexico health  
6 benefits exchange or a single, statewide, self-insured health  
7 plan over a five-year period for each of the plan designs  
8 listed in Paragraphs (1) through (3) of Subsection A of this  
9 section;

10 (3) an identification of revenue sources to  
11 fund the operation of a New Mexico health benefits exchange or  
12 a single, statewide, self-insured health plan for each of the  
13 plan designs listed in Paragraphs (1) through (3) of Subsection  
14 A of this section;

15 (4) during an initial five-year period, the  
16 number of people estimated to be covered by any source of  
17 public or private coverage, including the number covered in  
18 each of the plan designs listed in Paragraphs (1) through (3)  
19 of Subsection A of this section;

20 (5) the impact over an initial five-year  
21 period of a New Mexico health benefits exchange or a single,  
22 statewide, self-insured health plan on the state's general fund  
23 for each of the plan designs listed in Paragraphs (1) through  
24 (3) of Subsection A of this section;

25 (6) the impact over an initial five-year

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1 period of a New Mexico health benefits exchange or a single,  
2 statewide, self-insured health plan on the rate of growth of  
3 health care expenditures in New Mexico for each of the plan  
4 designs listed in Paragraphs (1) through (3) of Subsection A of  
5 this section; and

6 (7) the impact over an initial five-year  
7 period of a New Mexico health benefits exchange or a single,  
8 statewide, self-insured health plan on large and small  
9 businesses; individuals, including self-employed individuals;  
10 households; and employees and their dependents for each of the  
11 plan designs listed in Paragraphs (1) through (3) of Subsection  
12 A of this section.

13 C. The results of the fiscal impact analysis shall  
14 be compiled into a report, which legislative finance committee  
15 staff shall provide, through oral testimony and in written  
16 form, to the legislative finance committee and the legislative  
17 health and human services committee by November 1, 2011.

18 D. Legislative finance committee staff performing  
19 the fiscal impact analysis pursuant to this section shall:

20 (1) seek outside partnerships to provide  
21 independent expertise and analysis;

22 (2) use federal funds appropriated for the  
23 planning or implementation of health benefits exchanges and any  
24 other available federal funds; and

25 (3) seek and coordinate the use of other

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1 state, federal and local government funding and grants from  
2 private foundations.

3 E. For the purposes of this section:

4 (1) "coverage" means health care services  
5 equivalent to those available to enrollees pursuant to the  
6 Health Care Purchasing Act;

7 (2) "medicaid" means the joint federal-state  
8 health coverage program pursuant to Title 19 or Title 21 of the  
9 federal Social Security Act;

10 (3) "medicare" means the medical insurance  
11 benefits program for the aged and disabled program established  
12 pursuant to Title 18 of the federal Social Security Act; and

13 (4) "New Mexico health benefits exchange"  
14 means a nonprofit entity or government agency that facilitates  
15 the purchase of qualified health plans for individuals and  
16 businesses pursuant to the federal Patient Protection and  
17 Affordable Care Act.

18 SECTION 2. TEMPORARY PROVISION--FEDERAL FUNDING FOR  
19 ANALYSIS AND REPORTING.--An agency that receives funding from  
20 the federal government for the planning or establishment of a  
21 health benefits exchange pursuant to the federal Patient  
22 Protection and Affordable Care Act shall provide funding to  
23 assist the legislative finance committee in carrying out the  
24 provisions of this 2011 act.

25 SECTION 3. APPROPRIATION.--One hundred thousand dollars  
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1 (\$100,000) is appropriated from the general fund to the  
2 legislative finance committee for expenditure in fiscal year  
3 2012 to fund fiscal impact analysis and reporting that compares  
4 health coverage plan designs. Any unexpended or unencumbered  
5 balance remaining at the end of fiscal year 2012 shall revert  
6 to the general fund.

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