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SENATE BILL 162

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

INTRODUCED BY

Linda M. Lopez

FOR THE GOVERNMENT RESTRUCTURING TASK FORCE

AN ACT

RELATING TO HEALTH CARE ADMINISTRATION AND FINANCE; ENACTING
THE HEALTH ADMINISTRATION AND FINANCE CONSOLIDATION ACT;
CREATING THE HEALTH ADMINISTRATION AND FINANCE DEPARTMENT;
TRANSFERRING ADMINISTRATION AND OPERATION OF MEDICAL ASSISTANCE
PROGRAMS AND BEHAVIORAL HEALTH SERVICES PROGRAMS TO THE HEALTH
ADMINISTRATION AND FINANCE DEPARTMENT; TRANSFERRING
ADMINISTRATION AND OPERATION OF HOME- AND COMMUNITY-BASED
WAIVER SERVICES AND CERTAIN OTHER LONG-TERM SERVICES PROGRAMS
TO THE HEALTH ADMINISTRATION AND FINANCE DEPARTMENT; PROVIDING
FOR A STUDY ON THE EVENTUAL TRANSFER OF THE ADMINISTRATION OF
HEALTH BENEFIT PLANS FOR PUBLIC SCHOOL EMPLOYEES, STATE AND
LOCAL PUBLIC EMPLOYEES AND PUBLIC RETIREES TO THE HEALTH
ADMINISTRATION AND FINANCE DEPARTMENT; PROVIDING FOR HEALTH
CARE COST-CONTAINMENT WORK FORCE PLANNING, DATA COLLECTION AND
DELIVERY SYSTEM PLANNING; ESTABLISHING THE NEW MEXICO HEALTH

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1 POLICY COMMISSION AS AN ADJUNCT AGENCY AND PROVIDING FOR
2 COMMISSION APPOINTMENT OF THE AGENCY'S EXECUTIVE DIRECTOR;
3 AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA 1978.

4
5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

6 SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1
7 through 6 of this act may be cited as the "Health
8 Administration and Finance Consolidation Act".

9 SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the
10 Health Administration and Finance Consolidation Act:

11 A. "acquired immunodeficiency syndrome and acquired
12 immunodeficiency syndrome-related condition waiver" means the
13 home- and community-based services program established pursuant
14 to federal waiver under the federal Social Security Act for
15 individuals diagnosed with acquired immunodeficiency syndrome
16 or an acquired immunodeficiency syndrome-related condition who
17 require an institutional level of care;

18 B. "all-payer claims database" means a database
19 containing claims in aggregate form from all public and private
20 persons in the state that purchase health care services
21 directly from a provider or through a health insurer or other
22 third party;

23 C. "department" means the health administration and
24 finance department;

25 D. "developmental disabilities" means developmental

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1 disability and mental retardation or specific related
2 conditions as determined by rules the secretary has
3 promulgated;

4 E. "health coverage" means the coverage of items
5 and services associated with hospital care; surgical care and
6 treatment; medical care and treatment; dental care; eye care;
7 obstetrical benefits; prescribed drugs, medicines and
8 prosthetic devices; and other benefits, supplies and services
9 through the vehicles of self insurance, indemnity coverages,
10 health maintenance organizations, preferred provider
11 organizations and other health care delivery systems;

12 F. "medically fragile" means a condition that meets
13 the level of care required for admission to an intermediate
14 care facility for the mentally retarded;

15 G. "publicly funded health care agency" means the:

- 16 (1) risk management division and the group
17 benefits committee of the general services department;
18 (2) retiree health care authority;
19 (3) public school insurance authority; and
20 (4) publicly funded health care program of any
21 public school district with a student enrollment in excess of
22 sixty thousand students;

23 H. "secretary" means the secretary of health
24 administration and finance; and

25 I. "superintendent" means the superintendent of

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1 insurance of the insurance division of the public regulation
2 commission, or the commission's successor in interest.

3 SECTION 3. [NEW MATERIAL] HEALTH ADMINISTRATION AND
4 FINANCE DEPARTMENT ESTABLISHED.--

5 A. There is created in the executive branch the
6 "health administration and finance department". The department
7 shall be a cabinet department and shall consist of, at a
8 minimum, the following divisions:

- 9 (1) the administrative services division;
- 10 (2) the medical assistance division;
- 11 (3) the behavioral health services division;
- 12 (4) the long-term services division; and
- 13 (5) the health policy and planning division.

14 B. As of July 1, 2011, the following references in
15 law shall be construed as referring to the health
16 administration and finance department:

- 17 (1) the medical assistance division of the
18 human services department;
- 19 (2) the behavioral health services division of
20 the human services department; and
- 21 (3) the interagency behavioral health
22 purchasing collaborative.

23 C. As of January 1, 2014, the following references
24 in law shall be construed as referring to the health
25 administration and finance department:

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1 (1) the long-term care division of the aging
2 and long-term services department;

3 (2) the coordination of long-term services
4 program of the aging and long-term services department;

5 (3) the brain injury services program of the
6 aging and long-term services department;

7 (4) the program of all-inclusive care for the
8 elderly of the aging and long-term services department;

9 (5) the home- and community-based waiver
10 program of the department of health for individuals who are
11 medically fragile; and

12 (6) the acquired immunodeficiency syndrome and
13 acquired immunodeficiency syndrome-related condition waiver
14 program of the department of health.

15 D. Those organizational units of the department and
16 the officers of those units specified by law shall have all of
17 the powers and duties enumerated in the specific laws involved.
18 However, the carrying out of those powers and duties shall be
19 subject to the direction and supervision of the secretary, who
20 shall retain the final decision-making authority and
21 responsibility for the administration of any those laws. The
22 department shall have access to all records, data and
23 information of other state departments, agencies and
24 institutions, including its own organizational units not
25 specifically held confidential by law.

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1 SECTION 4. [NEW MATERIAL] SECRETARY OF HEALTH

2 ADMINISTRATION AND FINANCE--APPOINTMENT--DUTIES--POWERS.--

3 A. The administrative head of the health
4 administration and finance department is the "secretary of
5 health administration and finance", who shall be appointed by
6 the governor with the consent of the senate and who shall serve
7 in the executive cabinet. The secretary shall be exempt from
8 the provisions of the Personnel Act.

9 B. An appointed secretary shall serve and have all
10 the duties, responsibilities and authority of that office
11 during the period of time prior to final action by the senate
12 confirming or rejecting the secretary's appointment.

13 C. The secretary is responsible to the governor for
14 the operation of the department. It is the secretary's duty to
15 manage all operations of the department and to administer and
16 enforce the laws with which the secretary or the department is
17 charged.

18 D. To perform the secretary's duties, the secretary
19 has every power expressly enumerated in the laws, whether
20 granted to the secretary, to the department or to any division
21 of the department, except where authority conferred upon any
22 division is explicitly exempted from the secretary's authority
23 by statute. In accordance with these provisions, the secretary
24 shall:

25 (1) except as otherwise provided in the Health

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1 Administration and Finance Department Act, exercise general
2 supervisory and appointing authority over all department
3 employees, subject to any applicable personnel laws and
4 regulations;

5 (2) with the approval of the governor, appoint
6 "directors" of the divisions established within the department
7 and a director of communications. These positions are exempt
8 from the Personnel Act. Individuals appointed to these
9 positions shall serve at the pleasure of the secretary;

10 (3) establish bureaus within each division of
11 the department as the secretary deems necessary to carry out
12 the provisions of the Health Administration and Finance
13 Consolidation Act. The secretary shall employ "chiefs" to be
14 administrative heads of these bureaus. The chiefs and all
15 subsidiary employees of the department shall be covered by the
16 Personnel Act, unless otherwise provided by law;

17 (4) delegate authority to subordinates as the
18 secretary deems necessary and appropriate, clearly delineating
19 that delegated authority and the limitations of that authority;

20 (5) organize the department into those
21 organizational units the secretary deems will enable it to
22 function most efficiently, subject to any provisions of law
23 requiring or establishing specific organizational units;

24 (6) within the limitations of available
25 appropriations and applicable laws, employ and fix the

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1 compensation of those persons necessary to discharge the
2 secretary's duties;

3 (7) take administrative action by issuing
4 orders and instructions to assure implementation of and
5 compliance with the provisions of law for whose administration
6 or execution the secretary is responsible and to enforce those
7 orders and instructions by appropriate administrative action in
8 the courts;

9 (8) conduct research and studies that will
10 improve the operations of the department and the provision of
11 services to the residents of the state;

12 (9) provide courses of instruction and
13 practical training for employees of the department and other
14 persons involved in the administration of programs with the
15 objective of improving the operations and efficiency of
16 administration;

17 (10) prepare an annual budget of the
18 department;

19 (11) give bond in the sum of twenty-five
20 thousand dollars (\$25,000) and require each director to give
21 bond in the sum of ten thousand dollars (\$10,000) conditioned
22 upon the faithful performance of duties as provided in the
23 Surety Bond Act. The department shall pay the costs of these
24 bonds; and

25 (12) require performance bonds of department

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1 employees and officers as the secretary deems necessary, as
2 provided in the Surety Bond Act. The department shall pay the
3 costs of these bonds.

4 E. The secretary may apply for and receive, in the
5 name of the department, any public or private funds, including
6 United States government funds, available to the department to
7 carry out its programs, duties or services.

8 F. Where functions of the department overlap with
9 other state agencies or if a function assigned to the
10 department could better be performed by another department, the
11 secretary may recommend appropriate legislation to the next
12 session of the legislature for its approval.

13 G. The secretary may make and adopt reasonable and
14 procedural rules and regulations as may be necessary to carry
15 out the duties of the department and its divisions. A rule or
16 regulation promulgated by the director of any division of the
17 department in carrying out the functions and duties of that
18 division shall not be effective until the secretary approves
19 it, unless otherwise provided by statute. Unless otherwise
20 provided by statute, no rule or regulation affecting any person
21 or agency outside of the department shall be adopted, amended
22 or repealed without a public hearing on the proposed action
23 before the secretary or a hearing officer that the secretary
24 designates. The public hearing shall be held in Santa Fe
25 unless otherwise permitted by statute. Notice of the subject

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1 matter of the rule or regulation, the action proposed to be
2 taken, the time and place of the hearing, the manner in which
3 interested persons may present their views and the method by
4 which copies of the proposed rule or regulation or proposed
5 amendment or repeal of an existing rule or regulation may be
6 obtained shall be published once at least thirty days prior to
7 the hearing date on the department's web site and in a
8 newspaper of general circulation and mailed at least thirty
9 days prior to the hearing date to all persons who have made a
10 written request for advance notice of hearing.

11 H. In the event that the secretary anticipates that
12 the adoption, amendment or repeal of a rule or regulation will
13 be required by a cancellation, reduction or suspension of
14 federal funds or by an order by a court of competent
15 jurisdiction:

16 (1) if the secretary is notified by
17 appropriate federal authorities or court order at least sixty
18 days prior to the effective date of the cancellation, reduction
19 or termination of federal funds, the department shall
20 promulgate rules or regulations through the public hearing
21 process to be effective on the date mandated by the appropriate
22 federal authority; or

23 (2) if the secretary is notified by
24 appropriate federal authorities or court order less than sixty
25 days prior to the effective date of the cancellation, reduction

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1 or suspension of federal funds, the department shall, without a
2 public hearing, promulgate interim rules or regulations
3 effective for a period not to exceed ninety days. Interim
4 rules or regulations shall not be promulgated without first
5 providing a written notice twenty days in advance to providers
6 of medical or behavioral health services and beneficiaries of
7 department programs. At the time of the promulgation of the
8 interim rules or regulations, the department shall give notice
9 of the public hearing on the final rules or regulations in
10 accordance with Subsection G of this section.

11 I. If the secretary certifies to the secretary of
12 finance and administration and gives contemporaneous notice of
13 that certification through a health policy and finance register
14 that the department has insufficient state funds to operate any
15 of the programs it administers and that reductions in services
16 or benefit levels are necessary, the secretary may engage in
17 interim rulemaking. Notwithstanding any provision to the
18 contrary in the State Rules Act, interim rulemaking shall be
19 conducted pursuant to Subsection G of this section, except
20 that:

21 (1) the period of notice of public hearing
22 shall be fifteen days;

23 (2) the department shall also send individual
24 notices of the interim rulemaking and of the public hearing to
25 affected providers and beneficiaries;

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1 (3) rules and regulations promulgated pursuant
2 to the provisions of this subsection shall be in effect not
3 less than five days after the public hearing;

4 (4) rules and regulations promulgated pursuant
5 to the provisions of this subsection shall not be in effect for
6 more than ninety days; and

7 (5) if final rules and regulations are
8 necessary to replace the interim rules and regulations, the
9 department shall give notice of intent to promulgate final
10 rules and regulations at the time of notice. The final rules
11 and regulations shall be promulgated not more than forty-five
12 days after the public hearing and filed in accordance with the
13 State Rules Act.

14 J. At the time of the promulgation of the interim
15 rules or regulations, the department shall give notice of the
16 public hearing on the final rules or regulations in accordance
17 with Subsection G of this section.

18 K. The secretary shall ensure that any behavioral
19 health services, including mental health and substance abuse
20 services, that are provided, contracted for or approved are in
21 compliance with the requirements of Section 9-7-6.4 NMSA 1978.

22 L. All rules and regulations shall be filed in
23 accordance with the State Rules Act.

24 M. At least once each calendar quarter, the
25 secretary shall consult with the health care cost-containment

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1 and delivery system board and at least quarterly receive any
2 policy recommendations from that board.

3 SECTION 5. [NEW MATERIAL] DUTIES OF THE HEALTH
4 ADMINISTRATION AND FINANCE DEPARTMENT.--

5 A. As of July 1, 2011, the department shall:

6 (1) provide medical assistance pursuant to the
7 provisions of the Public Assistance Act;

8 (2) provide behavioral health services and
9 operate the interagency behavioral health purchasing
10 collaborative pursuant to the provisions of Section 9-7-6.4
11 NMSA 1978;

12 (3) conduct a study and, by September 1, 2012,
13 make recommendations to the legislative health and human
14 services committee and to the legislative finance committee
15 regarding the feasibility of transferring from the department
16 of health and from the human services department to the health
17 administration and finance department all of the home- and
18 community-based waiver services and other programs delivering
19 services to individuals living with developmental disabilities,
20 including the administrative, finance, service delivery and any
21 other components of those programs;

22 (4) undertake a feasibility study regarding
23 the quality of care provided and cost-effectiveness of the
24 state's reliance upon managed-care contracts to provide
25 coordinated long-term services, behavioral health services

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1 through a statewide entity and other medical assistance. By
2 September 1, 2014, the department shall provide the results of
3 the feasibility study and make legislative recommendations
4 pursuant to that study to the legislative health and human
5 services committee and to the legislative finance committee;

6 (5) convene a task force made up of the
7 secretary, representatives of the department, the
8 superintendent of any school district with a student enrollment
9 in excess of sixty thousand students and the directors of the
10 public school insurance authority, the retiree health care
11 authority and the risk management division of the general
12 services department. The task force shall meet at least
13 quarterly between July 1, 2011 and July 31, 2012. The task
14 force shall analyze how to transfer the health coverage
15 functions of any school district with a student enrollment in
16 excess of sixty thousand students, the public school insurance
17 authority, the retiree health care authority and the risk
18 management division of the general services department. By
19 August 1, 2012, the department shall compile a report with
20 legislative recommendations on how to implement the January 1,
21 2014 transfer of the health coverage functions of those
22 entities and the potential for cost containment as a result of
23 that transfer. The department shall present the report to the
24 legislative health and human services committee and to the
25 legislative finance committee; and

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1 (6) implement a health care work force
2 database and collect data pertaining to health care providers
3 who apply for licensure or renewal of health care provider
4 licensure pursuant to Chapter 61 NMSA 1978.

5 B. As of January 1, 2014, the department shall:

6 (1) purchase health care benefits on behalf of
7 the publicly funded health care agencies; and

8 (2) administer long-term services, including:

9 (a) the coordinated long-term services
10 home- and community-based waiver program;

11 (b) the Mi Via self-directed home- and
12 community-based waiver program as it relates to individuals who
13 are elderly, disabled or brain-injured and require a nursing
14 facility level of care;

15 (c) the program of all-inclusive care
16 for the elderly;

17 (d) the brain injury services program;

18 (e) the home- and community-based waiver
19 program for individuals living with acquired immunodeficiency
20 syndrome or conditions related to acquired immunodeficiency
21 syndrome;

22 (f) the home- and community-based waiver
23 program for individuals who are medically fragile; and

24 (g) quality assurance programs related
25 to the programs in Subparagraphs (a) through (f) of this

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1 paragraph.

2 C. As of January 1, 2014, the department shall
3 implement an all-payer claims database.

4 D. Before executing any contracts to provide long-
5 term services, behavioral health services or medical assistance
6 through a managed care organization, the department shall:

7 (1) provide a draft of the proposed contract
8 and any bids received from managed care organizations to the
9 interim legislative health and human services committee and the
10 legislative finance committee; and

11 (2) post the proposed contract in a manner
12 easily accessible to the public on the department's web site.

13 E. In the event that there is established in the
14 state a health benefits exchange, the department shall
15 cooperate with the exchange to share information and facilitate
16 transitions between the exchange and medicaid, the children's
17 health insurance program or any other state public health
18 coverage program.

19 SECTION 6. [NEW MATERIAL] BEHAVIORAL HEALTH SERVICES
20 DIVISION--POWERS AND DUTIES.--Subject to appropriation, the
21 behavioral health services division of the department shall:

22 A. contract for behavioral health treatment and
23 support services, including mental health services, and alcohol
24 abuse services and other substance abuse services;

25 B. establish standards for the delivery of

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1 behavioral health services, including quality management and
2 improvement, performance measures, accessibility and
3 availability of services, utilization management, credentialing
4 and recredentialing, rights and responsibilities of behavioral
5 health services providers, preventive behavioral health
6 services, clinical treatment and evaluation and the
7 documentation and confidentiality of client records;

8 C. ensure that all behavioral health services,
9 including mental health and substance abuse services, that are
10 provided, contracted for or approved are in compliance with the
11 requirements of Section 9-7-6.4 NMSA 1978;

12 D. assume responsibility for and implement adult
13 mental health and substance abuse services in the state in
14 coordination with the children, youth and families department;

15 E. establish criteria for determining individual
16 eligibility for behavioral health services; and

17 F. maintain a management information system in
18 accordance with standards for reporting.

19 SECTION 7. Section 9-7-6.4 NMSA 1978 (being Laws 2004,
20 Chapter 46, Section 8, as amended) is amended to read:

21 "9-7-6.4. INTERAGENCY BEHAVIORAL HEALTH PURCHASING
22 COLLABORATIVE.--

23 A. There is created the "interagency behavioral
24 health purchasing collaborative", consisting of the secretaries
25 of aging and long-term services; health administration and

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1 finance; Indian affairs; [~~human services~~] health; corrections;
2 children, youth and families; finance and administration;
3 workforce solutions; public education; and transportation; the
4 directors of the administrative office of the courts; the New
5 Mexico mortgage finance authority; the governor's commission on
6 disability; the developmental disabilities planning council;
7 the instructional support and vocational [~~rehabilitation~~]
8 education division of the public education department; and the
9 New Mexico health policy commission; and the governor's health
10 policy coordinator, or their designees. The collaborative
11 shall be chaired by the secretary of [~~human services~~] health
12 administration and finance, with the respective secretaries of
13 health and children, youth and families alternating annually as
14 co-chairs.

15 B. The collaborative shall meet regularly and at
16 the call of either co-chair and shall:

17 (1) identify behavioral health needs
18 statewide, with an emphasis on that hiatus between needs and
19 services set forth in the department of health's gap analysis
20 and in ongoing needs assessments, and develop a master plan for
21 statewide delivery of services;

22 (2) give special attention to regional
23 differences, including cultural, rural, frontier, urban and
24 border issues;

25 (3) inventory all expenditures for behavioral

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1 health, including mental health and substance abuse;

2 (4) plan, design and direct a statewide
3 behavioral health system, ensuring both availability of
4 services and efficient use of all behavioral health funding,
5 taking into consideration funding appropriated to specific
6 affected departments; and

7 (5) make recommendations to the secretary of
8 health administration and finance on provisions to be contained
9 in a contract for operation of one or more behavioral health
10 entities to ensure availability of services throughout the
11 state.

12 C. The plan for delivery of behavioral health
13 services shall include specific service plans to address the
14 needs of infants, children, adolescents, adults and seniors, as
15 well as to address work force development and retention and
16 quality improvement issues. The plan shall be revised every
17 two years and shall be adopted by the department of health as
18 part of the statewide health plan.

19 D. The plan shall take the following principles
20 into consideration, to the extent practicable and within
21 available resources:

22 (1) services should be individually centered
23 and family-focused based on principles of individual capacity
24 for recovery and resiliency;

25 (2) services should be delivered in a

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1 culturally responsive manner in a home- or community-based
2 setting, where possible;

3 (3) services should be delivered in the least
4 restrictive and most appropriate manner;

5 (4) individualized service planning and case
6 management should take into consideration individual and family
7 circumstances, abilities and strengths and be accomplished in
8 consultation with appropriate family, caregivers and other
9 persons critical to the individual's life and well-being;

10 (5) services should be coordinated,
11 accessible, accountable and of high quality;

12 (6) services should be directed by the
13 individual or family served to the extent possible;

14 (7) services may be consumer- or family-
15 provided, as defined by the collaborative;

16 (8) services should include behavioral health
17 promotion, prevention, early intervention, treatment and
18 community support; and

19 (9) services should consider regional
20 differences, including cultural, rural, frontier, urban and
21 border issues.

22 E. The collaborative shall seek and consider
23 suggestions of Native American representatives from Indian
24 nations, tribes and pueblos and the urban Indian population,
25 located wholly or partially within New Mexico, in the

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1 development of the plan for delivery of behavioral health
2 services.

3 F. Pursuant to the State Rules Act, the
4 collaborative shall adopt rules through the [~~human services~~]
5 health administration and finance department for:

6 (1) standards of delivery for behavioral
7 health services provided through contracted behavioral health
8 entities, including:

9 (a) quality management and improvement;

10 (b) performance measures;

11 (c) accessibility and availability of
12 services;

13 (d) utilization management;

14 (e) credentialing of providers;

15 (f) rights and responsibilities of
16 consumers and providers;

17 (g) clinical evaluation and treatment
18 and supporting documentation; and

19 (h) confidentiality of consumer records;

20 and

21 (2) approval of contracts and contract
22 amendments by the collaborative, including public notice of the
23 proposed final contract.

24 G. The collaborative shall, through the [~~human~~
25 ~~services~~] health administration and finance department, submit

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1 a separately identifiable consolidated behavioral health budget
2 request. The consolidated behavioral health budget request
3 shall account for requested funding for the behavioral health
4 services program at the [~~human services~~] health administration
5 and finance department and any other requested funding for
6 behavioral health services from agencies identified in
7 Subsection A of this section that will be used pursuant to
8 Paragraph (5) of Subsection B of this section. Any contract
9 proposed, negotiated or entered into by the collaborative is
10 subject to the provisions of the Procurement Code.

11 H. The collaborative shall, with the consent of the
12 governor, appoint a "director of the collaborative". The
13 director is responsible for the coordination of day-to-day
14 activities of the collaborative, including the coordination of
15 staff from the collaborative member agencies.

16 I. The collaborative shall provide a quarterly
17 report to the legislative health and human services committee
18 and the legislative finance committee on performance outcome
19 measures. The collaborative shall submit an annual report to
20 the legislative finance committee and the [~~interim~~] legislative
21 health and human services committee that provides information
22 on:

23 (1) the collaborative's progress toward
24 achieving its strategic plans and goals;

25 (2) the collaborative's performance

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1 information, including contractors and providers; and

2 (3) the number of people receiving services,
3 the most frequently treated diagnoses, expenditures by type of
4 service and other aggregate claims data relating to services
5 rendered and program operations."

6 SECTION 8. Section 9-7-11.2 NMSA 1978 (being Laws 1991,
7 Chapter 139, Section 2, as amended) is amended to read:

8 "9-7-11.2. NEW MEXICO HEALTH POLICY COMMISSION
9 CREATED--COMPOSITION--DUTIES.--

10 A. There is created the "New Mexico health policy
11 commission", which is [~~administratively attached to the~~
12 ~~department of finance and administration~~] an adjunct agency.

13 B. The New Mexico health policy commission shall
14 consist of nine members appointed by the governor with the
15 advice and consent of the senate to reflect the ethnic,
16 economic, geographic and professional diversity of the state.
17 Members may be removed only for cause. A majority of the
18 commission members shall have no pecuniary or fiduciary
19 interest in the health services industry while serving or for
20 three years preceding appointment to the commission. Three
21 members shall be appointed for one-year terms, three members
22 shall be appointed for two-year terms and three members shall
23 be appointed for three-year terms, and all subsequent
24 appointments shall be made for three-year terms.

25 C. The New Mexico health policy commission shall

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1 meet at the call of the chair and shall meet not less than
2 quarterly. The chair shall be elected from among the members
3 of the commission. Members of the New Mexico health policy
4 commission shall not be paid but shall receive per diem and
5 mileage expenses as provided in the Per Diem and Mileage Act.

6 D. The New Mexico health policy commission shall
7 establish task forces as needed to make recommendations to the
8 commission on various health issues. Task force members may
9 include individuals who have expertise or a pecuniary or
10 fiduciary interest in the health services industry. Voting
11 members of a task force may receive mileage expenses if they:

12 (1) are members who represent consumer
13 interests;

14 (2) are individuals who were not appointed to
15 represent the views of the organization or agency for which
16 they work; or

17 (3) represent an organization that has a
18 policy of not reimbursing travel expenses of employees or
19 representatives for travel to meetings.

20 E. The New Mexico health policy commission shall:

21 (1) develop a plan for and monitor the
22 implementation of the state's health policy;

23 (2) obtain and evaluate information from a
24 broad spectrum of New Mexico's society to develop and monitor
25 the implementation of the state's health policy;

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1 (3) obtain and evaluate information relating
2 to factors that affect the availability and accessibility of
3 health services and health care personnel in the public and
4 private sectors;

5 (4) perform needs assessments on health
6 personnel, health education and recruitment and retention and
7 make recommendations regarding the training, recruitment,
8 placement and retention of health professionals in underserved
9 areas of the state;

10 (5) prepare and publish an annual report
11 describing the progress in addressing the state's health policy
12 and planning issues. The report shall include a [~~workplan~~]
13 work plan of goals and objectives for addressing the state's
14 health policy and planning issues in the upcoming year;

15 (6) distribute the annual report to the
16 governor, appropriate state agencies and interim legislative
17 committees and interested parties;

18 (7) establish a process to prioritize
19 recommendations on program development, resource allocation and
20 proposed legislation;

21 (8) provide information and analysis on health
22 issues;

23 (9) serve as a catalyst and synthesizer of
24 health policy in the public and private sectors;

25 (10) respond to requests by the executive and

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1 legislative branches of government; ~~and~~

2 (11) ensure that any behavioral health
3 projects, including those relating to mental health and
4 substance abuse, are conducted in compliance with the
5 requirements of Section 9-7-6.4 NMSA 1978; and

6 (12) appoint an executive director, who shall
7 be the administrative officer of the commission. The executive
8 director shall employ other necessary employees pursuant to the
9 provisions of the Personnel Act."

10 SECTION 9. Section 27-2-12 NMSA 1978 (being Laws 1973,
11 Chapter 376, Section 16, as amended) is amended to read:

12 "27-2-12. MEDICAL ASSISTANCE PROGRAMS.--

13 A. Consistent with the federal act and subject to
14 the appropriation and availability of federal and state funds,
15 the ~~[medical assistance division of the]~~ health administration
16 and finance department may by rule provide medical assistance,
17 including the services of licensed doctors of oriental
18 medicine, licensed chiropractic physicians and licensed dental
19 hygienists in collaborating practice, to persons eligible for
20 public assistance programs under the federal act.

21 B. Subject to appropriation and availability of
22 federal, state or other funds received by the state from public
23 or private grants or donations, the ~~[medical assistance~~
24 ~~division of the]~~ health administration and finance department
25 may, by rule, provide medical assistance, including assistance

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1 in the payment of premiums for medical or long-term care
2 insurance, to children up to the age of twelve if not part of a
3 sibling group; children up to the age of eighteen if part of a
4 sibling group that includes a child up to the age of twelve;
5 and pregnant women who are residents of the state of New Mexico
6 and who are ineligible for public assistance under the federal
7 act. The health administration and finance department, in
8 implementing the provisions of this subsection, shall:

9 (1) establish rules that encourage pregnant
10 women to participate in prenatal care; and

11 (2) not provide a benefit package that exceeds
12 the benefit package provided to state employees."

13 SECTION 10. TEMPORARY PROVISION--MEDICAL ASSISTANCE
14 PROGRAMS AND BEHAVIORAL HEALTH SERVICES PROGRAMS--TRANSFER OF
15 PROPERTY AND CONTRACTS.--On July 1, 2011:

16 A. all appropriations, money, records, equipment,
17 supplies and other property directly related to medical
18 assistance and behavioral health services programs shall be
19 transferred from the human services department to the health
20 administration and finance department; and

21 B. all contracts relating to medical assistance and
22 behavioral health services programs currently binding and
23 effective upon the human services department or the interagency
24 behavioral health purchasing collaborative shall be binding and
25 effective on the health administration and finance department.

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1 SECTION 11. TEMPORARY PROVISION--LONG-TERM SERVICES

2 PROGRAMS--TRANSFER OF PROPERTY AND CONTRACTS.--On January 1,
3 2014:

4 A. all appropriations, money, records, equipment,
5 supplies and other property directly related to the following
6 programs currently located at the aging and long-term services
7 department shall be transferred from the aging and long-term
8 services department to the health administration and finance
9 department:

10 (1) the coordination of long-term services
11 program for disabled, elderly or brain-injured individuals;

12 (2) that component of the Mi Via self-directed
13 waiver program that serves disabled, elderly or brain-injured
14 individuals who meet the criterion of needing a nursing-
15 facility level of care;

16 (3) the program of all-inclusive care for the
17 elderly;

18 (4) the brain injury services program; and

19 (5) quality assurance programs related to any
20 of the programs listed in Paragraphs (1) through (4) of this
21 subsection; and

22 B. all contracts relating to the programs listed in
23 Subsection A of this section currently binding and effective
24 upon the aging and long-term services department shall be
25 binding and effective upon the health administration and

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1 finance department.

2 SECTION 12. TEMPORARY PROVISION--DEPARTMENT OF HEALTH
3 MEDICALLY FRAGILE AND ACQUIRED IMMUNODEFICIENCY SYNDROME WAIVER
4 PROGRAMS--TRANSFER OF PROPERTY AND CONTRACTS.--On January 1,
5 2014:

6 A. all appropriations, money, records, equipment,
7 supplies and other property of the department of health
8 directly related to the provision of services pursuant to the
9 medically fragile and acquired immunodeficiency syndrome and
10 acquired immunodeficiency syndrome-related condition waiver
11 programs, including quality control and administrative support
12 services related to those programs, shall be transferred to the
13 health administration and finance department; and

14 B. all contracts directly related to the programs
15 listed in Subsection A of this section currently binding and
16 effective upon the department of health shall be binding and
17 effective upon the health administration and finance
18 department.

19 SECTION 13. REPEAL.--

20 A. Section 10-7B-1 through 10-7B-8 NMSA 1978 (being
21 Laws 1989, Chapter 231, Sections 1 through 6, Laws 2005,
22 Chapter 301, Section 4 and Laws 1989, Chapter 23, Sections 7
23 and 8, as amended) are repealed effective January 1, 2014.

24 B. Sections 10-7C-1 through 10-7C-19 NMSA 1978
25 (being Laws 1990, Chapter 6, Sections 1 through 7; Laws 2000,

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1 Chapter 79, Sections 1 and 2; Laws 1990, Chapter 6, Sections 8
2 through 16; Laws 2002, Chapter 75, Section 2 and Laws 2002,
3 Chapter 80, Section 2; Laws 2002, Chapter 75, Section 3 and
4 Laws 2002, Chapter 80, Section 3; and Laws 2002, Chapter 75,
5 Section 4 and Laws 2002, Chapter 80, Section 4, as amended) are
6 repealed effective January 1, 2014.

7 C. Sections 13-7-1 through 13-7-11 NMSA 1978 (being
8 Laws 1997, Chapter 74, Sections 1 through 4, Laws 2001, Chapter
9 351, Sections 1 through 3, Laws 2003, Chapter 391, Section 2,
10 Laws 2007, Chapter 218, Section 1, Laws 2007, Chapter 356,
11 Section 1 and Laws 2009, Chapter 212, Section 1, as amended)
12 are repealed effective January 1, 2014.

13 D. Sections 22-29-1 through 22-29-12 NMSA 1978
14 (being Laws 1986, Chapter 94, Sections 1 through 9, Laws 1989,
15 Chapter 373, Section 5, Laws 2005, Chapter 274, Section 18 and
16 Laws 2007, Chapter 236, Section 3, as amended) are repealed
17 effective January 1, 2014.