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SENATE BILL 386

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

INTRODUCED BY

Linda M. Lopez

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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