

1 SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR  
2 SENATE BILLS 38 & 370

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10 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

11 AN ACT

12 RELATING TO HEALTH INSURANCE; ENACTING THE NEW MEXICO HEALTH  
13 INSURANCE EXCHANGE ACT; CREATING THE NEW MEXICO HEALTH  
14 INSURANCE EXCHANGE; PROVIDING FOR THE APPOINTMENT, POWERS AND  
15 DUTIES OF A BOARD OF DIRECTORS FOR THE EXCHANGE; PROVIDING THE  
16 SUPERINTENDENT OF INSURANCE OF THE PUBLIC REGULATION COMMISSION  
17 WITH RULEMAKING POWERS RELATING TO THE EXCHANGE; PROVIDING FOR  
18 POWERS AND DUTIES OF THE EXCHANGE; PROVIDING FOR QUALIFIED  
19 HEALTH PLAN CERTIFICATION; PROVIDING FOR TRANSPARENCY OF  
20 EXCHANGE FUNDING AND OPERATIONS; AMENDING AND ENACTING SECTIONS  
21 OF THE NMSA 1978; RECONCILING MULTIPLE AMENDMENTS TO THE SAME  
22 SECTION OF LAW IN LAWS 2009; DECLARING AN EMERGENCY.

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

24 SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1  
25 through 9 of this act may be cited as the "New Mexico Health  
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1 Insurance Exchange Act".

2 SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the  
3 New Mexico Health Insurance Exchange Act:

4 A. "board" means the board of directors of the  
5 exchange;

6 B. "carrier" means a person that is subject to  
7 licensure by the superintendent or subject to the provisions of  
8 the New Mexico Insurance Code and that provides one or more  
9 health benefits or insurance plans in the state;

10 C. "dependent" means "dependent" as defined in  
11 Section 152 of the federal Internal Revenue Code of 1986;

12 D. "employee" means an individual hired by another  
13 individual or entity for a wage or fixed payment in exchange  
14 for personal services and who does not provide the services as  
15 part of an independent business;

16 E. "exchange" means the New Mexico health insurance  
17 exchange;

18 F. "health care provider" means an individual who  
19 is licensed, certified or otherwise authorized or permitted by  
20 law pursuant to Chapter 61 NMSA 1978 to provide health care in  
21 the ordinary course of business or practice of a profession;

22 G. "health care services finance or coverage  
23 sector" includes carriers and other health insurance issuers;  
24 health maintenance or managed care organizations; nonprofit  
25 health plans; self-insured group health plans; trade

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1 associations of carriers; producers; and health care  
2 facilities;

3 H. "member" means a person appointed to the board  
4 of directors of the exchange;

5 I. "Native American" means:

6 (1) an individual who is a member of any  
7 federally recognized Indian nation, tribe or pueblo; or

8 (2) an individual who has been deemed eligible  
9 for services and programs provided to Native Americans by the  
10 United States public health service or the bureau of Indian  
11 affairs;

12 J. "qualified employer" means a small employer that  
13 elects to make its full-time employees, and, at the option of  
14 the employer, some or all of its part-time employees, eligible  
15 for one or more qualified health plans offered in the small  
16 group market through the exchange; provided that the employer:

17 (1) has its principal place of business in the  
18 state and elects to provide coverage through the exchange to  
19 all of its eligible employees, wherever employed; or

20 (2) elects to provide coverage through the  
21 exchange to all of its eligible employees who are principally  
22 employed in the state;

23 K. "qualified health plan" means health insurance  
24 coverage or a group health plan that the board has determined  
25 as meeting the requirements in federal law for coverage to be

.185652B.2

1 offered through the exchange;

2 L. "qualified individual" means an individual who:

3 (1) seeks to enroll or who participates in a  
4 qualified health plan offered through the exchange and who  
5 meets one of the following residency requirements:

6 (a) the individual is a resident of the  
7 state and is, and continues to be, legally domiciled and  
8 physically residing on a full-time basis in a place of  
9 habitation in the state that remains the person's principal  
10 residence and from which the person is absent only for a  
11 temporary or transitory purpose;

12 (b) the individual is a full-time  
13 student attending an educational institution outside of the  
14 state but, prior to attending the educational institution, met  
15 the requirements of Subparagraph (a) of this paragraph;

16 (c) the individual is a full-time  
17 student attending an institution of higher education located in  
18 the state;

19 (d) the individual, whether a resident  
20 or not, is a dependent; or

21 (e) the individual, whether a resident  
22 or not, is an employee of a qualified employer;

23 (2) is not incarcerated at the time of  
24 enrollment, other than incarceration pending the disposition of  
25 charges; and

.185652B.2

1 (3) is a citizen or national of the United  
2 States or an alien lawfully present in the United States, or  
3 who is reasonably expected to be a citizen or national of the  
4 United States or an alien lawfully present in the United States  
5 during the entire period for which enrollment in the exchange  
6 is sought;

7 M. "small employer" means a person that is actively  
8 engaged in business that employed an average of at least one  
9 but not more than fifty full-time-equivalent employees on  
10 business days during the preceding calendar year and that  
11 employs at least one employee in the first day of the plan  
12 year; provided that:

13 (1) the small employer elects to make all  
14 full-time employees eligible for one or more qualified health  
15 plans offered in the small group market through the exchange;

16 (2) persons that are affiliated persons or  
17 that are eligible to file a combined tax return for purposes of  
18 state income taxation shall be considered one small employer;

19 (3) in the case of an employer that was not in  
20 existence throughout a preceding calendar year, the  
21 determination of whether the employer is a small employer shall  
22 be based on the average number of employees that the employer  
23 is reasonably expected to employ on working days in the current  
24 calendar year; and

25 (4) the person is not a self-insured entity;

.185652B.2

1 and

2 N. "superintendent" means the superintendent of  
3 insurance of the insurance division of the public regulation  
4 commission or the division's successor in interest.

5 SECTION 3. [NEW MATERIAL] NEW MEXICO HEALTH INSURANCE  
6 EXCHANGE CREATED--BOARD CREATED.--

7 A. The "New Mexico health insurance exchange" is  
8 created as a nonprofit public corporation to provide qualified  
9 individuals and qualified employers with increased access to  
10 health insurance in the state and shall be governed by a board  
11 of directors constituted pursuant to the provisions of the New  
12 Mexico Health Insurance Exchange Act. The exchange is a  
13 governmental entity for purposes of the Tort Claims Act, and  
14 neither the exchange nor the board shall be considered a  
15 governmental entity for any other purpose.

16 B. The "board of directors of the New Mexico health  
17 insurance exchange" is created. The board consists of eleven  
18 voting members. One voting ex-officio member is the secretary  
19 of human services, the secretary of the human services  
20 department's successor in interest responsible for the state's  
21 medicaid program or the secretary's designee. One nonvoting  
22 ex-officio member is the superintendent or the superintendent's  
23 designee.

24 C. Managerial and full-time employees of the  
25 exchange and appointed members, while serving on the board,

.185652B.2

1 except those whom the superintendent appoints from the New  
 2 Mexico medical insurance pool and those whom the governor  
 3 appoints from the New Mexico health insurance alliance boards  
 4 of directors, who shall not be considered to have a conflict of  
 5 interest with respect to their association with those entities,  
 6 shall not have any affiliation with or any income derived from:

7 (1) current or active employment as, a  
 8 contract with or consultation for a health care provider; or

9 (2) current or active employment in, a  
 10 contract with or consultation for the health care services  
 11 finance or coverage sectors.

12 D. Each board member and employee of the exchange  
 13 shall have a fiduciary duty to the exchange.

14 E. The board shall be composed, as a whole, to  
 15 assure representation of the state's Native American  
 16 population, ethnic diversity, cultural diversity and geographic  
 17 diversity. Board members shall have demonstrated knowledge or  
 18 experience in at least one of the following areas:

19 (1) purchasing coverage in the individual  
 20 market;

21 (2) purchasing coverage in the small employer  
 22 market;

23 (3) health care finance;

24 (4) health care economics;

25 (5) health care policy;

.185652B.2

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1 (6) the enrollment of underserved residents in  
2 health care coverage; or

3 (7) administering private or public health  
4 care insurance.

5 F. Selection of the ten appointed voting members  
6 shall be as follows:

7 (1) the governor shall appoint three members  
8 selected from the New Mexico health insurance alliance board of  
9 directors who represent qualified employers. If the New Mexico  
10 health insurance alliance ceases to exist, members appointed by  
11 the governor shall be chosen from officers, general partners or  
12 proprietors of qualified employers;

13 (2) the superintendent shall appoint three  
14 members selected from the New Mexico medical insurance pool  
15 board of directors, who shall represent individual consumers in  
16 the health insurance market. If the New Mexico medical  
17 insurance pool ceases to exist, members appointed by the  
18 superintendent shall be chosen from among the following, each  
19 of whom shall be a resident of the state:

20 (a) individuals who are not  
21 professionally affiliated with a carrier; and

22 (b) individuals who have purchased  
23 coverage in the exchange; and

24 (3) members of the legislature shall appoint  
25 four members as follows: the president pro tempore of the

.185652B.2

1 senate, the speaker of the house of representatives, the senate  
2 minority leader and the house minority leader shall each  
3 appoint one member.

4 G. The members selected from the New Mexico health  
5 insurance alliance board and the New Mexico medical insurance  
6 pool board shall have terms that coincide with terms of  
7 membership on their respective originating boards. The members  
8 selected by members of the legislature shall have initial terms  
9 chosen by lot as follows: two shall serve four-year terms and  
10 two shall serve three-year terms. Thereafter, members shall  
11 serve three-year terms.

12 H. A member shall serve until the member's  
13 successor is appointed by the respective appointing authority.

14 I. The exchange and the board shall operate  
15 consistent with provisions of the Governmental Conduct Act, the  
16 Inspection of Public Records Act, the Financial Disclosure Act  
17 and the Open Meetings Act and shall not be subject to the  
18 Procurement Code or the Personnel Act.

19 J. A majority of members constitutes a quorum. The  
20 board may allow members to attend meetings by telephone or  
21 other electronic media. A decision by the board requires a  
22 quorum and a majority of members in attendance voting in favor  
23 of the decision.

24 K. Within sixty days of the effective date of the  
25 New Mexico Health Insurance Exchange Act, the superintendent

.185652B.2

1 shall convene the organizational meeting of the board, during  
2 which the board shall elect a chair and vice chair from among  
3 its members. Thereafter, every three years the board shall  
4 elect in open meeting a chair and vice chair from among its  
5 members. The chair and vice chair shall serve no more than two  
6 consecutive three-year terms as chair and vice chair.

7 L. A vacancy on the board shall be filled by  
8 appointment by the original appointing authority for the  
9 remainder of the member's unexpired term.

10 M. A member may be removed from the board by a  
11 majority vote of the members. The board shall set standards  
12 for attendance and may remove a member for lack of attendance,  
13 neglect of duty or malfeasance in office. A member shall not  
14 be removed without proceedings consisting of at least one  
15 ten-day notice of hearing and an opportunity to be heard.  
16 Removal proceedings shall be before the board and in accordance  
17 with procedures adopted by the board.

18 N. Appointed members may receive per diem and  
19 mileage in accordance with the Per Diem and Mileage Act,  
20 subject to the travel policy set by the board. Appointed  
21 members shall receive no other compensation, perquisite or  
22 allowance.

23 O. The board shall meet at the call of the chair  
24 and no less often than once per calendar quarter. There shall  
25 be at least seven days' notice given to members prior to any

.185652B.2

1 meeting. There shall be sufficient notice provided to the  
 2 public prior to meetings consistent with the Open Meetings Act.

3 P. The board shall create, make appointments to and  
 4 duly consider recommendations of an advisory committee or  
 5 committees made up of stakeholders, including carriers, health  
 6 care consumers, health care providers, health care  
 7 practitioners, brokers, qualified employer representatives and  
 8 advocates for low-income or underserved residents.

9 Q. The board shall create an advisory committee  
 10 made up of Native Americans, some of whom live on a reservation  
 11 and some of whom do not live on a reservation, to guide the  
 12 implementation of the Native-American-specific provisions of  
 13 the federal Patient Protection and Affordable Care Act and the  
 14 federal Indian Health Care Improvement Act.

15 SECTION 4. [NEW MATERIAL] BOARD OF DIRECTORS--

16 POWERS.--The board may:

17 A. seek and receive grant funding from federal,  
 18 state or local governments or private philanthropic  
 19 organizations to defray the costs of operating the exchange;

20 B. generate funding, including but not limited to,  
 21 charging assessments or fees, to support its operations in  
 22 accordance with provisions of the New Mexico Health Insurance  
 23 Exchange Act;

24 C. create ad hoc advisory councils;

25 D. request assistance from other boards,

.185652B.2

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1 commissions, departments, agencies and organizations as  
2 necessary to provide appropriate expertise to accomplish the  
3 exchange's duties;

4 E. enter into contracts with persons or other  
5 organizations as necessary or proper to carry out the  
6 provisions and purposes of the New Mexico Health Insurance  
7 Exchange Act, including the authority to contract or employ  
8 staff for the performance of administrative, legal, actuarial,  
9 accounting and other functions, provided that no contractor  
10 shall be a carrier;

11 F. enter into contracts with similar exchanges of  
12 other states for the joint performance of common administrative  
13 functions;

14 G. enter into information-sharing agreements with  
15 federal and state agencies and other state exchanges to carry  
16 out its responsibilities; provided that these agreements  
17 include adequate protections of the confidentiality of the  
18 information to be shared and comply with all state and federal  
19 laws and regulations;

20 H. sue or be sued or otherwise take any necessary  
21 or proper legal action in the execution of its duties and  
22 powers;

23 I. appoint board committees, which may include  
24 non-board members, to provide technical assistance in the  
25 operation of the exchange and any other function within the

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1 authority of the exchange; and

2 J. conduct periodic audits to assure the general  
3 accuracy of the financial data submitted to the exchange.

4 SECTION 5. [NEW MATERIAL] PLAN OF OPERATION.--

5 A. The board shall submit a plan of operation, and  
6 any necessary amendments to the plan, to the superintendent  
7 with any provisions to ensure the fair, reasonable and  
8 equitable administration of the exchange.

9 B. The superintendent shall, after notice and  
10 hearing, approve the plan of operation, provided it is  
11 determined to ensure fair, reasonable and equitable  
12 administration of the exchange. The plan of operation shall  
13 become effective upon the superintendent's written approval.

14 C. The plan of operation shall:

15 (1) establish procedures to implement the  
16 provisions of the New Mexico Health Insurance Exchange Act,  
17 consistent with state law, the federal Patient Protection and  
18 Affordability Act and other federal law, including:

19 (a) determination of which qualified  
20 health plans will be offered through the exchange;

21 (b) eligibility determination for the  
22 exchange and related public programs;

23 (c) enrollment of qualified individuals  
24 and qualified employers;

25 (d) administration of assessments and

.185652B.2

1 fees;

2 (e) a navigator program; and

3 (f) a quality rating system for

4 qualified health plans;

5 (2) establish procedures for handling and  
6 accounting for the exchange's assets and money;

7 (3) establish regular times and meeting places  
8 for meetings of the board;

9 (4) establish a program to publicize the  
10 existence of the exchange, the qualified health plans, the  
11 eligibility requirements and procedures for enrollment in a  
12 qualified health plan, Medicaid or other public health coverage  
13 program and to maintain public awareness of the exchange;

14 (5) establish consumer complaint and grievance  
15 procedures for issues raised with the exchange;

16 (6) establish procedures for alternative  
17 dispute resolution between the exchange and contractors or  
18 carriers;

19 (7) establish conflict of interest policies  
20 and procedures; and

21 (8) contain additional provisions necessary  
22 and proper for the execution of the powers and duties of the  
23 board.

24 SECTION 6. [NEW MATERIAL] BOARD DUTIES--REPORTING.--The  
25 board shall:

.185652B.2

1           A. between July 1, 2011 and January 1, 2014 provide  
2 quarterly reports to the legislature, the governor and the  
3 superintendent on the implementation of the exchange and report  
4 annually and upon request thereafter;

5           B. by January 1, 2012:

6                 (1) report findings and submit recommendations  
7 to the legislative health and human services committee, the  
8 legislative finance committee and the superintendent on how to  
9 avoid adverse selection; and

10                (2) provide legislative recommendations to the  
11 legislative health and human services committee and the  
12 legislative finance committee on whether to change the number  
13 of full-time-equivalent employees in the definition of "small  
14 employer" from fifty to one hundred before January 1, 2016.  
15 The board shall recommend a transition plan for the exchange  
16 and carriers to follow when changing the definition of "small  
17 employer", whether the change occurs prior to or on January 1,  
18 2016;

19           C. by July 1, 2013 provide recommendations to the  
20 legislative finance committee and other appropriate interim  
21 legislative committees on mechanisms for funding the operations  
22 of the exchange and a plan for achieving self-sufficiency,  
23 including the use of any assessments or fees;

24           D. by July 1, 2016, provide legislative  
25 recommendations to the legislative health and human services

.185652B.2

1 committee and the legislative finance committee on whether to:

2 (1) continue limiting qualified employer  
3 status to small employers and, if qualified employer status is  
4 extended to large employers, whether to combine the large  
5 employer risk pool with the small group market;

6 (2) combine the individual, small group and  
7 the large employer markets into a single risk pool; and

8 (3) enter into an exchange with other states  
9 or share resources or responsibilities to enhance the  
10 affordability of operating the exchange;

11 E. keep an accurate accounting of all of the  
12 activities, receipts and expenditures of the exchange and  
13 submit this information annually to the superintendent and as  
14 required by federal law to the federal secretary of health and  
15 human services;

16 F. beginning with the first year of operation in  
17 which access to health insurance coverage is provided, obtain  
18 an annual audit of the exchange's operations from an  
19 independent certified public accountant;

20 G. cooperate with the medical assistance division  
21 of the human services department, or its successor in interest,  
22 to share information and facilitate transitions in enrollment  
23 between the exchange and medicaid, the state children's health  
24 insurance program or any other state public health coverage  
25 program;

.185652B.2

1 H. publish the administrative costs of the exchange  
2 as required by state or federal law; and

3 I. discharge those duties required to implement and  
4 operate the exchange in accordance with the provisions of the  
5 New Mexico Health Insurance Exchange Act consistent with state  
6 and federal law.

7 SECTION 7. [NEW MATERIAL] RULES.--The superintendent  
8 shall:

9 A. adopt rules that implement the provisions of the  
10 New Mexico Health Insurance Exchange Act; and

11 B. adopt any other rules the superintendent deems  
12 necessary in order to carry out the provisions of the New  
13 Mexico Health Insurance Exchange Act, including:

14 (1) mechanisms for avoiding adverse selection;  
15 and

16 (2) rules for conflict resolution.

17 SECTION 8. [NEW MATERIAL] EXEMPTION.--The exchange is  
18 exempt from payment of all fees and all taxes levied by this  
19 state or any of its political subdivisions.

20 SECTION 9. [NEW MATERIAL] FUNDING.--

21 A. To fund the planning, implementation and  
22 operation of the exchange, the board shall contract with the  
23 human services department or any other state agency that  
24 receives federal funds allocated, appropriated or granted to  
25 the state for purposes of funding the planning, implementation

.185652B.2

1 or operation of a health insurance exchange.

2 B. The human services department or any other state  
3 agency that receives federal funds allocated, appropriated or  
4 granted to the state for purposes of funding the planning,  
5 implementation or operation of a health insurance exchange  
6 shall contract with the board to provide those funds to the  
7 exchange in consideration for its planning, implementation or  
8 operation.

9 SECTION 10. [NEW MATERIAL] COOPERATION WITH THE NEW  
10 MEXICO HEALTH INSURANCE EXCHANGE.--The medical assistance  
11 division of the human services department, or its successor in  
12 interest, shall cooperate with the New Mexico health insurance  
13 exchange to share information and facilitate transitions in  
14 enrollment between the exchange and medicaid, the state  
15 children's health insurance program or any other state public  
16 health coverage program.

17 SECTION 11. A new section of the New Mexico Insurance  
18 Code is enacted to read:

19 "[NEW MATERIAL] INSURANCE DIVISION--COOPERATION WITH NEW  
20 MEXICO HEALTH INSURANCE EXCHANGE.--The insurance division, or  
21 its successor in interest, shall cooperate with the New Mexico  
22 health insurance exchange to share information and assist in  
23 the implementation of the functions of the exchange."

24 SECTION 12. Section 41-4-3 NMSA 1978 (being Laws 1976,  
25 Chapter 58, Section 3, as amended by Laws 2009, Chapter 8,

.185652B.2

1 Section 2 and by Laws 2009, Chapter 129, Section 2 and also by  
 2 Laws 2009, Chapter 249, Section 2) is amended to read:

3 "41-4-3. DEFINITIONS.--As used in the Tort Claims Act:

4 A. "board" means the risk management advisory  
 5 board;

6 B. "governmental entity" means the state or any  
 7 local public body as defined in Subsections C and H of this  
 8 section;

9 C. "local public body" means all political  
 10 subdivisions of the state and their agencies, instrumentalities  
 11 and institutions and all water and natural gas associations  
 12 organized pursuant to Chapter 3, Article 28 NMSA 1978;

13 D. "law enforcement officer" means a full-time  
 14 salaried public employee of a governmental entity, or a  
 15 certified part-time salaried police officer employed by a  
 16 governmental entity, whose principal duties under law are to  
 17 hold in custody any person accused of a criminal offense, to  
 18 maintain public order or to make arrests for crimes, or members  
 19 of the national guard when called to active duty by the  
 20 governor;

21 E. "maintenance" does not include:

22 (1) conduct involved in the issuance of a  
 23 permit, driver's license or other official authorization to use  
 24 the roads or highways of the state in a particular manner; or

25 (2) an activity or event relating to a public

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1 building or public housing project that was not foreseeable;

2 F. "public employee" means an officer, employee or  
3 servant of a governmental entity, excluding independent  
4 contractors except for individuals defined in Paragraphs (7),  
5 (8), (10), (14) and (17) of this subsection, or of a  
6 corporation organized pursuant to the Educational Assistance  
7 Act, the Small Business Investment Act or the Mortgage Finance  
8 Authority Act or a licensed health care provider, who has no  
9 medical liability insurance, providing voluntary services as  
10 defined in Paragraph (16) of this subsection and including:

11 (1) elected or appointed officials;

12 (2) law enforcement officers;

13 (3) persons acting on behalf or in service of  
14 a governmental entity in any official capacity, whether with or  
15 without compensation;

16 (4) licensed foster parents providing care for  
17 children in the custody of the human services department,  
18 corrections department or department of health, but not  
19 including foster parents certified by a licensed child  
20 placement agency;

21 (5) members of state or local selection panels  
22 established pursuant to the Adult Community Corrections Act;

23 (6) members of state or local selection panels  
24 established pursuant to the Juvenile Community Corrections Act;

25 (7) licensed medical, psychological or dental

.185652B.2

1 arts practitioners providing services to the corrections  
2 department pursuant to contract;

3 (8) members of the board of directors of the  
4 New Mexico medical insurance pool;

5 (9) individuals who are members of medical  
6 review boards, committees or panels established by the  
7 educational retirement board or the retirement board of the  
8 public employees retirement association;

9 (10) licensed medical, psychological or dental  
10 arts practitioners providing services to the children, youth  
11 and families department pursuant to contract;

12 (11) members of the board of directors of the  
13 New Mexico educational assistance foundation;

14 (12) members of the board of directors of the  
15 New Mexico student loan guarantee corporation;

16 (13) members of the New Mexico mortgage  
17 finance authority;

18 (14) volunteers, employees and board members  
19 of court-appointed special advocate programs;

20 (15) members of the board of directors of the  
21 New Mexico small business investment corporation;

22 (16) health care providers licensed in New  
23 Mexico who render voluntary health care services without  
24 compensation in accordance with rules promulgated by the  
25 secretary of health. The rules shall include requirements for

.185652B.2

1 the types of locations at which the services are rendered, the  
2 allowed scope of practice and measures to ensure quality of  
3 care; ~~and~~

4 (17) an individual while participating in the  
5 state's adaptive driving program and only while using a  
6 special-use state vehicle for evaluation and training purposes  
7 in that program; and

8 (18) the staff and members of the board of  
9 directors of the New Mexico health insurance exchange;

10 G. "scope of duty" means performing any duties that  
11 a public employee is requested, required or authorized to  
12 perform by the governmental entity, regardless of the time and  
13 place of performance; and

14 H. "state" or "state agency" means the state of New  
15 Mexico or any of its branches, agencies, departments, boards,  
16 instrumentalities or institutions."

17 **SECTION 13. TEMPORARY PROVISION--NEW MEXICO HEALTH**  
18 **INSURANCE EXCHANGE--NEW MEXICO MEDICAL INSURANCE POOL--NEW**  
19 **MEXICO HEALTH INSURANCE ALLIANCE.--**

20 A. Until the date is reached upon which federal law  
21 requires it to be self-sustaining, resources for the New Mexico  
22 health insurance exchange may be provided to the New Mexico  
23 health insurance exchange by the New Mexico health insurance  
24 alliance or the New Mexico medical insurance pool through a  
25 cooperative agreement between the New Mexico health insurance

.185652B.2

1 exchange and the respective board. The New Mexico health  
2 insurance alliance and the New Mexico medical insurance pool  
3 may fund reasonably required staff and other operating expenses  
4 for the New Mexico health insurance exchange through their  
5 respective existing funding mechanisms. To the extent federal  
6 funding is available to the New Mexico health insurance  
7 exchange, the New Mexico health insurance exchange shall  
8 reimburse the New Mexico health insurance alliance and the New  
9 Mexico medical insurance pool, respectively, for such resources  
10 as each may provide.

11 B. The board of directors of the New Mexico health  
12 insurance exchange shall meet with the boards of directors of  
13 the New Mexico health insurance alliance and the New Mexico  
14 medical insurance pool to:

15 (1) develop a plan to provide portability of  
16 coverage for individuals covered through the New Mexico health  
17 insurance alliance and the New Mexico medical insurance pool to  
18 the extent possible through the New Mexico health insurance  
19 exchange; and

20 (2) prepare a report to the first session of  
21 the fifty-first legislature on recommendations for transition  
22 of functions of the New Mexico health insurance alliance and  
23 New Mexico medical insurance pool to the New Mexico health  
24 insurance exchange and on any recommendations for continued and  
25 expanded health coverage of the state's residents.

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