

LFC Requester:	Greg Geisler
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**AGENCY BILL ANALYSIS
2013 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

And

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 2/12/13
Bill No: HB168—305
HHGIC substitute

Sponsor: Rep. Mimi Stewart / HHGIC **Reviewing** Attorney General's Office
Short NM Health Insurance Exchange **Person Writing** Mark Reynolds
Title: Act **Phone:** 827-7416 **Email** mreynolds@nmag.gov

SECTION II: FISCAL IMPACT **FOR LFC OFFICIAL PURPOSES******
AGO STAFF SHOULD LEAVE SHADED AREAS BLANK

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		

(Parenthesis () Indicate Expenditure Decreases)

Relates to:
SB 221

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY13	FY14	FY15		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates, Relates to, Conflicts with, Companion to

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Opinion Letter. This is a staff analysis in response to an agency’s, committee’s or legislator’s request.

BILL SUMMARY

Summary Synopsis:

HHGIC substitute for HB 168 creates the health insurance exchange within the health insurance alliance (“HIA”). It re-organizes the board of the HIA and defines “health insurance exchange,” “qualified health plans,” “qualified employers,” “qualified individuals.” The bill distinguishes “approved health plans” offered through the alliance from “qualified health plans” offered through the exchange in accordance with the federal Patient Protection and Affordable Care Act (“ACA”).

FISCAL IMPLICATIONS WITH ENACTING THIS BILL

SIGNIFICANT LEGAL ISSUES

HHGIC substitute for HB 168 creates a state health insurance exchange that meets the requirements of the ACA. Without legislation properly establishing an exchange, the federal government will operate an exchange in New Mexico. HHGIC substitute for HB 168 will allow New Mexico to operate its own exchange.

The reorganization of the HIA board and the other amendments proposed by HHGIC substitute for HB 168 are necessary for the HIA to act as an exchange within the requirements of the ACA. Without the amendments, the HIA would be out of compliance with the ACA with regard to individual eligibility, employer eligibility, preexisting condition exclusions, guaranteed issuance of insurance and permitted composition of the governing board for the exchange. In short, for the HIA to be eligible to operate as an exchange under the ACA, amendments such as those proposed by HHGIC substitute for HB 168 must be enacted.

PERFORMANCE IMPLICATIONS WITH ENACTING THIS BILL

ADMINISTRATIVE IMPLICATIONS WITH ENACTING THIS BILL

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP WITH BILLS INTRODUCED THIS SESSION

TECHNICAL ISSUES OR DRAFTING ERROR

OTHER SUBSTANTIVE LEGAL ISSUES

ALTERNATIVES TO ENACTING THIS BILL

If this bill is not enacted the Federal government would most likely assume responsibility for creating and administering the exchange.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS NEEDED TO IMPROVE THIS BILL