

The Legislature

of the

State of New Mexico

50th Legislature, 2nd Session

LAWS _____2012

CHAPTER ____

SENATE MEMORIAL 67

Introduced by

SENATOR TIMOTHY Z. JENNINGS



A MEMORIAL

REQUESTING THAT THE NEW MEXICO OFFICE OF HEALTH CARE REFORM
REPORT TO AND CONSULT WITH THE LEGISLATURE ABOUT EXPENDITURES
AND ACTIVITIES PURSUANT TO THE THIRTY-FOUR-MILLIONTWO-HUNDRED-THOUSAND-DOLLAR (\$34,200,000) FEDERAL HEALTH
INSURANCE EXCHANGE ESTABLISHMENT GRANT.

WHEREAS, on March 23, 2010, the federal Patient

Protection and Affordable Care Act of 2010, also known as the

Affordable Care Act, was signed into law; and

WHEREAS, the Affordable Care Act requires each state to set up a health insurance exchange by 2014; and

WHEREAS, states must demonstrate readiness to operate a health insurance exchange by January 1, 2013 or, as provided for in the Affordable Care Act, the federal government will establish a health insurance exchange for the state; and

WHEREAS, in November 2011, the New Mexico office of health care reform applied for a level-one health insurance exchange establishment grant from the United States department of health and human services to establish a health insurance exchange in New Mexico; and

WHEREAS, the United States department of health and human services awarded New Mexico a level-one health insurance exchange establishment grant in the amount of approximately thirty-four million two hundred thousand

dollars (\$34,200,000) for a one-year period through November 29, 2012; and

WHEREAS, the purposes of the establishment grant are to develop and implement a multi-year exchange business and operation plan, amend state laws and develop capacity in core areas identified by the United States department of health and human services that are necessary to achieve health insurance exchange certification by January 2013; and

WHEREAS, the United States department of health and human services has issued guidance stating that an important milestone toward implementing a health insurance exchange is to establish a governance structure in consultation with stakeholders; and

WHEREAS, the New Mexico legislature must enact legislation to establish the necessary legal authority for a health insurance exchange; and

WHEREAS, it is important that the legislature be regularly informed and consulted with about the state's activities under the establishment grant;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE OF NEW MEXICO that the New Mexico office of health care reform be requested to provide periodic reports throughout calendar year 2012 on expenditures made and activities performed pursuant to the health insurance exchange establishment grant to the interim legislative health and

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human services committee, the legislative finance committee and any other legislative committee or work group designated to oversee health care reform implementation efforts in New Mexico; and

BE IT FURTHER RESOLVED that the New Mexico office of health care reform be requested to inform and consult with the interim legislative health and human services committee and any other legislative committee or work group designated to oversee health care reform implementation efforts in the state about the office's activities to fulfill the federal health insurance exchange establishment grant obligations, which include developing the state's capacity in the following core areas identified by the United States department of health and human services:

- A. background research;
- B. stakeholder consultation;
- C. legislative and regulatory action;
- D. governance;
- E. program integration;
- F. exchange information technology systems;
- G. financial management;
- H. oversight and program activity;
- I. health insurance market reforms;
- J. assistance to consumers and small businesses,

K. the business operations of the exchange; and BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the governor and the director of the New Mexico office of health care reform. SM 67 Page 4

John A Sanchez, President

Lenore M. Naranjo, Chief Clerk Senate