

**Legislative Update February 19, 2018**  
**Steve Lucero, NMAFP Lobbyist**

The legislature adjourned promptly at noon on Thursday February 15<sup>th</sup>. The final day lacked the usual sense of urgency in both chamber sessions. The House adjourned at least twice on the final day waiting for Senate votes on bills and other necessary action to complete business. This year's session exhibited a sense of calmness not present in recent years. Agency budget cuts were not a dominant conversation allowing legislators to consider more bi-partisan approaches to funding state government.

Although the House did not concur with the Senate's amendments to House Bill 2, a conference committee appointed by both chambers quickly resolved concerns and a budget was adopted on February 14th. House Appropriations Committee Substitute for House Bill 2, as amended, is now sitting on the 4<sup>th</sup> floor anxiously awaiting decisions made the Governor's red pen.

The Governor has until March 7<sup>th</sup> to sign or veto legislation. Vetoed legislation prior to March 7<sup>th</sup> will require a Governor's message. Legislation not acted upon by March 7<sup>th</sup> will be pocket vetoed; not requiring a published reason by the Governor.

Doc of the Day volunteers helped over 60 legislators, staff, and visitors of the Roundhouse in this 30 day session. Legislators and staff asked me to express their sincere appreciation for the care they received from the Docs of the Day. You're making quite a name for yourselves.

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## **Medicaid**

During the session the Human Services Department reduced their requested increase in general funds for Medicaid. Their reduced request is attributed to the funding of CHIP, delaying health insurance provider fees in 2019, lower rate projections by the newly selected MCOs, and declining enrollments. The overall budget for Medicaid spending in FY 2019 (beginning July 1, 2018) is \$934 million, an increase of \$18 million from FY 2018. The budget includes \$3.5 million in additional revenue for increased provider rates in the following areas: \$500,000, an approximate increase of 2%, for primary care providers, \$700,000 or 1% increase for nursing homes, and \$2.3 million or 2.2% increase for behavioral health providers.

**These increases to provider rates are within the Governor's parameters to line-item veto. You can call the Governor's Office at 505-476-2200 or leave her an electronic message by going to [http://www.governor.state.nm.us/Contact\\_the\\_Governor.aspx](http://www.governor.state.nm.us/Contact_the_Governor.aspx) and ask her to support these increases.**

## **Passed Healthcare Policy Legislation**

### **SB 11 Guidelines for Step Therapy Drug Coverage (Sen. Gay Kernan, Sen. Elizabeth Stefanics)**

Senate Bill 11 establishes criteria for approval of exceptions to a given step therapy or “fail first” protocol. Insurers would have 72 hours, or 24 hours in an emergent situation, to respond yes or no to an exception request. Patients who have satisfied a “fail first” or step therapy protocol under the care of a previous insurer can satisfy the protocol of a new insurer.

### **HM 9: Explore Medicaid Buy-In Plan (Rep. Deborah Armstrong)**

### **SM 3: Study NM Medicaid Buy-In Plans (Sen. Gerry Ortiz y Pino)**

*Governor’s signature not required*

Rep. Deborah Armstrong and Sen. Gerry Ortiz y Pino are Chair and Vice-Chair, respectively, of the interim Health and Human Services Committee. They have both expressed the importance of exploring the feasibility of a Medicaid Buy-In option and have committed to a thorough study.

### **SB 2: Medicaid Changes (Sen. Mary K. Papen)**

The bill would modify the Medicaid Provider Act regarding the methods by which the Human Services Department may proceed against providers who have allegedly committed fraud or from whom the department seeks recoupment of Medicaid overpayments. This legislation is in response to the fraud cases brought against behavioral health providers in New Mexico and would require more safeguards for behavioral health plans from arbitrary claims of fraud.

### **SM 7: Health Insurance Market Stability Task Force (Sen. Bill Tallman)**

*Governor’s signature not required*

This memorial requires the Office of Superintendent of Insurance convene a task force to research potential options for stabilizing health insurance premiums and coverage in the individual market. The task force shall report to the Legislative Health and Human Services Committee with recommendations by November 1, 2018.

### **HB 139: Marijuana Derivative Drug Exemptions (Rep. Deborah Armstrong, Rep. Monica Youngblood)**

This bill exempts the use, dispensing, possession, prescribing, storage, or transport of a prescription drug approved by the U.S. Food and Drug Administration containing marijuana, a

tetrahydrocannabinol derivative, or a chemical derivative of a tetrahydrocannabinol, as a schedule I substance in the Controlled Substances Act; opening the way to use these derivatives for treatment of seizures, neurological disorders, and other conditions.

**HM 14: Pediatric Specialty Care Task Force (Rep. Deborah Armstrong)**

*Governor's signature not required*

This memorial asks the New Mexico Pediatric Society to convene a task force to study the state's children's needs for subspecialty care and to make recommendations to the Legislative Interim Committee on Health and Human Services regarding means of improving access to that care. It notes the shortage of pediatric subspecialty care outside Albuquerque, and the barriers between provider of such specialties as pediatric gastroenterology, pediatric endocrinology and pediatric cardiology and patients belonging to one or another of the health insurance companies, including Medicaid agencies.