

New Mexico Medical Society

2018 Legislative Report

January 30, 2018

The New Mexico Legislature hits the half way point Wednesday, which is the last day to introduce legislation. The GRT tax reform bills that have been introduced do not repeal the tax deductions for Medicare and Managed Care payments. Though we do not anticipate these bills passing this session, NMMS will continue to follow the bills as they will be part of the tax study commissioned by the legislature for 2019.

NMMS has been working on a compromise bill with Presbyterian health plan for SB11: Guidelines for Step Therapy Prescription Drug coverage. SB/Committee Substitute 11 will incorporate the amendments. We hope that most of the Managed Care Plans will support the compromise. The legislation allows an expedited exception for step therapy provided the prescribing physician provides an explanation as to why the drug on the plan's formulary should not be substituted. The criteria consists of four conditions, one of which must be met to allow the exemption. The bill requires a 24-hour response for approval of the exception in emergency situations and 72-hours for non-emergency. This will standardize the process for all managed care organizations which should offer better patient care. A copy of the legislation will be available sometime tomorrow and posted on https://www.nmlegis.gov/Legislation/Bill_Finder.

The follow are the bills NMMS is following:

NMMS PRIORITIES

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- Bill:** **HM14**
Sponsors: Armstrong, D. (D17)
Title: CONVENE A PEDIATRIC SPECIALTY CARE TASK FORCE
Summary: Resolves that the New Mexico Pediatric Society be requested to convene a "pediatric specialty care task force" to examine availability of pediatric specialty services in the state and make recommendations for improving the system of medical care for children.
History: 01/22/2018—H Introduced and referred to House Health & Human Services.
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- Bill:** **HM20**
Sponsors: Thomson (D24)
Title: INDIVIDUAL HEALTH INSURANCE MARKET STABILITY TASK FORCE
Summary: Requests the Superintendent of Insurance to convene an Individual Health Insurance Market Stability Task Force to research options to stability the market and increase enrollment in high-quality, affordable health coverage; requests Legislative Council to charge the Legislative Health and Human Services Committee to receive testimony from the task force and consumers, insurers, state agencies and other stakeholders during the 2018 interim.
History: 01/22/2018—H Introduced and referred to House Health & Human Services.
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- Bill:** **SB11**
Sponsors: Kernan (R42)
Title: GUIDELINES FOR STEP THERAPY FOR PRESCRIPTION DRUG COVERAGE
Summary: (Very similar to 2017 SB179, HB 244) Identically amends several state laws governing health insurance to establish guidelines for step therapy for prescription drug coverage, as listed below:
History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Public Affairs.
01/16/2018—S Also referred to Senate Corporations & Transportation.
01/25/2018—S Reported germane by Senate Committee on Committees.
Scheduled: **01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321 (Revised 01/29/2018)**

Clinical Issues & Education

Bill: **HM8**
Sponsors: Armstrong, D. (D17)
Title: ESTABLISH MOVEMENT DISORDERS CENTER AT UNM
Summary: (Duplicate of 2018 SM4) Requests the UNM board of regents to establish a Movement Disorders Center to provide curriculum to train medical trainees in movement disorders and to provide treatment for those afflicted with movement disorders: Parkinson's disease, essential tremor and other tremor disorders, Tourette syndrome, Huntington's disease, dystonia, restless legs syndrome and ataxia.
History: 01/16/2018—H Introduced and referred to House Health & Human Services.
01/25/2018—H Reported Do Pass by House Health & Human Services.
01/30/2018 H Opened for floor debate
01/30/2018 H Passed 49-0

Bill: **SB136**
Sponsors: Ivey-Soto (D15)
Title: NURSING COMPACT SUBJECT TO STATE RULES ACT AND PUBLIC RECORDS ACT
Summary: (Related to 2018 SB1) Amends the Nursing Practices Act to provide that no rule adopted by the Interstate Commission of Nurse Licensure Compact Administrators that affects nursing practice in New Mexico shall be effective unless adopted as an administrative rule by the Board of Nursing under the State Rules Act. Requires all agenda, minutes, reports and rulemaking records of the Commission to be filed by the State Compact Administrator with the Board subject to the Inspection of Public Records Act.
History: 01/22/2018—S Introduced and referred to Senate Committee on Committees.
01/22/2018—S Also referred to Senate Public Affairs.
01/22/2018—S Also referred to Senate Judiciary.
01/23/2018—S Reported germane by Senate Committee on Committees.
01/24/2018—S Reported Do Pass by Senate Public Affairs.
01/29/2018—S Reported Do Pass by Senate Judiciary.
Scheduled: 01/30/2018—Senate Calendar, 11:00 a.m., Senate Chamber

Bill: **SB144**
Sponsors: Munoz (D4)
Title: HSD'S HEALTH INFORMATION SYSTEM INTEROPERABILITY
Summary: Appropriates \$100,000 (GF) to the Human Services Department, HSD, for use in FY2019 to fund health information system interoperability for the benefit of New Mexico residents.
History: 01/23/2018—S Introduced and referred to Senate Committee on Committees.
01/23/2018—S Also referred to Senate Public Affairs.
01/23/2018—S Also referred to Senate Finance.
01/24/2018—S Reported germane by Senate Committee on Committees.
Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321 (Revised 01/29/2018)

Bill: **SB145**
Sponsors: Munoz (D4)
Title: HEALTH INFORMATION INTEROPERABILITY FUND
Summary: (Related to 2018 SB144) Creates the Health Information Interoperability Fund, administered by the Human Services Department, HSD, to maintain statewide health information systems interoperability among private and public entities. The fund consists of appropriations, transfers, federal funds, gifts, grants, donations and bequests. The bill does not contain a dollar appropriation. (Related SB144 contains a \$100,000 GF appropriation.)
History: 01/23/2018—S Introduced and referred to Senate Committee on Committees.
01/23/2018—S Also referred to Senate Public Affairs.
01/23/2018—S Also referred to Senate Finance.
01/24/2018—S Reported germane by Senate Committee on Committees.
Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321 (Revised 01/29/2018)

Bill: **SB152**
Sponsors: Cisneros (D6)
Title: RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT
Summary: Appropriates \$1.4 million (GF) to the Human Services Department, HSD for use in FYs 2019 and 2020 to fund a demonstration project in Rio Arriba and Taos Counties that (1) provides evidence-based, residential substance use disorder treatment of at least one year's duration for each participant with a substance use disorder; (2) tracks participants' ability to remain free of substance use after treatment; and (3) collects and analyzes county statistics on emergency department visits, crime and recidivism in both counties.
History: 01/23/2018—S Introduced and referred to Senate Committee on Committees.
01/23/2018—S Also referred to Senate Public Affairs.
01/23/2018—S Also referred to Senate Finance.
01/24/2018—S Reported germane by Senate Committee on Committees.
Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321
(Revised 01/29/2018)

Bill: **SB165**
Sponsors: O'Neill (D13)
Title: HEPATITIS C REGISTRY ACT
Summary: Creates a Hepatitis C Registry within the Clinical and Translational Science Center of UNM's Health Sciences Center along with a related fund to consist of state General Fund appropriations which will not revert at the end of a fiscal year. Money in the fund is appropriated to UNM's board of regents, also designated as the fund administrator.
History: 01/23/2018—S Introduced and referred to Senate Committee on Committees.
01/23/2018—S Also referred to Senate Public Affairs.
01/23/2018—S Also referred to Senate Finance.

Bill: **SM4**
Sponsors: Ortiz y Pino (D12)
Title: UNM STUDY TO ESTABLISH MOVEMENT DISORDERS CENTER
Summary: Requests the UNM board of regents to establish a Movement Disorders Center to provide curriculum to train medical trainees in movement disorders and to provide treatment for those afflicted with movement disorders: Parkinson's disease, essential tremor and other tremor disorders, Tourette syndrome, Huntington's disease, dystonia, restless legs syndrome and ataxia.
History: 01/16/2018—S Introduced and referred to Senate Rules.
01/16/2018—S Also referred to Senate Public Affairs.
01/29/2018—S Reported Do Pass by Senate Rules.
Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321
(Revised 01/29/2018)

Insurance & Payments

Bill: **SB191**
Sponsors: Ortiz y Pino (D12)
Title: DOH ALL-PAYER CLAIMS DATABASE
Summary: Appropriates \$500,000 (GF) to the Department of Health, DOH, for use in FY2019 to fund planning for an all-payer claims database.
History: 01/25/2018—S Introduced and referred to Senate Committee on Committees.
01/25/2018—S Also referred to Senate Public Affairs.
01/25/2018—S Also referred to Senate Finance.
01/26/2018—S Reported germane by Senate Committee on Committees.

Bill: **SB192**
Sponsors: Ortiz y Pino (D12)
Title: HEALTH CARE QUALITY SURCHARGE
Summary: Places a health care quality surcharge, to be calculated annually by the Human Services Department on each non-Medicare bed day. Revenue flows to the Health Care Facility Fund and Disability Health Care Facility Fund established by this act to support skilled nursing facilities, intermediate care facilities and intermediate care facilities for individuals with intellectual disabilities.

History: 01/25/2018—S Introduced and referred to Senate Committee on Committees.
01/25/2018—S Also referred to Senate Public Affairs.
01/25/2018—S Also referred to Senate Finance.
01/26/2018—S Reported germane by Senate Committee on Committees.

Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321
(Revised 01/29/2018)

Medicaid

Bill: **SB2**
Sponsors: Papen (D38)
Title: MEDICAID MANAGED CARE & PROVIDER ACT
Summary: Provides for maintenance of Medicaid services pending determination of disputes regarding overpayments and allegations of fraud. Establishes due process for providers and subcontractors in such disputes. Provides for audits and prohibition of extrapolation of audit findings. Establishes provider rights to request an informal conference and expedited adjudicatory proceedings from an administrative law judge in the Department of Finance and Administration, pursuant to the Administrative Procedures Act. Provides for release of suspended payment on posting of a surety bond; judicial review of final determinations; and award of costs. Provides for criminal investigations and penalties for Medicaid fraud.

History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Judiciary.
01/16/2018—S Also referred to Senate Finance.
01/26/2018—S Reported germane by Senate Committee on Committees.
01/30/2018 S Reported Do Pass by Senate Judiciary

Bill: **SM3**
Sponsors: Ortiz y Pino (D12)
Title: MEDICAID BUY-IN PLAN LEGISLATIVE STUDY
Summary: Requests the Legislative Council to charge the Legislative Health and Human Services Committee with exploring policy and fiscal implications of offering a Medicaid Buy-In Plan to New Mexico residents in order to increase low-cost health care coverage options. Also requests the Office of Superintendent of Insurance, the Human Services Department and other health-related agencies and entities to provide health plan cost and coverage information to the LHHSC. Already several states, including Nevada and Massachusetts, have introduced legislation or initiated studies to explore such an option.

History: 01/16/2018—S Introduced and referred to Senate Rules.
01/16/2018—S Also referred to Senate Public Affairs.
01/29/2018—S Reported Do Pass by Senate Rules.

Pharmacy Matters

Bill: **SB8**
Sponsors: Steinborn (D36)
Title: INTERAGENCY PHARMACEUTICALS PURCHASING COUNCIL
Summary: Establishes the Interagency Pharmaceuticals Purchasing Council comprised of 11 government agency members to study cost-containment strategies to consolidate the purchase of pharmaceuticals or pharmacy benefit purchasing by state and local government "constituent agency" participants. At the call of the Secretary of General Services Department, GSD, the Council shall convene its first meeting by September 1, 2018 and meet at least quarterly after that. Meetings are subject to the Open Meetings Act.

History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Public Affairs.
01/16/2018—S Also referred to Senate Judiciary.

Bill: **SB35**
Sponsors: Soules (D37)
Title: COUNSELING ON OPIOID OVERDOSE AND REVERSAL
Summary: (Similar to 2017 SB16) Requires counseling of patients by health care providers on the risks of overdose

and about opioid overdose reversal medication. Amends the Pain Relief Act to define "prescription opioid."

History: 01/17/2018—S Introduced and referred to Senate Committee on Committees.
01/17/2018—S Also referred to Senate Public Affairs.
01/17/2018—S Also referred to Senate Judiciary.

Bill: **SB127**
Sponsors: Pirtle (R32)
Title: CHRONIC PAIN MANAGEMENT TRAINING PILOT PROJECT
Summary: Requires the Behavioral Health Division of the Human Services Department to conduct a one-year pilot project on pharmacist chronic pain management training; includes definitions; requires reporting; appropriates \$400,000 (GF 2019 and 2020 reverting) to HSD for the project.
History: 01/22/2018—S Introduced and referred to Senate Committee on Committees.
01/22/2018—S Also referred to Senate Public Affairs.
01/22/2018—S Also referred to Senate Finance.

Regulations/Licensing/Legislative Committees

Bill: **SB1**
Sponsors: Ingle (R27)
Title: NURSE LICENSURE COMPACT
Summary: (For the Legislative Health and Human Services Committee) A 38-page bill called the Nurse Licensure Compact whose provisions would apply to all licensed nurses who practice in the states or jurisdictions who become parties to the compact. The updated compact addresses the expanded mobility and new practice modalities in the nursing profession by providing for uniformity of nurse licensure requirements. Provides for exchange of information between party states; and provides opportunities for interstate practice by nurses who meet the uniform licensure requirements while still holding a nurse accountable for meeting practice laws in the home state.
Subjects: Labor; Health and Medical Practice; State Affairs and State Agencies
History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Judiciary.
01/16/2018—S Reported germane by Senate Committee on Committees.
01/17/2018—S Reported Do Pass as amended by Senate Judiciary.
01/17/2018—S Opened for floor debate.
01/17/2018—S Floor amendments adopted (Amendment 1) (Sen. Gay Kernan) Voice Vote 34-6.
01/17/2018—S Passed 39-0.
01/17/2018—H Received in the House and referred to House Health & Human Services.
01/18/2018—H Reported Do Pass by House Health & Human Services.
01/18/2018—H Opened for floor debate.
01/18/2018—H Passed (68-0).
01/18/2018—S Enrolled and engrossed.
01/18/2018—S Signed by Officers of Senate.
01/18/2018—H Signed by Officers of House.

Bill: **SB10**
Sponsors: Kernan (R42)
Title: HEALTH PROFESSIONAL LOAN REPAYMENTS THROUGH PHYSICIAN FEES
Summary: (For the Legislative Health and Human Services Committee) (Essentially identical to 2017 SB152) Establishes a Physician Excellence Fund and authorizes the Higher Education Department to apply appropriated funds for health professional loan repayment assistance for licensed primary care physicians trained in family medicine, general internal medicine, obstetrics, gynecology or general pediatrics, who practice in designated underserved areas.
Subjects: Higher Education; Labor; Health and Medical Practice; Taxation, Fees and Audits; Public Finance and Budgets
History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Public Affairs.
01/16/2018—S Also referred to Senate Finance.
01/18/2018—S Reported germane by Senate Committee on Committees.

Bill: **SB29**
Sponsors: Brandt (R40)
Title: OVERDOSE PREVENTION AND PAIN MANAGEMENT COUNCIL
Summary: Revises the name, structure and duties of the agency to the Overdose Prevention and Pain Management Advisory Council (currently called the Prescription Drug Misuse and Overdose Prevention and Pain Management Advisory Council); adds to members to the Council; and clarifies its duties.
Subjects: Health and Medical Practice; State Affairs and State Agencies
History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Public Affairs.
01/16/2018—S Also referred to Senate Judiciary.
01/25/2018—S Reported germane by Senate Committee on Committees.
Scheduled: 01/30/2018—Senate Public Affairs Committee, 1:30 p.m. or 1/2 hour after floor session, Room 321
(Revised 01/29/2018)

Taxes & Money Matters

Bill: **HB104**
Sponsors: Garcia, Miguel (D14)
Title: EXPANDS RURAL HEALTH CARE PRACTITIONER TAX CREDIT
Summary: Allows all eligible health care practitioners to claim the maximum rural health care practitioner income tax credit of \$5,000. The credit is for providing health care services in a New Mexico rural underserved health care area.
History: 01/16/2018—H Introduced and referred to House Rules & Order of Business.
01/22/2018—H Reported germane by House Rules & Order of Business.
01/22/2018—H Introduced and referred to House Health & Human Services.
01/22/2018—H Also referred to House Taxation & Revenue.
01/30/2018 H Reported Do Pass by House Health & Human Services

Bill: **HB194**
Sponsors: Harper (R57); Sanchez, C. (D30)
Title: ALTERNATIVE EVIDENCE TO SUPPORT GROSS RECEIPTS DEDUCTIONS
Summary: (For the Revenue Stabilization and Tax Policy Committee; included in 2017 HB412) Allows alternative evidence to be submitted in lieu of a nontaxable transaction certification to support claim of any gross receipts deduction (with one exception). A properly executed nontaxable transaction certificate (NTTC), however, remains conclusive evidence of entitlement to a deduction.
History: 01/24/2018—H Introduced and referred to House Taxation & Revenue.
Scheduled: 01/31/2018—House Taxation and Revenue Committee, 8:30 a.m., Room 317

Bill: **HB206**
Sponsors: Harper (R57); Cisneros (D6)
Title: EQUALIZING COMPENSATING TAX RATE WITH GROSS RECEIPTS TAX RATE
Summary: Equalizes the compensating tax rate with the total state and applicable local option gross receipts tax rates mainly by imposing local option compensating taxes. Also extends state and local compensating taxes to licenses, franchises and services used in New Mexico. Amends several gross receipts deductions. Repeals several tax credits and gross receipts deductions.
History: 01/24/2018—H Introduced and referred to House Business & Industry.
01/24/2018—H Also referred to House Taxation & Revenue.

Bill: **SB49**
Sponsors: Sharer (R1)
Title: TAX REFORM PACKAGE
Summary: (Similar to 2017 SB123, 2016 SB145, 2015 SB346 and 2013 SB365) 186-page bill continues the sponsor's effort to reform the state tax system by greatly expanding the gross receipts base to replace the motor vehicle excise, leased vehicle gross receipts and boat excise taxes (which are repealed); lower the state gross receipts tax rate from 5.125% to one percent and governmental gross receipts from five to one percent; provides for a flat-rate personal income tax; repeals the compensating tax, corporate income tax, corporate franchise tax, estate tax and several tax credits; consolidates local option taxes, reducing their maximum permissible rates to 0.5% for municipalities and 0.5% for counties; revises statutes dealing with revenues local governments may pledge to repay indebtedness.

All this is effective January 1, 2019.

History: 01/17/2018—S Introduced and referred to Senate Committee on Committees.
01/17/2018—S Also referred to Senate Corporations & Transportation.
01/17/2018—S Also referred to Senate Finance.
01/18/2018—S Reported germane by Senate Committee on Committees.

Bill: **SB128**
Sponsors: Cisneros (D6)
Title: RELEASE OF TAX INFORMATION: TAX CREDITS, EXEMPTIONS AND DEDUCTION
Summary: (Duplicate of SB68) Allows tax return information related to specified deductions and tax credits to be disclosed to an economist, at the economist's written request, who works for the Department of Finance and Administration or the Legislative Finance Committee for the purpose of tracking, forecasting and analyzing tax revenue. Binds the economist receiving the information to statutory penalties for revealing the information to an unauthorized person. Also narrows several tax exemptions.
History: 01/22/2018—S Introduced and referred to Senate Committee on Committees.
01/22/2018—S Also referred to Senate Corporations & Transportation.
01/22/2018—S Also referred to Senate Finance.
01/23/2018—S Reported germane by Senate Committee on Committees.

Bill: **SB162**
Sponsors: Cisneros (D6)
Title: MINI TAX REFORM PLAN
Summary: (Related in some ways to the other tax reform packages: SB49) Proposes changes to the gross receipts tax, governmental gross receipts tax, motor vehicle excise tax and premium tax. Repeals certain tax credits.
History: 01/23/2018—S Introduced and referred to Senate Committee on Committees.
01/23/2018—S Also referred to Senate Corporations & Transportation.
01/23/2018—S Also referred to Senate Finance.
01/24/2018—S Reported germane by Senate Committee on Committees.

Tobacco/Nicotine/E-Cigarettes

Bill: **SB25**
Sponsors: Morales (D28)
Title: INCREASE CIGARETTE AND E-CIGARETTES TAXES
Summary: (For the Tobacco Settlement Revenue Oversight Committee) Ups the cigarette tax from \$0.083 to \$0.158 per cigarette (or \$1.66 to \$3.16 per pack of 20). Raises the tobacco products tax from 25 to 76 percent of the product value of tobacco products. Most of the money flows to the Public School Fund for the state equalization guarantee; other distributions (such as to UNM's Comprehensive Cancer Center) are increased a few percent points.
History: 01/16/2018—S Introduced and referred to Senate Committee on Committees.
01/16/2018—S Also referred to Senate Education.
01/16/2018—S Also referred to Senate Corporations & Transportation.
01/16/2018—S Also referred to Senate Finance.
01/18/2018—S Reported germane by Senate Committee on Committees.
01/25/2018—S Reported Do Pass by Senate Education.

Bill: **SB195**
Sponsors: Rue (R23)
Title: TOBACCO USE PREVENTION AND CESSATION PROGRAMS
Summary: Appropriates \$1 million from the Tobacco Settlement Program Fund to the Department of Health, DOH, for use in FY2019 to fund evidence-based tobacco use prevention and cessation programming statewide.
History: 01/25/2018—S Introduced and referred to Senate Committee on Committees.
01/25/2018—S Also referred to Senate Public Affairs.
01/25/2018—S Also referred to Senate Finance.
01/26/2018—S Reported germane by Senate Committee on Committees.