

**NEW MEXICO HEALTH INSURANCE EXCHANGE**

**RESOLUTION NO. 2015-002**

**A RESOLUTION UPDATING THE PROCESS FOR THE DISSOLUTION OF THE  
NEW MEXICO HEALTH INSURANCE ALLIANCE AND A PLAN OF DISTRIBUTION  
FOR ALLIANCE ASSETS**

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**WHEREAS**, NMSA 1978, § 59A-23F-1 *et seq.*, known as the New Mexico Health Insurance Exchange Act, created the New Mexico Health Insurance Exchange (NMHIX) as a nonprofit public corporation for the purpose of providing qualified individuals and qualified employers with increased access to health insurance in the State of New Mexico; and

**WHEREAS**, the New Mexico Health Insurance Exchange Act provides for a Board of Directors to govern the NMHIX and to implement the provisions of the Act; and

**WHEREAS**, the New Mexico Health Insurance Exchange Act amended the New Mexico Health Insurance Alliance Act by creating the NMHIX Board of Directors to govern the affairs of the New Mexico Health Insurance Alliance (NMHIA) and by providing for the repeal of the New Mexico Health Insurance Alliance Act on January 1, 2015, at which time the NMHIA was dissolved;

**WHEREAS**, the NMHIA and the NMHIX diligently prepared for the dissolution of the NMHIA, and the NMHIX Board of Directors provided for the cessation of activities of the NMHIA and the proper accounting of all obligations, debts, and assets of the NMHIA by adopting NMHIX Resolution 2014-002; and

**WHEREAS**, the NMHIX Board of Directors now desires to further specify the process for the dissolution of the NMHIA and the plan of distribution of NMHIA assets by adopting this Resolution, which supersedes and replaces Resolution 2014-002 in its entirety.

**NOW, THEREFORE, BE IT RESOLVED BY THE NEW MEXICO HEALTH INSURANCE EXCHANGE BOARD OF DIRECTORS THAT, IN ACCORDANCE WITH THE NEW MEXICO HEALTH INSURANCE EXCHANGE ACT AND THE NEW MEXICO HEALTH INSURANCE ALLIANCE ACT:**

1. The NMHIX shall continue to execute the dissolution of the NMHIA in a manner best suited to accomplish the common purposes of the NMHIA and the NMHIX, namely the purposes of “providing increased access to health insurance in the state,” NMSA 1978, §§ 59A-56-4, and “to provide qualified individuals and qualified employers with increased access to health insurance in the state...” NMSA 1978, §§ 59A-23F-3.
2. NMHIA liabilities and obligations shall be accounted for, and NMHIA assets shall be distributed according to the following plan of distribution:
  - a. All assets of the NMHIA shall be transferred to the NMHIX.
  - b. The NMHIX shall cause to be completed a 2014 year-end audit to determine existing assets and liabilities and obligations of the NMHIA. NMHIX shall determine expected liabilities and obligations that may arise or continue into the year 2015; NMHIA assets that may be used to account for liabilities and obligations; and NMHIA assets that are expected to remain after liabilities and obligations are accounted for.
  - c. The NMHIX shall cause to be completed a final 2015 year-end audit, after the completion of NMHIA statutory obligations related to assessments and reinsurance contained in NMSA 1978, §§ 59A-6-9 and 11, and as otherwise provided for in the New Mexico Health Insurance Alliance Act and related

regulations. The 2015 year-end audit shall be a final accounting of NMHIA business and shall verify that all liabilities and obligations of the NMHIA have been accounted for.

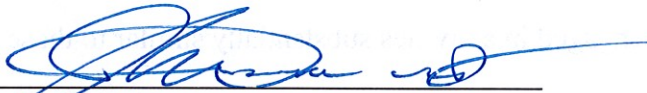
- d. The NMHIX shall use the assets of the NMHIA, to the extent that the assets are sufficient to do so, to ensure that:
  - (1) All liabilities and obligations of the NMHIA shall be paid and discharged;
  - (2) Any NMHIA assets that are subject to conditions of return, transfer, or conveyance shall be returned, transferred, or conveyed in accordance with the conditions;
  - (3) NMHIA assets that are subject to limitations regarding their use, if any, shall be transferred or conveyed in accordance with the limitations, and to an organization or entity engaged in activities substantially similar to those of the NMHIA; and
  - (4) Any remaining assets shall be used by the NMHIX for any activity consistent with its purposes, including for administrative costs associated with the NMHIX and to accomplish the purpose of providing qualified individuals and employers with increased access to health insurance in the State of New Mexico.
3. The NMHIX shall take other reasonable action necessary to wind down the operations of the NMHIA, including but not limited to conducting the final assessment for calendar year 2014, which shall be performed in accordance with NMSA 1978, § 59A-56-11.
4. The NMHIX is a non-profit public corporation separate and apart from the NMHIA. The NMHIX does not assume any liability or obligation of the NMHIA. The only obligation

assumed by the NMHIX with respect to this Resolution and plan of distribution is that the NMHIX shall act in accordance with the plan of distribution, and in good faith, to effectuate the provision for payment and discharge of the liabilities and obligations of the NMHIA. By enacting this Resolution, the NMHIX and the NMHIA do not intend to and do not create any right, title, or interest in, or for the benefit of, any person other than the NMHIX and the NMHIA. No person shall claim any right, title, or interest under this Resolution or seek to enforce this Resolution as a third party beneficiary.

**PASSED, APPROVED, AND ADOPTED this 15th day of May, 2015.**

**NEW MEXICO HEALTH INSURANCE EXCHANGE BOARD**

**Approved by:**



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Dr. James R. Damron  
Chair