

HOUSE BILL 306

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

## INTRODUCED BY

Reena Szczepanski and Elizabeth "Liz" Stefanics

## AN ACT

RELATING TO HEALTH CARE; PROHIBITING HEALTH CARE FACILITY FEES FROM BEING CHARGED FOR CERTAIN SERVICES; REQUIRING DISCLOSURE OF FACILITY FEES TO PATIENTS AND REPORTING OF FACILITY FEES TO THE ALL-PAYER CLAIMS DATABASE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be cited as the "Fair Pricing for Routine Medical Care Act".

**SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Fair Pricing for Routine Medical Care Act:**

A. "affiliated with" means that a person is:

(1) employed by a hospital or health system;

or

(2) under a professional services agreement,

faculty agreement or management agreement with a hospital or

233156 1GT G

underscored material = new  
[bracketed material] = delete

1       health system that permits the hospital or health system to  
2       bill on behalf of the person;

3               B. "campus" means:

4                       (1) a hospital's main buildings;  
5                       (2) the physical area immediately adjacent to  
6       a hospital's main buildings;

7                       (3) structures owned by a hospital that are  
8       not strictly contiguous to the main buildings but are located  
9       within two hundred fifty yards of the main buildings; or

10                      (4) any other area that has been determined by  
11       the federal centers for medicare and medicaid services, on  
12       an individual case-by-case basis, to be part of a hospital's  
13       campus;

14               C. "critical access hospital" means a hospital that  
15       is federally certified or undergoing federal certification as a  
16       critical access hospital pursuant to federal centers for  
17       medicare and medicaid services regulation;

18               D. "facility fee" means a fee charged or billed by  
19       a hospital or health system for outpatient hospital services  
20       that is:

21                       (1) intended to compensate the health system  
22       or hospital for operational expenses; and

23                       (2) separate and distinct from a professional  
24       fee charged or billed by a health care provider for  
25       professional medical services;

underscored material = new  
[bracketed material] = delete

1                   E. "freestanding emergency department" means a  
2 facility licensed by the health care authority that is separate  
3 from an acute care hospital and that provides twenty-four-hour  
4 emergency care to patients at the same level of care that a  
5 hospital-based emergency department delivers;

6                   F. "health care provider" means any person,  
7 including a health facility, that is licensed or otherwise  
8 authorized to furnish a health care service in the state;

9                   G. "health facility" means a health facility or  
10 health agency required to be licensed by the health care  
11 authority pursuant to the Health Care Code;

12                  H. "health system" means a:

13                   (1) parent corporation of one or more  
14 hospitals and any person affiliated with the parent corporation  
15 through ownership, governance, membership or other means; or

16                   (2) hospital and any person affiliated with  
17 the hospital through ownership, governance, membership or other  
18 means;

19                  I. "hospital" means a health facility that is  
20 licensed by the health care authority as a hospital;

21                  J. "preventive health care service" means a service  
22 recommended by the United States preventive services task  
23 force;

24                  K. "rural" means a rural county or an  
25 unincorporated area of a partially rural county, as designated

underscored material = new  
[bracketed material] = delete

1 by the health resources and services administration of the  
2 United States department of health and human services;

3                   L. "sole community hospital" means a hospital  
4 classified as a sole community hospital by the federal centers  
5 for medicare and medicaid services; and

6                   M. "telehealth" means the use of electronic  
7 information, imaging and communication technologies, including  
8 interactive audio, video, data communications and store-and-  
9 forward technologies, to provide and support health care  
10 delivery, diagnosis, consultation, treatment, transfer of  
11 medical data and education when distance separates the patient  
12 and the health care provider.

13                   **SECTION 3. [NEW MATERIAL] LIMITATIONS ON CHARGES FOR**  
14 **CERTAIN HEALTH CARE SERVICES PROVIDED IN CERTAIN SETTINGS.--**

15                   A. Except as provided in Subsection D of this  
16 section, beginning January 1, 2027, a health care provider or  
17 health system shall not charge, bill or collect a facility fee  
18 directly from a patient for:

19                   (1) preventive health care services provided  
20 in an outpatient setting, including services accessed from the  
21 patient's vehicle;

22                   (2) vaccination services provided in an  
23 outpatient setting, including services accessed from the  
24 patient's vehicle; or

25                   (3) telehealth services.

B. Nothing in this section prohibits a health care provider from charging a facility fee for:

(1) health care services provided in an inpatient setting;

(2) health care services provided at a hospital emergency department; or

(3) health care services provided at a freestanding emergency department.

C. Nothing in this section prohibits a health care provider or health system from charging, billing or collecting a facility fee from a patient's insurer pursuant to an agreement between the health care provider or health system and the insurer or as required by law.

D. The provisions of Subsection A of this section shall not apply to a:

(1) critical access hospital;  
(2) sole community hospital in a rural area;  
or  
(3) community clinic affiliated with a sole  
community hospital in a rural area.

**SECTION 4. [NEW MATERIAL] BILLING TRANSPARENCY AND PATIENT NOTIFICATION.**--Beginning January 1, 2027, a health care provider affiliated with or owned by a hospital or health system that charges a facility fee shall:

A. at the time an appointment is scheduled and

underscored material = new  
[bracketed material] = delete

1 again at the time health care services are rendered, provide  
2 notice to a patient that a facility fee may be charged and  
3 indicate the amount of the facility fee. Notice shall, to the  
4 extent practicable, be provided in the patient's preferred  
5 language;

6                   B. post a plainly visible sign written in English  
7 and Spanish that states that a patient may be charged a  
8 facility fee in addition to the cost of the health care service  
9 provided. The sign shall be located within the health facility  
10 in an area where patients seeking care register or check in,  
11 and the sign shall include information on where a patient may  
12 inquire further about facility fees; and

13                   C. provide patients with a standardized bill that:

14                    (1) is clear, consumer-friendly and, to the  
15 extent practicable, in the patient's preferred language;

16                    (2) includes itemized charges for each health  
17 care service provided;

18                    (3) specifically identifies any facility fee  
19 charged;

20                    (4) identifies specific charges that have been  
21 billed to the patient's insurance; and

22                    (5) provides contact information for a person  
23 the patient may contact to contest charges in the bill.

24                   SECTION 5. [NEW MATERIAL] FACILITY FEE REPORTING.--A  
25 hospital or health system that charges a facility fee shall

.233156.1GLG

1 report data related to the facility fee to the all-payer claims  
2 database established pursuant to the Health Information System  
3 Act. The data shall include the following information for  
4 services provided by a hospital in inpatient settings and  
5 outpatient settings and in locations on the hospital's campus  
6 and off the hospital's campus during each of the three previous  
7 calendar years:

- 8 A. the number of times facility fees were charged  
9 to patients;
- 10 B. the total dollar amount of facility fees charged  
11 to patients;
- 12 C. the twenty-five most common billing codes for  
13 which a facility fee was charged and the total amount charged  
14 to patients for each of those codes;
- 15 D. the twenty-five billing codes with the highest  
16 average patient charges and the total amount charged to  
17 patients for each billing code; and
- 18 E. any other data required by the department of  
19 health to assess the prevalence and cost of facility fees in  
20 the state.