

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

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;

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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

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.

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

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

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

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

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

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

16 (1) critical access hospital;

17 (2) sole community hospital in a rural area;
18 or

19 (3) community clinic affiliated with a sole
20 community hospital in a rural area.

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

25 A. at the time an appointment is scheduled and

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

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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.