# FISCAL IMPACT REPORT

**BILL NUMBER:** House Memorial 35
**SHORT TITLE:** Pediatric Palliative and Concurrent Care
**SPONSOR:** Jones, Ortez
**LAST UPDATE:** **ORIGINAL DATE:** 02/03/2026 **ANALYST:** Chilton

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT***
**(dollars in thousands)**

| Agency/Program | FY26 | FY27 | FY28 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|---|---|---|
| | No fiscal impact | No fiscal impact | No fiscal impact | No fiscal impact | | |

Parentheses ( ) indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Duplicate of Senate Memorial 2

### Sources of Information

LFC Files

Agency or Agencies Providing Analysis
Health Care Authority (for identical Senate Memorial 2)

Agency or Agencies That Were Asked for Analysis but have not yet Responded
Office of Superintendent of Insurance
Department of Health

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from some state, education, or judicial agencies. This analysis could be updated if that analysis is received.

## SUMMARY

### Synopsis of House Memorial 35

House Memorial 35 (HM35) takes note of the value of palliative care in alleviating pain and suffering among children with serious, complex, and life-threatening conditions, whether or not those children are also receiving curative care. It notes that New Mexico managed Medicaid programs do not have a pediatric palliative care benefit, despite a 2024 University of New Mexico proposal delineating a model for making such a benefit available as it is in a number of other states.

It asks the Health Care Authority (HCA) to forward to the federal Center for Medicare and

Medicaid Services an amendment to the state's Medicaid plan that would allow the state to use Medicaid funds for comprehensive palliative care services when needed with or without curative services. This would be prepared in consultation with the New Mexico association for home and hospice care, pediatric care providers, hospice agencies, and family advocates. In addition, HCA is asked to provide strategies to increase access to well-trained pediatric hospice care. HCA is asked to provide an update to legislative committees by October 1, 2026.

## FISCAL IMPLICATIONS

Memorials do not contain appropriations and are not enforceable as state law. The task requested in this memorial is within the normal operations of HCA and can be accomplished within existing resources.

HCA estimates the total costs of providing pediatric palliative care under the Medicaid program would be $902.3 thousand the first year and $1.7 million the second year, with the federal government covering $619 thousand of the total in the first year and $1.2 million in the second.

## SIGNIFICANT ISSUES

Palliative care is focused on relieving pain, anxiety, fatigue and other symptoms and improving quality of life for patients with a serious or life-threatening illness or condition. While such conditions are most common in the elderly, a large number of children suffer from such conditions each year. The University of New Mexico Department of Pediatrics provides palliative care as part of its end-of-life hospice services to children through the Mariposa Program. A similar program exists at Presbyterian Hospital, and the websites of some other New Mexico hospice programs also state that they take children into their care.

Not all children with severe or life-threatening illnesses or conditions need hospice services, but they and their families would benefit from palliative care along with curative care. Currently, Medicaid covers either hospice and palliative care or curative care.

HCA states:

> Currently palliative services for children are limited to the hospice benefit, which requires the terminal prognosis and the election of hospice care by the family. Many children with complex or life-limiting medical conditions are not at the point for end-of-life care provided by the hospice benefit. Children who may benefit from symptom management, psychosocial support, and care coordination go without these services until late in the disease course. New Mexico Medicaid does not currently offer a comprehensive benefit for patients who are seriously ill, but not terminal.

Dr. Alexis Morvant, writing on pediatric palliative care in *UptoDate*, which summarizes articles for physicians of all types, states palliative care for children differs from that for adults because of the following:

- Children vary greatly in cognitive abilities and emotional maturity.
- The emotional and psychological issues for the patient and the patient's family are very different when the patient is a child.
- Children often have extended family networks and care must include not only the immediate family but grandparents and other close family members.

- The decision-making rests not with the patient, as with an adult, but with the parents or legal guardian of the patient.
- Life-threatening illnesses for children are different than those for adults and palliative care must differ.

Dr. Anjali Subbaswamy, pediatric intensive care physician at the University of New Mexico Hospital, states:

> We provide highly complex care for families from all around the state, who typically do not have well-developed support systems. Palliative care consultation in the hospital helps maintain effective communication between medical teams who are trying to solve medical problems and struggling families who find their values and their autonomy challenged in the face of their child's critical illness. This is most apparent in our Native American population. I am always left feeling that I don't have enough time or enough expertise to ensure that our western allopathic care supports and respects their traditional beliefs, or that we effectively navigate the distrust resulting from generational trauma that they bring with them to the [pediatric intensive care unit]. We need pediatric palliative care to help us provide the best care, the most humane care, the most effective and efficient care for struggling families with sick children. Secondarily, the lack of pediatric palliative care support directly leads to provider attrition.

## ADMINISTRATIVE IMPLICATIONS

HCA states it "lacks control over the timing of CMS review, negotiation, and final approval of proposed state plan amendments. New Mexico would be the second state to propose such a benefit and years of negotiation will likely ensue prior to approval."

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Identical to Senate Memorial 2.

## TECHNICAL ISSUES

As pointed out by HCA, House Memorial 35 does not specify the ages to be considered for this benefit.

LAC/ct/dw/ct