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FISCAL IMPACT REPORT

BILL NUMBER: House Memorial 4

SHORT TITLE: Study Higher Ed Health Insurance Costs

SPONSOR: Roybal Caballero

LAST UPDATE: _____ **ORIGINAL DATE:** 1/26/26 **ANALYST:** Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
LFC	\$0.0	\$100.0 to \$200.0	\$0.0	\$100.0 to \$200.0	Nonrecurring	General Fund
HCA	\$0.0	\$15.0	\$0.0	\$15.0	Nonrecurring	General Fund
Total	\$0.0	\$115.0 to \$200.0	\$0.0	\$115.0 to \$200.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Health Care Authority

Higher Education Department

Independent Community Colleges

SUMMARY

Synopsis of House Memorial 4

House Memorial 4 (HM4) requests the Legislative Finance Committee (LFC) to conduct a study on options to expand health insurance to all public higher education educators and graduate student employees. The study is to evaluate health insurance availability and affordability, to provide options for eligibility for medical, dental, and vision coverage, and to estimate the fiscal impacts of providing coverage under the various options.

The study is to be conducted in coordination with the Higher Education Department (HED), the Health Care Authority (HCA), and the Department of Finance and Administration. The study is requested to be completed by October 1, 2026.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

Memorials do not contain appropriations and are not enforceable as state law. However, the study requested in this memorial is outside of the normal operations of the LFC and is likely to result in additional contractual services costs to conduct specialized analysis and financial modeling. These costs may total \$100 thousand to \$200 thousand, depending on the data needed and the analysis to be performed. Costs for this type of analysis are not supported by the existing LFC budget.

HCA estimates the need for 40-60 hours of actuarial services at a cost of \$15 thousand for their portion of the analysis.

SIGNIFICANT ISSUES

HED currently reports on faculty compensation and benefits and notes:

HED's existing data collection and reporting processes provide useful baseline information on current faculty benefits practices, including whether health, dental, and vision coverage is available by appointment type. However, HM4 will expand beyond the current scope of HED reporting by requiring a broader evaluation of health insurance affordability and availability, and analysis of potential benefit plan options and future coverage scenarios.

The Independent Community Colleges note that colleges procure their insurance through both the New Mexico Public Schools Insurance Authority, HCA, and through private and self-insurance pools.

CJ/sgs/hg/sgs