

HOUSE BILL

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2025

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO HEALTH CARE COVERAGE; ADJUSTING ELIGIBILITY
REQUIREMENTS FOR PARTICIPATING IN THE NEW MEXICO HEALTH
INSURANCE EXCHANGE; DECLARING AN EMERGENCY.

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

SECTION 1. Section 59A-23F-11 NMSA 1978 (being Laws 2021,
Chapter 136, Section 4, as amended) is amended to read:

"59A-23F-11. HEALTH CARE AFFORDABILITY FUND.--

A. The "health care affordability fund" is created
in the state treasury. The fund consists of distributions,
appropriations, gifts, grants and donations. Money in the fund
at the end of a fiscal year shall not revert to any other fund.
The health care authority shall administer the fund, and money
in the fund is subject to appropriation by the legislature for
purposes provided by this section. Disbursements from the fund

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1 shall be made by warrant of the secretary of finance and
2 administration pursuant to vouchers signed by the secretary of
3 health care authority or the secretary's authorized
4 representative.

5 B. The purpose of the fund is to:

6 (1) reduce health care premiums and cost
7 sharing for New Mexico residents who purchase health care
8 coverage on the New Mexico health insurance exchange;

9 (2) reduce premiums for small businesses and
10 their employees purchasing health care coverage in the fully
11 insured small group market;

12 (3) provide resources for planning, design and
13 implementation of health care coverage initiatives for
14 uninsured New Mexico residents;

15 (4) provide resources for administration of
16 state health care coverage initiatives for uninsured New Mexico
17 residents;

18 (5) cover a portion or all of the net premium
19 health benefit contributions for state employees enrolled in
20 health benefit plans covered by the Health Care Purchasing Act
21 who do not qualify for medicaid and:

22 (a) have a modified adjusted gross
23 income up to two hundred fifty percent of the federal poverty
24 level; or

25 (b) purchase employee-only coverage and

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1 receive an annual salary from the state of fifty thousand
2 dollars (\$50,000) or less; and

3 (6) cover a portion or all of the net premiums
4 for members of the New Mexico national guard who qualify for a
5 federal TRICARE reserve select policy.

6 C. If the federal Patient Protection and Affordable
7 Care Act [~~is~~] or other federal coverage programs that enable
8 New Mexico residents to secure affordable comprehensive health
9 care coverage are repealed in full or in part by an act of
10 congress, [~~or~~] invalidated by the United States supreme court
11 [~~and~~] or administered by the United States department of health
12 and human services in a way that eliminates or reduces access
13 to comprehensive health care coverage for New Mexico residents
14 through medicaid or the New Mexico health insurance exchange,
15 the fund may be used to maintain coverage through the New
16 Mexico health insurance exchange, [~~or through~~] medical
17 assistance programs or other programs established or
18 administered by the health care authority; provided that
19 coverage is prioritized for New Mexico residents with incomes
20 below two hundred percent of the federal poverty level.

21 D. Prior to July 1, 2025, the staff of the
22 legislative finance committee shall conduct a program
23 evaluation to measure the impact of changes to the health
24 insurance premium surtax and the creation of the health care
25 affordability fund as it relates to the purpose of the fund.

1 E. Prior to July 1 of each year, the health care
2 authority shall provide actuarial data from the health care
3 affordability fund to the legislative finance committee.

4 F. Prior to July 1 of each year, the secretary of
5 health care authority, in consultation with the superintendent,
6 the secretary of taxation and revenue and the chief executive
7 officer of the New Mexico health insurance exchange, shall work
8 with the legislative finance committee and the department of
9 finance and administration to develop and report on performance
10 measures relating to the health care affordability fund and any
11 programs or initiatives funded by the fund."

12 SECTION 2. Section 59A-23F-12 NMSA 1978 (being Laws 2021,
13 Chapter 136, Section 5, as amended) is amended to read:

14 "59A-23F-12. HEALTH CARE AFFORDABILITY PLAN--RULEMAKING--
15 REPORTING REQUIREMENTS.--

16 A. ~~[After the effective date of this 2024 act]~~
17 Rules covering the following provisions may be amended as the
18 health care authority determines:

19 (1) providing enhanced premium and cost-
20 sharing assistance to individuals and families for the purchase
21 of qualified health plans on the New Mexico health insurance
22 exchange. In providing this assistance, the health care
23 authority shall develop health care affordability criteria
24 designed to reduce the amount that individuals pay in premiums
25 and out-of-pocket medical expenses for qualified health plans

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1 offered on the New Mexico health insurance exchange; and

2 (2) establishing income eligibility parameters
3 for the health care affordability criteria for plan year 2023
4 and each subsequent calendar year based on available funds.

5 New Mexico residents who qualify shall: ~~[have an income that~~
6 ~~is eligible for advanced premium tax credits]~~

7 (a) have a household income below four
8 hundred percent of the federal poverty level and qualify for
9 the advanced premium tax credit under the federal Patient
10 Protection and Affordable Care Act; or

11 (b) meet all eligibility criteria for
12 the advanced premium tax credit under the federal Patient
13 Protection and Affordable Care Act except for household income
14 requirements.

15 B. If the federal Patient Protection and Affordable
16 Care Act is repealed in full or in part by an act of congress,
17 invalidated by the United States supreme court or administered
18 by the United States department of health and human services in
19 a way that alters eligibility criteria for the advanced premium
20 tax credit in a manner that would cause significant coverage
21 loss for New Mexico residents, the health care authority may
22 promulgate rules to minimize loss of coverage by expanding
23 eligibility to cover individuals at risk of losing coverage due
24 to such changes, subject to available funds.

25 ~~[B. After the effective date of this 2024 act]~~ C.

1 The health care authority, in consultation with the
2 superintendent, the New Mexico medical insurance pool, the
3 department of health and stakeholder groups, including health
4 care providers that serve uninsured residents, health insurance
5 carriers and consumer advocacy groups, may update the plan for
6 extending health care coverage access to uninsured New Mexico
7 residents who do not qualify for federal premium assistance or,
8 except by reason of incarceration, qualified health plans,
9 through the New Mexico health insurance exchange. The plan
10 shall include:

11 (1) details about health care benefits;

12 (2) health care affordability criteria

13 designed to reduce the amount that individuals pay in premiums
14 and out-of-pocket medical expenses under the plan and that
15 result in, to the greatest extent possible, health care costs
16 comparable to costs for New Mexico residents for whom
17 assistance is provided under Subsection A of this section; and

18 (3) income eligibility parameters that
19 prioritize eligibility for New Mexico residents with incomes
20 under two hundred percent of the federal poverty level.

21 ~~[G.]~~ D. On or before October 31, 2024 and each
22 October 31 thereafter, the health care authority shall submit a
23 report to the legislative finance committee and the legislative
24 health and human services committee ~~[which]~~ that includes:

25 (1) a summary of the affordability criteria

1 implemented pursuant to Subsections A, [~~and~~] B and C of this
2 section;

3 (2) the estimated number of uninsured New
4 Mexico residents who enrolled in coverage following
5 implementation of the affordability criteria pursuant to
6 Subsections A, [~~and~~] B and C of this section; and

7 (3) the amount in reduced costs and coverage
8 assistance the initiatives provided in the current and previous
9 calendar years by income level, county and coverage source."

10 SECTION 3. EMERGENCY.--It is necessary for the public
11 peace, health and safety that this act take effect immediately.

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