

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 01-15-2026

Check all that apply:

Bill Number: HB 38Original Correction Amendment Substitute

Agency Name and Office of Superintendent of Insurance-
Code Number: 440

Sponsor: Representative Kathleen Cates

Person Writing
Analysis:

Viara Ianakieva

Short Title: WHEELCHAIR INSURANCE COVERAGE

Viara.Ianakieva@osi.nm.govPhone: 505-508-9073Email: gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	N/A	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

Total						
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(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None.
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 38 (HB38) amends the Health Care Purchasing Act and Sections 59A-22-62, 59A-23-32, 59A-46-72, and 59A-47-66 NMSA 1978 of the Insurance Code to require health insurance issuers to cover wheel chairs and activity chairs if the item is for a permanent physical condition including limb loss, absence, or difference, paralysis, or conditions that significantly limit a person's ability to independently and safely engage in necessary physical activity.

“Activity chair” is defined as a device designed specifically to enable a person with mobility impairment to participate in physical activities by providing better speed, safety, stability, maneuverability, and balance than a standard wheelchair designed for activities of daily living.

HB38 also amends Section 59A-16-21.4 of the Insurance Code to prohibit as an unfair and deceptive trade practice: (1) denial of a prosthetic device, custom orthotic device, a wheelchair or an activity chair; (2) that would otherwise be covered for a non-disabled person seeking medical or surgical intervention; (3) to restore or maintain the ability to perform the same activity; (4) if the item is for a person with documented permanent physical conditions, including limb loss, limb absence, limb difference, paralysis or neuromuscular or musculoskeletal conditions; (5) that significantly limit the person's ability to independently and safely ambulate, stand, perform functional mobility or engage in physical activity necessary for whole-body health.

The requirements of HB38 apply to policies, plans, contracts and certificates delivered or issued for delivery or renewed, extended or amended in this state on or after January 1, 2027.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

OSI will ensure compliance during forms review, examinations and any grievances received.

Carriers may need to expand contracts with DME suppliers and specialty providers.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

Insert a comma, after wheelchair or change language to read “a wheelchair and activity chair” to clarify that members are subject to more than one device.

“...orthotic devices, wheelchairs or activity chairs is provided, payment shall be made for the replacement of a prosthetic [or] device, a custom orthotic device, a wheelchair or an activity chair or for the replacement of any part of such [devices] items, without regard to continuous use or useful lifetime restrictions, if an ordering health care provider determines that the provision of a replacement [device] item, or a replacement part of such [a device] an item, is necessary because of any of the following...”

Update the definition of "activity chair" to “means a device that is used to support physical activity to maintaining or improving whole body health and designed specifically to enable a person with mobility impairment **to participate in physical activities by providing better speed, safety, stability, maneuverability and balance than a standard wheelchair that is designed for activities of daily living.”**

Specify a dollar amount for cost containment and operational purposes and to allow individuals to “for the full cost of one activity chair per member up to five thousand dollars (\$5,000) no more than frequently than every thirty-six months.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS