

LFC Requester:

Eric Chenier

**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** January 21, 2026*Check all that apply:***Bill Number:** HB 83Original ☒ Correction ☐Amendment ☐ Substitute ☐

**Sponsor:** Rebecca Dow, Joseph L.  
Sanchez, Mark Duncan, and  
Joseph Franklin Hernandez

**Short Title:** PERSONAL CARE SERVICES  
MEDICAID REIMBURSEMENT

**Agency Name  
and Code  
Number:**

Aging and Long-Term Services  
Department - 6400

**Person Writing**

Julie Sanchez

**Phone:** 505-629-2069**Email** Julie.Sanchez@altsd.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
NA	\$51,400.	Nonrecurring	NA

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
NA	NA	NA	NA	NA

(Parenthesis ( ) indicate revenue decreases)

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

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	NA	NA	NA	NA	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: House Bill 83 requires the Health Care Authority to establish minimum Medicaid reimbursement rates for personal care services and mandates that at least seventy percent of Medicaid reimbursement received by personal care services provider agencies be used for direct care workforce expenditures. The bill sets minimum hourly reimbursement rates of \$23.50 for consumer-delegated personal care services and \$19.78 for consumer-directed personal care services, excluding gross receipts taxes. The bill also requires personal care services provider agencies to maintain accounting records demonstrating compliance with the seventy-percent workforce expenditure requirement and to make those records available to HCA upon request.

#### **FISCAL IMPLICATIONS**

There are no fiscal implications to the Aging and Long-Term Services Department - HB 83 does not appropriate funds directly to ALTSD.

The bill appropriates \$51.4 million to the Health Care Authority for FY27 to support increased Medicaid reimbursement rates for personal care services. While ALTSD does not administer Medicaid, any changes to Medicaid personal care service rates may have indirect implications for programs serving older adults and individuals with disabilities who rely on personal care services to remain in their homes and communities.

#### **SIGNIFICANT ISSUES**

Personal care services are a foundational support that enables older adults and individuals with disabilities, particularly those with low incomes, chronic conditions, or functional limitations to remain safely in their homes and communities. These services are disproportionately relied upon by Medicaid beneficiaries who live in rural, tribal, and frontier areas; individuals with limited family caregiving support; and individuals from communities historically underserved by the health care system.

By establishing minimum reimbursement rates and requiring a defined portion of Medicaid reimbursement to be directed toward the direct care workforce, HB 83 may promote greater workforce stability and improve continuity of care for populations who experience barriers to accessing consistent personal care services. Improved wages, benefits, training, and supervision may also support recruitment and retention of direct care workers from the same communities they serve, which can enhance cultural responsiveness and trust.

At the same time, personal care services provider agencies serving rural or resource-limited regions may face challenges meeting new accounting and compliance requirements, which could affect provider participation if implementation supports are not sufficient. Ensuring equitable access will depend on effective implementation by the Health Care Authority, including clear guidance, monitoring, and technical assistance to prevent unintended reductions in service

availability for high-need or geographically isolated populations.

From ALTSD's perspective, improved workforce stability may support aging in place and reduce reliance on more costly institutional care settings. However, the bill also places new compliance and documentation requirements on personal care services provider agencies, which may have downstream effects on provider participation and service availability, particularly for smaller agencies operating in rural or frontier areas.

From an Adult Protective Services (APS) perspective, access to reliable personal care services is a critical component of stabilization and supports prevention planning for vulnerable adults experiencing abuse, neglect, or exploitation (ANE). Workforce shortages, and inconsistent service delivery are frequently identified barriers during APS investigations and service planning. While APS does not regulate Medicaid providers, improvements in compensation may indirectly support safer community-based outcomes for APS clients in need of personal care services.

## **PERFORMANCE IMPLICATIONS**

ALTSD anticipates no direct performance impact from HB 83.

However, ALTSD may receive inquiries from consumers, caregivers, or providers regarding how Medicaid reimbursement changes affect access to personal care services, which may require coordination with HCA for accurate referral and communication.

## **ADMINISTRATIVE IMPLICATIONS**

ALTSD anticipates no direct administrative impact from HB 83. ALTSD may receive informal inquiries from older adults seeking clarification, but this is not expected to rise to a level requiring additional staffing or resources.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB 83 does not conflict with existing APS statutes under the Adult Protective Services Act.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

Self-neglect is the most frequently reported concern received by Adult Protective Services (APS). APS routinely investigates cases in which insufficient or unreliable personal care services contribute to unsafe living conditions, abuse, neglect, or exploitation (ANE), or result in repeated APS referrals. While this bill does not modify or expand APS's statutory authority, it seeks to improve workforce compensation, which may enhance system stability and the availability of critical supports for vulnerable adults who depend on personal care services to safely remain in their communities.

## **ALTERNATIVES**

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If HB 83 is not enacted, existing Medicaid reimbursement rates and provider discretion over allocation of reimbursement funds would remain in place. Workforce recruitment and retention challenges for personal care services may persist, potentially limiting access to in-home supports for older adults and increasing the risk of institutional placement.

## **AMENDMENTS**