

LFC Requester:

Julissa Rodriguez

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.legis.nm.gov/AgencyAnalysis) and email to billanalysis@dfa.nm.gov*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***Identify if the analysis is on an original bill, an amendment, a substitute, or a correction of a previous bill.*Date Prepared: 1-23-2026

Check all that apply:

Bill Number: HB129Original Correction Amendment Substitute Sponsor: Pamelya HerndonAgency Name
and CodeOffice of Superintendent of
Insurance -440

Number:

Person Writing

Viara Ianakieva

Short

Title: HEALTHCARE PROVIDERPhone: 505-508-9073Email Viara.Ianakieva@osi.nm.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 () indicates revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Senate Bill 15

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 129 creates a new section in the Health Care Purchasing Act, and in Articles 22, 23, 46, and 47 of the Insurance Code.

Sections 1, 2, 3, 4, and 5 of this bill create parallel health care provider inclusion provisions in the Health Care Purchasing Act and in the Insurance Code that apply to individual, group, HMO, and non-profit plans. Subsection A of these sections requires that health plans include providers that are acting within the scope of their license to practice in the state. However, Subsection B states that “this section shall not require that a group health plan contract with any health care provider willing to abide by the terms and conditions for participation established by the group health plan.” Subsection C allows a group health plan to establish varying reimbursement rates for providers based on quality or performance measures. These sections also include a broad definition of health care provider in Subsection D: “as used in this section, ‘health care provider’ means a person who is licensed, certified, or otherwise authorized to provide services relating to physical or behavioral health care in the ordinary course of business in the state.”

Section 6 of the new sections repeals existing Insurance Code NMSA 1978, Sections 59A-46-35, Provider Discrimination Prohibited, 59A-46-36, Doctor of Oriental Medicine; Discrimination Prohibited, 59A-47-28.2, Doctor of Oriental Medicine Discrimination Prohibited, and 59A-47-28.3, Provider Discrimination Prohibited.

The bill applies to provider contracts that are entered, offered, renewed, extended, amended or issued by a health insurer on or after July 1, 2026.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

The proposed bill requires health contracts to include any health care provider who is acting within the scope of the provider’s license, certification, or other legal authority to practice in the state. However, it is unclear whether this requirement applies to licensed providers whose services are not associated with mandated benefits.

Additionally, the bill introduces a broader definition of “health care provider,” which does not align with the existing definition in Section 59A-22B-2G of the Insurance Code, currently applicable to individual, group, HMO, and nonprofit health plans.

PERFORMANCE IMPLICATIONS

The bill permits varying reimbursement rates based on quality or performance but does not specify what constitutes acceptable measures. It is also unclear whether reimbursement rates may be adjusted based on provider qualifications, training, or scope of practice, which could lead to differing interpretations.

ADMINISTRATIVE IMPLICATIONS

It is unclear if there are any expectations from OSI regarding enforcement.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Almost identical to SBPF 232241.3 sponsored by Senator Wirth and Senator Trujillo. Both bills have the same purpose of provider inclusion across carrier types and substantively identical language, with only a few wording variances noted below:

Section 5. C of HB129 states that “nothing in this section shall be construed as preventing a health insurer from establishing varying reimbursement rates...”, while Section 5. C of HB129 states that “nothing in this section shall be construed as preventing a health care plan from establishing varying reimbursement rates...”

TECHNICAL ISSUES

While the bill seeks to prevent categorical exclusion of provider types, it explicitly preserves carriers’ discretion not to contract with every willing provider. This creates a potential conflict between Subsection A, which suggests inclusion, and Subsection B, which allows carriers to decline contracts.

The language also refers to health care providers who are “acting within the scope of that provider’s license, certification, or *other legal authority* to practice in the state.” It is unclear what “other legal authority to practice in the state” is referencing.

OTHER SUBSTANTIVE ISSUES

The repeal of Sections 59A-46-35 (Provider Discrimination Prohibited), 59A-46-36 (Doctor of Oriental Medicine; Discrimination Prohibited), 59A-47-28.2 (Doctor of Oriental Medicine Discrimination Prohibited), and 59A-47-28.3 (Provider Discrimination Prohibited) may remove important protections without fully incorporating them into the new language. This could result in gaps in enforcement and interpretation.

The repealed sections, which prohibit discrimination against providers and doctors of oriental medicine, appear to provide stronger non-discrimination provisions than the new language in the bill. If this legislation is intended to include an additional type of provider in the non-discrimination provisions, it is recommended that this provider type be added directly into the existing statute.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None.