

LFC Requester:

RubyAnn Esquibel

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***{Indicate if analysis is on an original bill, an amendment, a substitute, or a correction of a previous bill}*Date Prepared 2-10-2026

Check all that apply:

Bill Number: HM52Original Correction Amendment Substitute Sponsor: Nicole ChavezAgency Name
and CodeOffice of Superintendent of
Insurance-440

Number:

Person Writing

Viara Ianakieva

Short Title: HEALTH INSURANCE

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PREMIUM AFFORDABILITY

Phone: 505-508-9073 :m.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	60,000	660,000				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: House Bill 287
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

House Memorial 52 (HM52) requires the Office of Superintendent of Insurance (OSI) and the Health Care Authority (HCA) to establish the Health Insurance Premium Affordability Study Group. The purpose of the group is to study rising health insurance premiums and cost drivers in New Mexico's fully insured individual and insured group health insurance markets.

The study group is to be comprised of four members representing the interests of small employers and working families affected by rising premium and out-of-pocket costs, four members representing interests of business and employer community, four members representing the health insurance industry including one licensed health insurance agent or broker experienced in the fully insured individual and small group markets, the Superintendent of Insurance or designee, and the Chief Executive Officer of the New Mexico Health Insurance Exchange or designee.

The study group is required to study, evaluate, and make findings and recommendations regarding:

1. the primary drivers of premium changes in New Mexico's fully insured individual and small group health insurance markets, including trends in health care claims costs, utilization, prescription drug costs, administrative expenses and other premium components;
2. the affordability impacts of rising premiums and out-of-pocket costs on small employers and working families, including impacts on the ability of small employers to offer coverage and remain competitive in recruiting and retaining employees;
3. the extent to which state-imposed premium taxes, fees and assessments applicable to fully insured health insurance coverage affect premiums in the individual and small group markets, including comparisons with surrounding and peer states;
4. options to improve affordability and promote market competitiveness while protecting access to quality health care, including consideration of current benefit mandates, coverage requirements and regulatory factors that may contribute to premium growth;
5. tools, best practices and processes, including a structured, evidence-based framework, to assist legislators in obtaining objective, data-driven estimates of the drivers that may affect health insurance benefits, coverage requirements, cost-sharing requirements or premiums; and
6. recommendations for improving transparency for small employers and consumers regarding premium cost drivers and the expected impacts of statutory and regulatory changes;

The study group is required to submit a written report of its findings and recommendations to the Legislative Finance Committee and Legislative Health and Human Services Committee by October 1, 2026.

The effective date of HM52 is May 20, 2026.

FISCAL IMPLICATIONS

HM52 will result in significant costs for OSI. OSI estimates the need for a dedicated project manager in FY26, and in FY27, both a project manager and an additional actuary will be required to complete the comprehensive study described in HM52. OSI estimates a cost of \$350,000–\$600,000 for actuarial services in FY27 and about \$100,000 for a project manager in FY26 and FY27. It is unclear whether study panel members will receive compensation; if so, this will create additional costs.

SIGNIFICANT ISSUES

The bill introduces complex requirements that will demand substantial resources and coordination. The scope of work, including forming a study group and producing a comprehensive report, exceeds OSI's current capacity without additional staffing and funding.

OSI already collects extensive information from carriers during rate review and has a strong understanding of the drivers of rate increases and potential mitigation strategies. Rate transparency reports for each carrier are available at OSI's website [here](#). In addition, there is public access to all non-confidential data submitted from the carriers during the Qualified Health Plan (QHP) review period that can be accessed through the New Mexico SERFF public access website [here](#).

PERFORMANCE IMPLICATIONS

HM52 requires OSI to deliver a report by October; however, completing all tasks outlined in the bill demands significantly more time. Once the study group is formed, OSI estimates the project will take approximately one year to complete.

ADMINISTRATIVE IMPLICATIONS

OSI will need to hire an additional staff member or engage a part-time contractor to manage the project. In addition, OSI will need to contract with an actuary to fulfill the technical requirements of the study.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 287, Permanent Health & Human Services Committee.

TECHNICAL ISSUES

None identified.

OTHER SUBSTANTIVE ISSUES

HM52 assigns responsibility for forming the study group to OSI, in consultation with HCA, but does not require HCA representation on the group. Likewise, although the study must include an analysis of state-imposed premium taxes, participation by the Taxation and Revenue Department is not mandated. Including a medical provider could also offer valuable perspective. However, the absence of members with specialized training in tax policy and clinical practice would limit the group's ability to review issues thoroughly and provide input from a multi-faceted perspective.

ALTERNATIVES

None proposed.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If the bill is not enacted, OSI will maintain the status quo. Publicly available rate related information can be accessed [here](#). OSI has a strong understanding of the drivers impacting the rate increased and can recommend ways to mitigate costs.

AMENDMENTS

None proposed.