

HOUSE HEALTH AND HUMAN SERVICES COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 306

**57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

AN ACT

RELATING TO HEALTH CARE; PROHIBITING HEALTH CARE FACILITY FEES  
FROM BEING CHARGED FOR CERTAIN SERVICES; REQUIRING DISCLOSURE  
OF FACILITY FEES TO PATIENTS AND REPORTING OF FACILITY FEES TO  
THE ALL-PAYER CLAIMS DATABASE.

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

**SECTION 1.** ~~[NEW MATERIAL]~~ SHORT TITLE.--This act may be  
cited as the "Fair Pricing for Routine Medical Care Act".

**SECTION 2.** ~~[NEW MATERIAL]~~ DEFINITIONS.--As used in the  
Fair Pricing for Routine Medical Care Act:

A. "affiliated with" means that a person is:

(1) employed by a hospital or health system;

or

(2) under a professional services agreement,

faculty agreement or management agreement with a hospital or

1 health system that permits the hospital or health system to  
2 bill on behalf of the person;

3 B. "campus" means:

- 4 (1) a hospital's main buildings;  
5 (2) the physical area immediately adjacent to  
6 a hospital's main buildings;  
7 (3) structures owned by a hospital that are  
8 not strictly contiguous to the main buildings but are located  
9 within two hundred fifty yards of the main buildings; or  
10 (4) any other area that has been determined by  
11 the federal centers for medicare and medicaid services, on  
12 an individual case-by-case basis, to be part of a hospital's  
13 campus;

14 C. "facility fee" means a fee charged or billed by  
15 a hospital or health system for outpatient hospital services  
16 that is:

- 17 (1) intended to compensate the health system  
18 or hospital for operational expenses; and  
19 (2) separate and distinct from a professional  
20 fee charged or billed by a hospital or health system for  
21 professional medical services;

22 D. "freestanding emergency department" means a  
23 facility licensed by the health care authority that is separate  
24 from an acute care hospital and that provides twenty-four-hour  
25 emergency care to patients at the same level of care that a

1 hospital-based emergency department delivers;

2 E. "health facility" means a health facility or  
3 health agency required to be licensed by the health care  
4 authority pursuant to the Health Care Code;

5 F. "health system" means a:

6 (1) parent corporation of one or more  
7 hospitals and any person affiliated with the parent corporation  
8 through ownership, governance, membership or other means; or

9 (2) hospital and any person affiliated with  
10 the hospital through ownership, governance, membership or other  
11 means;

12 G. "hospital" means a health facility that is  
13 licensed by the health care authority as a hospital;

14 H. "preventive health care service" means a service  
15 recommended by the United States preventive services task  
16 force;

17 I. "rural" means a rural county or an  
18 unincorporated area of a partially rural county, as designated  
19 by the health resources and services administration of the  
20 United States department of health and human services; and

21 J. "telehealth" means the use of electronic  
22 information, imaging and communication technologies, including  
23 interactive audio, video, data communications and store-and-  
24 forward technologies, to provide and support health care  
25 delivery, diagnosis, consultation, treatment, transfer of

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1 medical data and education when distance separates the patient  
2 and the health care provider.

3 SECTION 3. [NEW MATERIAL] LIMITATIONS ON CHARGES FOR  
4 CERTAIN HEALTH CARE SERVICES PROVIDED IN CERTAIN SETTINGS.--

5 A. Except as provided in Subsection D of this  
6 section, beginning January 1, 2027, a hospital or health system  
7 shall not charge, bill or collect a facility fee directly from  
8 a patient for:

9 (1) preventive health care services provided  
10 in an outpatient setting, including services accessed from the  
11 patient's vehicle;

12 (2) vaccination services provided in an  
13 outpatient setting, including services accessed from the  
14 patient's vehicle; or

15 (3) telehealth services.

16 B. Nothing in this section prohibits a hospital or  
17 health system from charging a facility fee for:

18 (1) health care services provided in an  
19 inpatient setting;

20 (2) health care services provided at a  
21 hospital emergency department; or

22 (3) health care services provided at a  
23 freestanding emergency department.

24 C. Nothing in this section prohibits a hospital or  
25 health system from charging, billing or collecting a facility

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1 fee from a patient's insurer pursuant to an agreement between  
2 the hospital or health system and the insurer or as required by  
3 law.

4 D. The provisions of Subsection A of this section  
5 shall not apply to a hospital or a hospital's clinic located in  
6 a rural area.

7 E. Notwithstanding the provisions of Subsections B,  
8 C and D of this section, a hospital or health system shall not  
9 charge, bill or collect a facility fee directly from a patient  
10 who does not have health insurance coverage and is provided the  
11 benefits of a health care service for which a facility fee  
12 would otherwise be charged.

13 SECTION 4. [NEW MATERIAL] BILLING TRANSPARENCY AND  
14 PATIENT NOTIFICATION.--

15 A. Beginning January 1, 2027, a hospital or health  
16 system that charges a facility fee shall:

17 (1) at the time an appointment is scheduled  
18 and again at the time health care services are rendered,  
19 provide notice to a patient that:

20 (a) discloses that a facility fee may be  
21 charged;

22 (b) indicates the amount of the facility  
23 fee;

24 (c) discloses that a facility fee may  
25 not be covered in whole or in part by the patient's insurance;

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1 and

2 (d) to the extent practicable, shall be  
3 provided in the patient's preferred language;

4 (2) post a plainly visible sign written in  
5 English and Spanish that states that a patient may or may not  
6 be charged a facility fee in addition to the cost of a  
7 professional fee. The sign shall:

8 (a) include information on the types of  
9 facility fees that the hospital or health system is prohibited  
10 from charging under the Fair Pricing for Routine Medical Care  
11 Act;

12 (b) disclose that patients who do not  
13 have health insurance coverage are exempt from paying a  
14 facility fee under the Fair Pricing for Routine Medical Care  
15 Act;

16 (c) be located within the health  
17 facility in an area where patients seeking care register or  
18 check in; and

19 (d) include information on where a  
20 patient may inquire further about facility fees; and

21 (3) provide patients with a standardized bill  
22 that:

23 (a) is clear, consumer-friendly and, to  
24 the extent practicable, in the patient's preferred language;

25 (b) includes itemized charges for each

1 health care service provided;

2 (c) specifically identifies any facility  
3 fee charged;

4 (d) identifies specific charges that  
5 have been billed to the patient's insurance; and

6 (e) provides contact information for a  
7 person the patient may contact to contest charges in the bill.

8 B. If a patient, after receiving notice pursuant to  
9 Paragraph (1) of Subsection A of this section and before  
10 services are rendered, declines, cancels or reschedules an  
11 appointment because the facility fee is too high or may not be  
12 covered by the patient's insurance plan, the hospital or health  
13 system shall not impose a cancellation fee, no-show fee or  
14 other penalty for that appointment.

15 SECTION 5. [NEW MATERIAL] FACILITY FEE REPORTING.--A  
16 hospital or health system that charges a facility fee shall  
17 report data related to the facility fee to the all-payer claims  
18 database established pursuant to the Health Information System  
19 Act. The data shall include the following information for  
20 services provided by a hospital in inpatient settings and  
21 outpatient settings and in locations on the hospital's campus  
22 and off the hospital's campus during each of the three previous  
23 calendar years:

24 A. the number of times facility fees were charged  
25 to patients;

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1                   B. the total dollar amount of facility fees charged  
2 to patients;

3                   C. the twenty-five most common billing codes for  
4 which a facility fee was charged and the total amount charged  
5 to patients for each of those codes;

6                   D. the twenty-five billing codes with the highest  
7 average patient charges and the total amount charged to  
8 patients for each billing code; and

9                   E. any other data required by the department of  
10 health to assess the prevalence and cost of facility fees in  
11 the state.

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