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HOUSE BILL 244

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

INTRODUCED BY

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AN ACT

RELATING TO HEALTH CARE; ENACTING THE HOSPITAL PRICE
TRANSPARENCY ACT; REQUIRING HOSPITALS TO PROVIDE PRICING
INFORMATION ON SERVICES AND ITEMS PROVIDED AT THE HOSPITALS;
REQUIRING THE HEALTH CARE AUTHORITY TO IMPLEMENT AND ADMINISTER
THE HOSPITAL PRICE TRANSPARENCY ACT; PROVIDING CONSUMERS AN
AFFIRMATIVE DEFENSE TO COLLECTION ACTIONS; DECLARING A
VIOLATION OF THE HOSPITAL PRICE TRANSPARENCY ACT AS AN UNFAIR
OR DECEPTIVE TRADE PRACTICE.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1
through 5 of this act may be cited as the "Hospital Price
Transparency Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the
Hospital Price Transparency Act:

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1 A. "authority" means the health care authority;

2 B. "collection action" means any of the following
3 actions taken with respect to a debt for an item or service
4 that was purchased from or provided to a patient by a hospital
5 on a date during which the hospital was in violation of the
6 Hospital Price Transparency Act:

7 (1) attempting to collect a debt from a
8 patient or a patient's guarantor by referring the debt,
9 directly or indirectly, to a debt collector, a collection
10 agency or other third party retained by or on behalf of the
11 hospital;

12 (2) suing the patient or the patient's
13 guarantor or enforcing an arbitration or mediation clause in a
14 hospital document, including any contract, agreement, statement
15 or bill; or

16 (3) directly or indirectly causing a report to
17 be made to a consumer reporting agency;

18 C. "collection agency" means a person that:

19 (1) engages in a business for the principal
20 purpose of collecting debts; or

21 (2) does any of the following:

22 (a) regularly collects or attempts to
23 collect, directly or indirectly, debts owed or due or asserted
24 to be owed or due to another;

25 (b) takes assignment of debts for

1 collection purposes; or

2 (c) directly or indirectly solicits for
3 collection debts owed or due or asserted to be owed or due to
4 another;

5 D. "consumer reporting agency" means a person that,
6 for a monetary fee or dues or on a cooperative nonprofit basis,
7 regularly engages in the practice of assembling or evaluating
8 consumer credit information or other information on consumers
9 for the purpose of furnishing consumer reports to third
10 parties. "Consumer reporting agency" does not include business
11 entities that only provide check verification or check
12 guarantee services;

13 E. "debt" means an obligation or alleged obligation
14 of a consumer to pay money arising out of a transaction,
15 whether or not the obligation has been reduced to judgment.
16 "Debt" does not include a debt for business, investment,
17 commercial or agricultural purposes or a debt incurred by a
18 business;

19 F. "debt collector" means a person employed or
20 engaged by a collection agency to perform the collection of
21 debts owed or due or debts asserted to be owed or due to
22 another;

23 G. "hospital" means a public hospital, profit or
24 nonprofit private hospital or a general or special hospital
25 that is licensed as a hospital by the authority;

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1 H. "machine-readable format" means a digital
2 representation of information in a file that can be easily
3 imported or read into a computer system for further processing
4 without any additional preparation;

5 I. "shoppable service" means a service that may be
6 scheduled by a person in advance;

7 J. "standard charge" means the regular rate
8 established by a hospital for a hospital item or service
9 provided to a specific group of paying patients. "Standard
10 charge" includes the:

11 (1) charge for a hospital item or service that
12 is reflected on the hospital's chargemaster, absent of any
13 discount;

14 (2) charge that a hospital has negotiated with
15 a third-party payor for a hospital item or service;

16 (3) highest charge that a hospital has
17 negotiated with all third-party payors for a hospital item or
18 service;

19 (4) lowest charge that a hospital has
20 negotiated with all third-party payors for a hospital item or
21 service; and

22 (5) charge that applies to a person who pays
23 cash or a cash equivalent for a hospital item or service; and

24 K. "third-party payor" means an entity that is
25 legally responsible for payment of a claim for a hospital item

1 or service.

2 SECTION 3. [NEW MATERIAL] PUBLIC AVAILABILITY OF PRICE
3 INFORMATION REQUIRED.--

4 A. Each hospital shall publish the following on the
5 hospital's publicly accessible website:

6 (1) a digital file in a machine-readable
7 format that displays the standard charges for the hospital's
8 items or services in dollar amounts; and

9 (2) either:

10 (a) a consumer-friendly list that
11 contains information for at least three hundred shoppable
12 services provided by the hospital with charges displayed in
13 dollar amounts specific to that individual hospital location;
14 or

15 (b) an internet-based price estimator
16 tool that allows patients to generate personalized cost
17 estimates for items or services and is consistent with
18 regulations and guidance promulgated by the federal centers for
19 medicare and medicaid services pursuant to the federal Public
20 Health Service Act.

21 B. The information provided on a hospital's website
22 pursuant to Subsection A of this section shall be formatted and
23 presented in a manner consistent with federal centers for
24 medicare and medicaid services regulations and guidance
25 promulgated pursuant to the federal Public Health Service Act.

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1 SECTION 4. ~~[NEW MATERIAL]~~ ENFORCEMENT.--

2 A. A hospital shall be in violation of the Hospital
3 Price Transparency Act if the hospital:

4 (1) fails to take immediate action to remedy a
5 failure to comply with the provisions of the Hospital Price
6 Transparency Act;

7 (2) fails to submit a plan of correction in
8 accordance with the requirements of this section;

9 (3) fails to comply with a plan of correction;
10 or

11 (4) violates an order previously issued by the
12 authority in a disciplinary matter.

13 B. The authority may:

14 (1) audit a hospital's website to ensure
15 compliance with the Hospital Price Transparency Act; and

16 (2) establish a process to allow individuals
17 the ability to submit complaints for alleged noncompliance with
18 the Hospital Price Transparency Act.

19 C. Upon determining that a hospital is not in
20 compliance with the provisions of the Hospital Price
21 Transparency Act, the authority shall issue a written notice to
22 the hospital stating that a violation has been committed by the
23 hospital. The written notice shall:

24 (1) state that the hospital is required to
25 take immediate action to remedy the noncompliance or, if the

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1 hospital is unable to immediately remedy the noncompliance,
2 submit a plan of correction to the authority; and

3 (2) state that the hospital is required to
4 provide prompt confirmation to the authority that the
5 corrective action has been taken.

6 D. If a hospital is required to submit a plan of
7 correction to the authority, the authority may direct that the
8 noncompliance be remedied within a specified period of time.
9 The hospital shall submit the plan of correction within thirty
10 days of the authority's issuance of the written notice.

11 E. A hospital that is not in compliance with the
12 Hospital Price Transparency Act on the date when an item or
13 service is provided to a patient shall not initiate or pursue a
14 collection action against the patient or the patient's
15 guarantor for a debt owed for the item or service if the item
16 or service is related to the noncompliance.

17 F. A patient or a patient's guarantor may establish
18 an affirmative defense against any collection action initiated
19 by a hospital by demonstrating that the:

20 (1) hospital was not in compliance with the
21 Hospital Price Transparency Act on the date when an item or
22 service involved in the collection action was provided; and

23 (2) item or service that is subject to the
24 collection action is related to the hospital's noncompliance.

25 G. If a patient or a patient's guarantor

1 successfully establishes an affirmative defense to a collection
2 action pursuant to Subsection F of this section, the court
3 shall order the hospital that initiated the collection action
4 to:

5 (1) dismiss the collection action with
6 prejudice;

7 (2) refund the payor for all payments made
8 toward the debt at issue in the collection action;

9 (3) pay any attorney fees and costs incurred
10 by the patient or the patient's guarantor relating to the
11 action; and

12 (4) remove or cause to be removed from the
13 patient's or the patient's guarantor's credit report a report
14 made to a consumer reporting agency relating to the debt.

15 SECTION 5. [NEW MATERIAL] INFORMATION REQUIRED TO BE
16 PROVIDED TO PATIENTS.--Prior to commencing a collection action,
17 a hospital or a debt collector acting on behalf of a hospital
18 shall provide a patient with:

19 A. an easy-to-understand itemized statement of the
20 debt owed by the patient to the hospital, which shall include
21 the applicable billing codes for each item or service, using
22 commonly recognized billing code sets;

23 B. a copy of the detailed receipts of any payments
24 made to the hospital or debt collector by the patient or the
25 patient's guarantor within thirty days of each payment;

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1 C. information about the availability of language-
2 assistance services for persons with limited proficiency in
3 English; and

4 D. the contact information for an office or
5 individual at the hospital that can:

6 (1) discuss the specific details of an
7 itemized statement; and

8 (2) make appropriate changes to the statement.

9 SECTION 6. Section 57-12-2 NMSA 1978 (being Laws 1967,
10 Chapter 268, Section 2, as amended) is amended to read:

11 "57-12-2. DEFINITIONS.--As used in the Unfair Practices
12 Act:

13 A. "person" means, where applicable, natural
14 persons, corporations, trusts, partnerships, associations,
15 cooperative associations, clubs, companies, firms, joint
16 ventures or syndicates;

17 B. "seller-initiated telephone sale" means a sale,
18 lease or rental of goods or services in which the seller or the
19 seller's representative solicits the sale by telephoning the
20 prospective purchaser and in which the sale is consummated
21 entirely by telephone or mail, but does not include a
22 transaction:

23 (1) in which a person solicits a sale from a
24 prospective purchaser who has previously made an authorized
25 purchase from the seller's business; or

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1 (2) in which the purchaser is accorded
2 the right of rescission by the provisions of the federal
3 Consumer Credit Protection Act, 15 U.S.C. 1635, or regulations
4 issued pursuant thereto;

5 C. "trade" or "commerce" includes the advertising,
6 offering for sale or distribution of any services and any
7 property and any other article, commodity or thing of value,
8 including any trade or commerce directly or indirectly
9 affecting the people of this state;

10 D. "unfair or deceptive trade practice" means an
11 act specifically declared unlawful pursuant to the Unfair
12 Practices Act, a false or misleading oral or written statement,
13 visual description or other representation of any kind
14 knowingly made in connection with the sale, lease, rental or
15 loan of goods or services or in the extension of credit or in
16 the collection of debts by a person in the regular course of
17 the person's trade or commerce, that may, tends to or does
18 deceive or mislead any person and includes:

19 (1) representing goods or services as those of
20 another when the goods or services are not the goods or
21 services of another;

22 (2) causing confusion or misunderstanding as
23 to the source, sponsorship, approval or certification of goods
24 or services;

25 (3) causing confusion or misunderstanding as

1 to affiliation, connection or association with or certification
2 by another;

3 (4) using deceptive representations or
4 designations of geographic origin in connection with goods or
5 services;

6 (5) representing that goods or services have
7 sponsorship, approval, characteristics, ingredients, uses,
8 benefits or quantities that they do not have or that a person
9 has a sponsorship, approval, status, affiliation or connection
10 that the person does not have;

11 (6) representing that goods are original or
12 new if they are deteriorated, altered, reconditioned,
13 reclaimed, used or secondhand;

14 (7) representing that goods or services are of
15 a particular standard, quality or grade or that goods are of a
16 particular style or model if they are of another;

17 (8) disparaging the goods, services or
18 business of another by false or misleading representations;

19 (9) offering goods or services with intent not
20 to supply them in the quantity requested by the prospective
21 buyer to the extent of the stock available, unless the
22 purchaser is purchasing for resale;

23 (10) offering goods or services with intent
24 not to supply reasonable expectable public demand;

25 (11) making false or misleading statements of

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1 fact concerning the price of goods or services, the prices of
2 competitors or one's own price at a past or future time or the
3 reasons for, existence of or amounts of price reduction;

4 (12) making false or misleading statements of
5 fact for the purpose of obtaining appointments for the
6 demonstration, exhibition or other sales presentation of goods
7 or services;

8 (13) packaging goods for sale in a container
9 that bears a trademark or trade name identified with goods
10 formerly packaged in the container, without authorization,
11 unless the container is labeled or marked to disclaim a
12 connection between the contents and the trademark or trade
13 name;

14 (14) using exaggeration, innuendo or ambiguity
15 as to a material fact or failing to state a material fact if
16 doing so deceives or tends to deceive;

17 (15) stating that a transaction involves
18 rights, remedies or obligations that it does not involve;

19 (16) stating that services, replacements or
20 repairs are needed if they are not needed;

21 (17) failing to deliver the quality or
22 quantity of goods or services contracted for;

23 (18) violating the Tobacco Escrow Fund Act;

24 (19) offering or providing unposted or
25 unadvertised pricing or service based on the buyer's gender or

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1 perceived gender identity; provided, however, that this
2 provision does not apply to persons regulated by the office of
3 superintendent of insurance pursuant to the New Mexico
4 Insurance Code; ~~[or]~~

5 (20) charging an applicant a fee in violation
6 of the Uniform Owner-Resident Relations Act; or

7 (21) violating the Hospital Price Transparency
8 Act; and

9 E. "unconscionable trade practice" means an act or
10 practice in connection with the sale, lease, rental or loan, or
11 in connection with the offering for sale, lease, rental or
12 loan, of any goods or services, including services provided by
13 licensed professionals, or in the extension of credit or in the
14 collection of debts that to a person's detriment:

15 (1) takes advantage of the lack of knowledge,
16 ability, experience or capacity of a person to a grossly unfair
17 degree; or

18 (2) results in a gross disparity between the
19 value received by a person and the price paid."