

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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. SHORT TITLE.--This act may be cited as the
"Fair Pricing for Routine Medical Care Act".

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

- B. "campus" means:
 - (1) a hospital's main buildings;
 - (2) the physical area immediately adjacent
to a hospital's main buildings;
 - (3) structures owned by a hospital that are
not strictly contiguous to the main buildings but are located
within two hundred fifty yards of the main buildings; or

1 (4) any other area that has been determined
2 by the federal centers for medicare and medicaid services, on
3 an individual case-by-case basis, to be part of a hospital's
4 campus;

5 C. "facility fee" means a fee charged or billed by
6 a hospital or health system for outpatient hospital services
7 that is:

8 (1) intended to compensate the health system
9 or hospital for operational expenses; and

10 (2) separate and distinct from a
11 professional fee charged or billed by a hospital or health
12 system for professional medical services;

13 D. "freestanding emergency department" means a
14 facility licensed by the health care authority that is
15 separate from an acute care hospital and that provides
16 twenty-four-hour emergency care to patients at the same level
17 of care that a hospital-based emergency department delivers;

18 E. "health facility" means a health facility or
19 health agency required to be licensed by the health care
20 authority pursuant to the Health Care Code;

21 F. "health system" means a:

22 (1) parent corporation of one or more
23 hospitals and any person affiliated with the parent
24 corporation through ownership, governance, membership or
25 other means; or

1 (2) hospital and any person affiliated with
2 the hospital through ownership, governance, membership or
3 other means;

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

6 H. "preventive health care service" means a
7 service recommended by the United States preventive services
8 task force;

9 I. "rural" means a rural county or an
10 unincorporated area of a partially rural county, as
11 designated by the health resources and services
12 administration of the United States department of health and
13 human services; and

14 J. "telehealth" means the use of electronic
15 information, imaging and communication technologies,
16 including interactive audio, video, data communications and
17 store-and-forward technologies, to provide and support health
18 care delivery, diagnosis, consultation, treatment, transfer
19 of medical data and education when distance separates the
20 patient and the health care provider.

21 **SECTION 3. LIMITATIONS ON CHARGES FOR CERTAIN HEALTH**
22 **CARE SERVICES PROVIDED IN CERTAIN SETTINGS.--**

23 A. Except as provided in Subsection D of this
24 section, beginning January 1, 2027, a hospital or health
25 system shall not charge, bill or collect a facility fee

1 directly from a patient for:

2 (1) preventive health care services provided
3 in an outpatient setting, including services accessed from
4 the patient's vehicle;

5 (2) vaccination services provided in an
6 outpatient setting, including services accessed from the
7 patient's vehicle; or

8 (3) telehealth services.

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

11 (1) health care services provided in an
12 inpatient setting;

13 (2) health care services provided at a
14 hospital emergency department; or

15 (3) health care services provided at a
16 freestanding emergency department.

17 C. Nothing in this section prohibits a hospital or
18 health system from charging, billing or collecting a facility
19 fee from a patient's insurer pursuant to an agreement between
20 the hospital or health system and the insurer or as required
21 by law.

22 D. The provisions of Subsection A of this section
23 shall not apply to a hospital or a hospital's clinic located
24 in a rural area.

25 E. Notwithstanding the provisions of Subsections

1 B, C and D of this section, a hospital or health system shall
2 not charge, bill or collect a facility fee directly from a
3 patient who does not have health insurance coverage and is
4 provided the benefits of a health care service for which a
5 facility fee would otherwise be charged.

6 SECTION 4. BILLING TRANSPARENCY AND PATIENT
7 NOTIFICATION.--

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

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

13 (a) discloses that a facility fee may
14 be charged;

15 (b) indicates the amount of the
16 facility fee;

17 (c) discloses that a facility fee may
18 not be covered in whole or in part by the patient's
19 insurance; and

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

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

1 (a) include information on the types of
2 facility fees that the hospital or health system is
3 prohibited from charging under the Fair Pricing for Routine
4 Medical Care Act;

5 (b) disclose that patients who do not
6 have health insurance coverage are exempt from paying a
7 facility fee under the Fair Pricing for Routine Medical Care
8 Act;

9 (c) be located within the health
10 facility in an area where patients seeking care register or
11 check in; and

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

14 (3) provide patients with a standardized
15 bill that:

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

18 (b) includes itemized charges for each
19 health care service provided;

20 (c) specifically identifies any
21 facility fee charged;

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

24 (e) provides contact information for a
25 person the patient may contact to contest charges in the

1 bill.

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

9 SECTION 5. FACILITY FEE REPORTING.--A hospital or
10 health system that charges a facility fee shall report data
11 related to the facility fee to the all-payer claims database
12 established pursuant to the Health Information System Act.
13 The data shall include the following information for services
14 provided by a hospital in inpatient settings and outpatient
15 settings and in locations on the hospital's campus and off
16 the hospital's campus during each of the three previous
17 calendar years:

18 A. the number of times facility fees were charged
19 to patients;

20 B. the total dollar amount of facility fees
21 charged to patients;

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

25 D. the twenty-five billing codes with the highest

1 average patient charges and the total amount charged to
2 patients for each billing code; and

3 E. any other data required by the department of
4 health to assess the prevalence and cost of facility fees in
5 the state.

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25