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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 15

SHORT TITLE: Health Care Purchasing Act Amendments

SPONSOR: Trujillo/Wirth

LAST UPDATE: _____ **ORIGINAL DATE:** 1/20/2026 **ANALYST:** Rommel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
OSI	No fiscal impact	Indeterminate but minimal	No fiscal impact		Nonrecurring	Other state funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Office of the Superintendent of Insurance (OSI)

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from other state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of Senate Bill 15

Senate Bill 15 relates to insurance and nondiscrimination in the healthcare workforce. It enacts new sections of the Health Care Purchasing Act, the New Mexico Insurance Code, the Health Maintenance Organization Law, and Nonprofit Health Care Plan Law. The bill directs that health coverage carriers shall cover all types of healthcare providers working within their legal scope of practice.

The legislation also repeals existing Insurance Code provisions concerning discrimination (sections 59A-46-35, 59A-46-36, 59A-47-28.2, and 59A-47-28.3).

FISCAL IMPLICATIONS

Senate Bill 15 contains no appropriation. There will be an indeterminate but minimal impact to the Office of Superintendent of Insurance (OSI) related to updating the Insurance Code to reflect the changes within the legislation.

SIGNIFICANT ISSUES

This legislation creates a uniform requirement across New Mexico's insurance laws to ensure that any licensed healthcare provider acting within their legal scope of practice must be eligible to participate in health insurance networks. It applies broadly to individual and group health insurance policies, HMOs, nonprofit health plans, and state-purchased coverage. The bill does not require insurers to contract with every provider, but it prohibits insurers from excluding entire categories of providers solely because of their profession.

Health plans may still set their own participation standards, negotiate contracts, and establish different reimbursement rates based on quality or performance measures.

OSI notes the following:

Sections 1-5 of the bill create parallel healthcare provider inclusion provisions in the Health Care Purchasing Act and in the Insurance Code that are applicable to individual, group, HMO, and nonprofit 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, “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 healthcare 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.”

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.

ADMINISTRATIVE IMPLICATIONS

OSI notes it is unclear if there are any expectations from the superintendent's office regarding enforcement.

OTHER SUBSTANTIVE ISSUES

OSI comments 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 nondiscrimination provisions than the new language in the bill. If this legislation is intended to include an additional type of provider into the non-discrimination provisions, it is recommended that this provider type be added directly into existing statute.

HLR/rl/hg/rl