

LFC Requester:	Julisa Rodriguez
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date 2/1/24
Bill No: HB306

Sponsor: Rep. Christine Chandler
Short Title: HOSPITAL FINANCIAL
TRANSPARENCY REPORTS

Agency Name and Code HCA-630
Number: _____
Person Writing Chris Foster
Phone: 505-827-1335 **Email** christophert.foster@hsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0.0	\$0.0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0.0	0.0	0.0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	\$0.0	\$0.0	\$0.0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

This Bill addresses Hospitals and other organized health care providers and all affiliated, subordinate or superior health facilities to those organizations and conditions eligibility for certain legal tort caps upon compliance with a lengthy set of disclosure requirements that would detail extensive situational, financial and litigation information to the Superintendent of Insurance and for publication.

FISCAL IMPLICATIONS

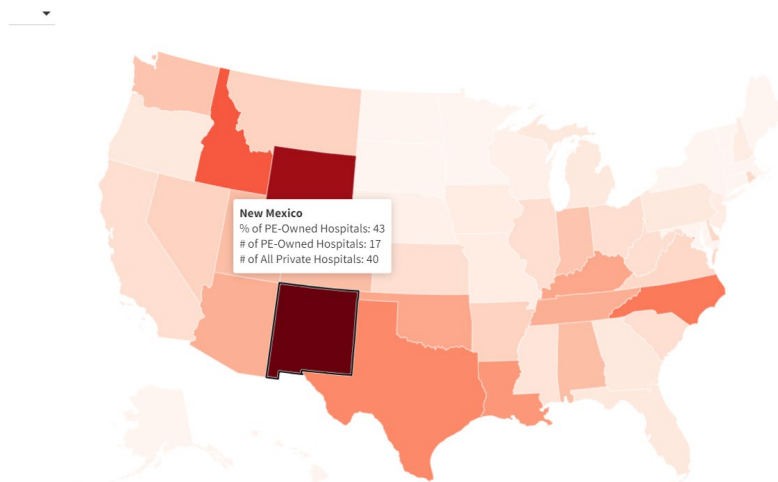
None

SIGNIFICANT ISSUES

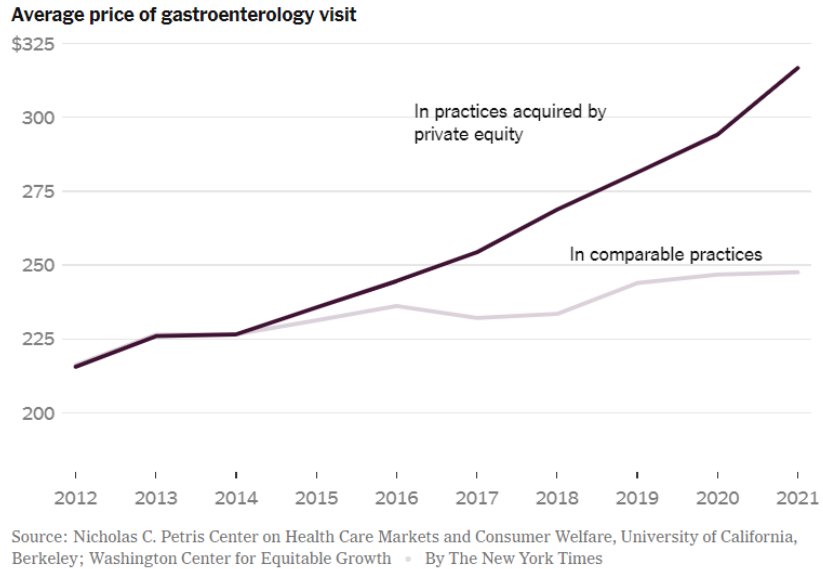
Although New Mexico has a smaller number of private equity-owned hospitals (17 facilities) compared to many other states, NM has the highest proportion of private equity-backed hospitals compared to all private non-government hospitals at 43% (see map below).

(https://pestakeholder.org/private-equity-hospital-tracker/#pe_map)

Density of PE-Owned Hospitals
 % of PE-owned hospitals by state



In a 2022 study by the [Petris Center](#), researchers found when a private equity firm controlled more than 30% of the market, the prices paid by private insurers for gastroenterology and other specialties increased sharply (see graph below).



A 2023 study by [JAMA](#) found that, in the three years after a private equity fund bought a hospital, adverse events including surgical infections and bed sores rose by 25% among Medicare patients when compared with similar hospitals that were not bought by such investors. The researchers reported a nearly 38% increase in central line infections, a dangerous kind of infection that medical professionals say should never happen in otherwise satisfactorily performing hospitals, and a 27% increase in falls by patients while staying in the hospital.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Certain exceptions under Inspection of Public Records Act (IPRA) may preclude disclosure in certain areas as trade secrets, designated mainly by health care providers.

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

List of the 16 private-equity owned hospitals in NM is below (source: https://pestakeholder.org/private-equity-hospital-tracker/#hospital_tracker):

Name	Facility ID (CCN)	Parent Company	PE Firm	County	Date last acquired by PE	Previous Owner Type	Type
ADVANCED CARE HOSPITAL OF SOUTHERN NEW MEXICO LLC	322004	Ernest Health	One Equity Partners	DONA ANA	2018-10-01	PE	LTACH
ALTA VISTA REGIONAL HOSPITAL	320003	Quorum Health Corporation	GoldenTree Asset Management, Davidson Kempner	SAN MIGUEL	2020-05-01	Public	Acute Care Hospitals
CENTRAL DESERT BEHAVIORAL HEALTH HOSPITAL	324014		AS Realty Investors	BERNALILLO		De Novo	Psychiatric
HAVEN BEHAVIORAL HOSPITAL OF ALBUQUERQUE	324013	Haven Behavioral Healthcare	Thoma Bravo, Resolute Capital Partners, WP Global Partners, Brown Brothers Harriman Capital Partners	BERNALILLO	2006-05-01		Psychiatric
KINDRED HOSPITAL ALBUQUERQUE	322002	ScionHealth	Apollo Global Management	BERNALILLO	2021-12-01	PE	LTACH
LOS ALAMOS MEDICAL CENTER	320033	LifePoint Health	Apollo Global Management	LOS ALAMOS	2018-11-01	Public	Acute Care Hospitals
LOVELACE MEDICAL CENTER	320009	Ardent Health Services	Equity Group Investments	BERNALILLO	2015-08-01	PE	Acute Care Hospitals
LOVELACE REGIONAL HOSPITAL - ROSWELL	320086	Ardent Health Services	Equity Group Investments	CHAVES	2015-08-01	PE	Acute Care Hospitals
LOVELACE UNM REHABILITATION HOSPITAL	323028	Ardent Health Services	Equity Group Investments	BERNALILLO	2015-08-01	PE	Rehabilitation hospital
LOVELACE WESTSIDE HOSPITAL	320074	Ardent Health Services	Equity Group Investments	BERNALILLO	2015-08-01	PE	Acute Care Hospitals
LOVELACE WOMEN'S HOSPITAL	320017	Ardent Health Services	Equity Group Investments	BERNALILLO	2015-08-01	PE	Acute Care Hospitals
MEMORIAL MEDICAL CENTER	320018	LifePoint Health	Apollo Global Management	DONA ANA	2018-11-01	Public	Acute Care Hospitals

Name	Facility ID (CCN)	Parent Company	PE Firm	County	Date last acquired by PE	Previous Owner Type	Type
MIMBRES MEMORIAL HOSPITAL	321309	Quorum Health Corporation	GoldenTree Asset Management, Davidson Kempner	LUNA	2020-05-01	Public	Critical Access Hospitals
PEAK BEHAVIORAL HEALTH SERVICES, LLC	324012	Summit Behavioral Healthcare	Patient Square Capital	DONA ANA	2022-01-01	Private	Psychiatric
REHABILITATION HOSPITAL OF SOUTHERN NM, INC	323032	Ernest Health	One Equity Partners	DONA ANA	2018-10-01	PE	Rehabilitation hospital
THREE CROSSES REGIONAL HOSPITAL LLC	320091	PartnersHealth	ASI Capital, The Convergence Group	DONA ANA	2020-05-01	De Novo	Acute Care Hospitals

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

None