

LFC Requester:

Eric Chenier

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

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 1/31/24

Bill No: SB14cs

Sponsor: Sen. Stefanics
Short Title: HCA Reorganization

Agency Name and Code HSD-630
Number: _____

Person Writing Alex Castillo Smith

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0	N/A	N/A

(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	TBD	TBD	TBD	N/A	N/A

(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: The committee substitute for Senate Bill 14 (SB14cs):

- Changes statutory language from the Human Services Department to the Health Care Authority to conform with the Health Care Authority Act;
- Adds the Director of the State Health Benefits Division as a member of the Board of the New Mexico Retiree Health Care Authority;
- Changes the definition of “consolidated purchasing” to mean a single process for procurement and contracting;
- Clarifies that health systems data may be shared with the Health Care Authority;
- Adds facility licensing authority to the general powers of the Health Care Authority to conform with the Health Care Authority Act;
- Transfers the Health Care Affordability fund from the Office of the Superintendent of Insurance (OSI) to the Health Care Authority;
- Clarifies that the State Health Benefits Division is part of the Health Care Authority by removing and replacing references to the Risk Management Division; and
- Makes numerous technical corrections to the existing statute to clarify the organizational structure of the Health Care Authority to confirm with the Health Care Authority Act.

Senate Health and Public Affairs Committee Substitute for Senate Bill 14 removes previous Sections 20, 21, 22 28, 29 and 137 to ensure clarity on the authority of CYFD and ECECD to license and oversee facilities serving only children. Removing the language from the bill keeps authority within the Public Health Act, Chapter 24. The authority, without reference to children’s facilities, is replicated in Sections 28 and 29 of the Committee Substitute in Chapter 24A. The Committee Substitute also removes previous Sections 48-51 and 53-59 to ensure clarity that certain sections of the Rural Primary Care Act and the Primary Care Capital Funding Act addressing FQHCs and school-based health centers remains under the purview of DOH. With the above sections of the original bill removed, the sections of the Committee Substitute have been renumbered.

FISCAL IMPLICATIONS There are some reassignments of functions from the Department of Health and General Services Department to the Health Care Authority. Some of these functions have staff and funding attached via the HCA’s FY25 Executive Budget Recommendation. Functions that may require additional staff, whether to administer funds, oversee programs, or

provide administrative support, may have a fiscal impact to HCA. The fiscal impact remains to be determined.

SIGNIFICANT ISSUES

None

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

None

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The consequences of not enacting this bill will be a lack of clarity and consistency in statutory language as it relates to the Health Care Authority Act.”

AMENDMENTS

None.