AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

 $\underline{AgencyAnalysis.nmlegis.gov} \ and \ email \ to \ \underline{billanalysis@dfa.nm.gov}$

(Analysis must be uploaded as a PDF)

	Date Prepared: Bill Number:	s, substitute or a correction of a previous bill} Check all that apply: Original Correction						
			Amendment X Substitute					
Sponsor: Kathleen Cates			and Cod	Agency Name and Code Number:		New Mexico Public Schools Insurance Authority 34200		
	CONTRACT ADJU	USTMENTS	Person Writing			Kaylei Jones		
Short Title:	UNDER PROCUR CODE	LEMENT	Phone: 505-469-		5128		Kaylei.Jones@psia.nm .gov	
SECTION	N II: FISCAL IMP	<u>ACT</u>						

Арргорг	lation	Recurring	Fund Affected	
FY25	FY26	or Nonrecurring		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

	Estimated Revenue	Recurring	Fund	
FY25	FY26	FY27	or Nonrecurring	Affected

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	Recurring or Nonrecurring	Fund Affected
Total					No fiscal impact

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB119 proposes amendments to the Procurement Code to allow contract adjustments based on changes in wage and benefit laws. The bill aims to ensure fair compensation adjustments for contractors and healthcare providers when state-mandated wage and benefit changes impact their financial obligations.

Contractors with state agencies can request contract amendments if state law or regulations alter employee compensation or benefits. Requests must be submitted within 45 days of the law or rule change. The state agency must respond in writing.

If Medicaid providers' costs increase due to state-mandated wage and benefit changes, the state agency must request federal adjustments in Medicaid reimbursement rates within 45 days. Similarly, if Medicare providers' expenses rise due to wage and benefit changes, the state agency must request federal Medicare reimbursement rate adjustments within 45 days.

FISCAL IMPLICATIONS

The amended HB119 poses no fiscal impact to NMPSIA.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS