

LFC Requester:

TBA

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to billanalysis@dfa.nm.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}

Date Prepared: 2/28/25*Check all that apply:***Bill Number:** SB103-SubOriginal ☐ Correction ☐Amendment ☐ Substitute ☒**Agency Name****and Code**

HCA-630

Number:**Sponsor:** Sen. Sedillo-Lopez**Short** Direct Care Workforce**Title:** Reporting - Substitute**Person Writing**Tallie Tolen**Phone:** 273-0860**Email** Tallie.tolen@hca.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0.0	\$0.0	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0.0	\$0.0	\$0.0	NA	NA

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Rate Study	\$0.0	\$0.0	\$150.0	\$150.0	Nonrecurring	State General Fund
Rate Study	\$0.0	\$0.0	\$150.0	\$150.0	Nonrecurring	Federal Fund

FTE	\$0.0	\$57.4	\$57.4	\$114.8	Recurring	State General Fund
FTE	\$0.0	\$57.4	\$57.4	\$114.8	Recurring	Federal Fund
IT System Changes	\$0.0	\$20.0	\$0.0	\$20.0	Nonrecurring	State General Fund
IT System Changes	\$0.0	\$180.0	\$0.0	\$180.0	Nonrecurring	Federal Fund
Total	\$0.0	\$314.8	\$414.8	\$729.6	Combination	State General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: **Relates to HB 55**
 Duplicates/Relates to Appropriation in the General Appropriation Act: Not known.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Senate Bill 103 (SB103) would require personal care service (PCS) agencies to report certain data to the Health Care Authority (HCA) for services that are provided to Medicaid members in the Community Benefit (CB) program by March 1, 2026, and annually thereafter. For PCS under the Self-Directed CB program, the managed care organizations (MCOs) and/or the fiscal management agency (FMA) would be required to report certain data to the HCA on the same timeframe.

The bill would also require the HCA to review and analyze the data and submit a report to the Legislative Health and Human Services (LHHS) Committee, the Legislative Finance Committee (LFC), the Governor, and an interested parties advisory group.

SB103 would require that the HCA perform a study to determine the cost of providing PCS and recommending the reimbursement rates to be paid for PCS. The results of the study would be provided to the LHHS committee, the LFC, the Governor and the interested parties advisory group.

SB103 would require HCA to establish an interested parties group that meets at least every two years to advise and consult the HCA on reimbursement rates for PCS, home health aides, and homemaker and habilitation services. The advisory group would consist of direct care workers, eligible Medicaid recipients and/or their authorized representatives, and HCA staff.

SIGNIFICANT ISSUES

SB103 does not include an appropriation; however, it is estimated that the HCA would need a full-time equivalent (FTE) to do the work required under the legislation, which would involve collecting data from over 100 PCS agencies, the MCOs and the FMA; producing the required reports; managing the rate study and procurement; and facilitating/managing the interested parties workgroup.

In calendar year 2024, the HCA contracted with a vendor to conduct a rate study for all Agency-Based Community Benefit services including PCS. The cost of the rate study was \$300,000. It is unclear if another rate study by 2030 is needed, but if mandated, another rate study would cost approximately \$300,000 (\$150,000 in general fund; \$150,000 in federal Medicaid funds).

For the self-directed community benefit (SDCB), there are currently 4,446 employed caregivers for PCS that would need to be reported. The FMA currently does not capture all of the information that is outlined in the bill, so there will need to be system changes at an estimated cost of \$200,000. This will be eligible for a 90% federal match for implementation for a total general fund share of \$20,000. Any ongoing fees would be matched with 50% federal matching funds.

PERFORMANCE IMPLICATIONS

See Significant Issues and Administrative Implications

ADMINISTRATIVE IMPLICATIONS

The administrative impact on the HCA would involve collecting and analyzing data through an annual report; procuring and collecting data to inform the rate study; overseeing the FMA to ensure that data is collected in accordance with the bill; and establishing an advisory group. This would require one FTE for the HCA as described in Significant Issues above.

For the data collection requirements specified in the bill, many of the fields are available today; however, some are not and would need to be added. The cost of system changes is reflected in the Operating Budget Impact table.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB103 is for Community Benefit PCS, but it is similar to prior legislation related to data collection for the Medicaid 1915c waivers (House Bill 395 and Senate Bill 203 from 2023).

TECHNICAL ISSUES

Homemaker services are referenced in the bill, but there are no homemaker services that are approved by the federal Centers for Medicare and Medicaid Services (CMS) or offered in the CB program. Suggest that “homemaker” be removed.

OTHER SUBSTANTIVE ISSUES

None for the HCA.

ALTERNATIVES

None suggested.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

None.