

LFC Requester:	Eric Chenier
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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}

	<u>3.11.25</u>	Check all that apply:	
Bill Number:	<u>SB376s</u>	Original	Correction <u> </u>
		Amendment	Substitute <u> X </u>
Sponsor: <u>Elizabeth "Liz" Stefanics</u>		Agency Name	
<u>George K. Muñoz</u>		and Code	
		<u>New Mexico Retiree Health Care</u>	
		Number: <u>Authority 34300</u>	
Short	<u>State Employee Health Benefit</u>	Person Writing <u>Mark Hayden</u>	
Title:	<u>Contributions</u>	Phone: <u>505-377-9012</u> Email <u>mark.hayden@rhca.nm.gov</u>	

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Indeterminate	Indeterminate	Indeterminate	Recurring	RHCA Benefits Fund

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: This amended Bill amends the contribution percentages for state employee health benefits and authorizes the Cabinet Secretary of the Health Care Authority to use health care affordability funds to reduce or eliminate premiums paid by certain government employees. As proposed in the Bill, effective July 1, 2025, contributions for group health insurance for the state or executive, judicial, or legislative departments, including agencies, boards, or commissions, would pay eighty percent. The Secretary of Health Care Authority would make health benefit premiums more affordable using appropriations from the health care affordability fund to now include covering a portion or all of net premiums for: 1) state employees who do not qualify for Medicaid and have a modified adjusted gross income up to two hundred fifty percent of the federal poverty level; 2) members of the New Mexico National Guard who qualify for federal Tricare reserve select policy. In addition, the Bill would include if a state agency responsible for providing state employee health benefits under the Health Care Purchasing Act establishes a reference-based pricing program for in-network and out-of-network hospital services to have set maximum amounts as established by the Secretary of Health Care Authority.

SFC Substitute in Context -03/10/25 – modifying language as follows:

Section 1. – O. By July 1, 2026, the health care authority shall ensure that state employees are provided the opportunity to purchase a variety of health benefit plans with varying plan designs and cost-sharing options."

Section 2. – B: The purpose of the fund is to cover a portion or all of the net premium health benefit contributions for state employees enrolled in health benefit plans covered by the Health Care Purchasing Act who do not qualify for Medicaid and:

(a) have a modified adjusted gross income up to two hundred fifty percent of the federal poverty level; or

(b) purchase employee-only coverage and receive an annual salary from the state of fifty thousand dollars (\$50,000) or less".

FISCAL IMPLICATIONS

Senate Bill 376 (SB376s) 03/07/25 - amendment does not have additional impact to the New Mexico Retiree Health Care Authority.

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

None.

AMENDMENTS

None.