

SENATE TAX, BUSINESS AND TRANSPORTATION
COMMITTEE SUBSTITUTE FOR
SENATE HEALTH AND PUBLIC AFFAIRS
COMMITTEE SUBSTITUTE FOR
SENATE BILL 443

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

AN ACT

RELATING TO INSURANCE; AMENDING THE HEALTH CARE PURCHASING ACT
AND SECTIONS OF THE NEW MEXICO INSURANCE CODE TO PROHIBIT COST
SHARING FOR GENERIC MEDICATIONS USED FOR THE TREATMENT OF
CHOLESTEROL DISORDER AND SECOND-LINE STEP THERAPY MEDICATIONS
UNDER CERTAIN CIRCUMSTANCES; EXCEPTING CERTAIN PLANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Health Care Purchasing
Act is enacted to read:

"[NEW MATERIAL] COVERAGE FOR MEDICATIONS USED FOR THE
TREATMENT OF CHOLESTEROL DISORDER.--

A. Group health coverage, including any form of
self-insurance, offered, issued or renewed under the Health
Care Purchasing Act that provides coverage for cholesterol-
lowering medications shall not impose cost sharing on generic

1 medications.

2 B. If generic medications fail to lower cholesterol
3 in the blood to below sixty milligrams per deciliter or
4 generate adverse reactions not tolerated by the patient, as
5 determined by the prescribing health care provider, cost
6 sharing shall not be imposed on second-line step therapy
7 medications.

8 C. For the purposes of this section, "cost sharing"
9 means a copayment, coinsurance, a deductible or any other form
10 of financial obligation of an enrollee other than a premium or
11 a share of a premium, or any combination of any of these
12 financial obligations, as defined by the terms of a group
13 health plan.

14 D. The provisions of this section do not apply to
15 excepted benefit plans as provided pursuant to the Short-Term
16 Health Plan and Excepted Benefit Act, catastrophic plans as
17 defined pursuant to 42 USCA Section 18022(e) or high-deductible
18 health plans with health savings accounts until an eligible
19 insured's deductible has been met, unless otherwise allowed
20 pursuant to federal law."

21 SECTION 2. A new section of Chapter 59A, Article 22 NMSA
22 1978 is enacted to read:

23 "[NEW MATERIAL] COVERAGE FOR MEDICATIONS USED FOR THE
24 TREATMENT OF CHOLESTEROL DISORDER.--

25 A. An individual or group health insurance policy,

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1 health care plan or certificate of health insurance that is
2 delivered, issued for delivery or renewed in this state that
3 provides coverage for cholesterol-lowering medications shall
4 not impose cost sharing on generic medications.

5 B. If generic medications fail to lower cholesterol
6 in the blood to below sixty milligrams per deciliter or
7 generate adverse reactions not tolerated by the patient, as
8 determined by the prescribing health care provider, cost
9 sharing shall not be imposed on second-line step therapy
10 medication.

11 C. For the purposes of this section, "cost sharing"
12 means a copayment, coinsurance, a deductible or any other form
13 of financial obligation of the enrollee other than a premium or
14 a share of a premium, or any combination of any of these
15 financial obligations, as defined by the terms of an individual
16 or group health insurance policy, health care plan or
17 certificate of health insurance.

18 D. The provisions of this section do not apply to
19 excepted benefit plans as provided pursuant to the Short-Term
20 Health Plan and Excepted Benefit Act, catastrophic plans as
21 defined pursuant to 42 USCA Section 18022(e) or high-deductible
22 health plans with health savings accounts until an eligible
23 insured's deductible has been met, unless otherwise allowed
24 pursuant to federal law."

25 SECTION 3. A new section of Chapter 59A, Article 23 NMSA

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is enacted to read:

"[NEW MATERIAL] COVERAGE FOR MEDICATIONS USED FOR THE
TREATMENT OF CHOLESTEROL DISORDER.--

A. A group or blanket health insurance policy, health care plan or certificate of health insurance that is delivered, issued for delivery or renewed in this state that provides coverage for cholesterol-lowering medications shall not impose cost sharing on generic medications.

B. If generic medications fail to lower cholesterol in the blood to below sixty milligrams per deciliter or generate adverse reactions not tolerated by the patient, as determined by the prescribing health care provider, cost sharing shall not be imposed on second-line step therapy medications.

C. For the purposes of this section, "cost sharing" means a copayment, coinsurance, a deductible or any other form of financial obligation of an insured other than a premium or a share of a premium, or any combination of any of these financial obligations, as defined by the terms of a group or blanket health insurance policy, health care plan or certificate of health insurance.

D. The provisions of this section do not apply to excepted benefit plans as provided pursuant to the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined pursuant to 42 USCA Section 18022(e) or high-deductible

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1 health plans with health savings accounts until an eligible
2 insured's deductible has been met, unless otherwise allowed
3 pursuant to federal law."

4 SECTION 4. A new section of the Health Maintenance
5 Organization Law is enacted to read:

6 "[NEW MATERIAL] COVERAGE FOR MEDICATIONS USED FOR THE
7 TREATMENT OF CHOLESTEROL DISORDER.--

8 A. An individual or group health maintenance
9 organization contract that is delivered, issued for delivery or
10 renewed in this state that provides coverage for cholesterol-
11 lowering medications shall not impose cost sharing on generic
12 medications.

13 B. If generic medications fail to lower cholesterol
14 in the blood to below sixty milligrams per deciliter or
15 generate adverse reactions not tolerated by the patient, as
16 determined by the prescribing health care provider, cost
17 sharing shall not be imposed on second-line step therapy
18 medications.

19 C. For the purposes of this section, "cost sharing"
20 means a copayment, coinsurance, a deductible or any other form
21 of financial obligation of an enrollee other than a premium or
22 a share of a premium, or any combination of any of these
23 financial obligations, as defined by the terms of an individual
24 or group health maintenance organization contract.

25 D. The provisions of this section do not apply to

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1 excepted benefit plans as provided pursuant to the Short-Term
2 Health Plan and Excepted Benefit Act, catastrophic plans as
3 defined pursuant to 42 USCA Section 18022(e) or high-deductible
4 health plans with health savings accounts until an eligible
5 insured's deductible has been met, unless otherwise allowed
6 pursuant to federal law."

7 SECTION 5. A new section of the Nonprofit Health Care
8 Plan Law is enacted to read:

9 "[NEW MATERIAL] COVERAGE FOR MEDICATIONS USED FOR THE
10 TREATMENT OF CHOLESTEROL DISORDER.--

11 A. An individual or group health care plan that is
12 delivered, issued for delivery or renewed in this state that
13 provides coverage for cholesterol-lowering medications shall
14 not impose cost sharing on generic medications.

15 B. If generic medications fail to lower cholesterol
16 in the blood to below sixty milligrams per deciliter or
17 generate adverse reactions not tolerated by the patient, as
18 determined by the prescribing health care provider, cost
19 sharing shall not be imposed on second-line step therapy
20 medications.

21 C. For the purposes of this section, "cost sharing"
22 means a copayment, coinsurance, a deductible or any other form
23 of financial obligation of a subscriber other than a premium or
24 a share of a premium, or any combination of any of these
25 financial obligations, as defined by the terms of an individual

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1 or group health care plan.

2 D. The provisions of this section do not apply to
3 excepted benefit plans as provided pursuant to the Short-Term
4 Health Plan and Excepted Benefit Act, catastrophic plans as
5 defined pursuant to 42 USCA Section 18022(e) or high-deductible
6 health plans with health savings accounts until an eligible
7 insured's deductible has been met, unless otherwise allowed
8 pursuant to federal law."

9 SECTION 6. EFFECTIVE DATE.--The effective date of the
10 provisions of this act is January 1, 2026.

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