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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 3/10/2025

SPONSOR Anaya

BILL

SHORT TITLE Disclosure of Health Insurance Billing Info BILL NUMBER House Bill 536

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HCA		Up to \$90.0			Nonrecurring	General Fund, Federal Funds
NMPSIA		See Fiscal Implications			Nonrecurring	Benefit Funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From

Health Care Authority (HCA)

New Mexico Public School Insurance Authority (NMPSIA)

Retiree Health Care Authority (RHCA)

Office of Superintendent of Insurance (OSI)

SUMMARY

Synopsis of House Bill 536

House Bill 536 (HB536) proposes adding new sections to the Health Care Purchasing Act, health maintenance organization, and nonprofit health care plan law in the Insurance Code. The bill would prohibit any sensitive health care services from being disclosed in any billing information, explanation of benefits, or summary of payments provided to a person enrolled in an individual or group plan. The bill describes “sensitive health care services” as any health care service that is of a particularly sensitive and personal nature including reproductive or sexual health care services, gender-affirming health care services, behavioral health care services, or health care services related to treating a victim of domestic violence.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The Health Care Authority (HCA) indicates under the provisions of the bill, Medicaid and the state health benefit program would expend up to \$90 thousand to update remittance and other correspondence.

The New Mexico Public School Insurance Authority (NMPSIA) notes HB536 would necessitate modifications to existing health insurance billing systems to ensure that sensitive health care services are not disclosed in billing information, explanations of benefits, or payment summaries. The cost of the modifications is indeterminate.

SIGNIFICANT ISSUES

HCA notes HB536 would help to protect people from criminal prosecution for receiving services that are legal and protected in New Mexico.

PERFORMANCE IMPLICATIONS

The Retiree Health Care Authority (RHCA) notes the bill does not provide information regarding penalties for non-compliance.

ADMINISTRATIVE IMPLICATIONS

The Office of Superintendent of Insurance (OSI) notes the bill does not create an enforcement structure; the agency assumes enforcement will occur through complaints.

TECHNICAL ISSUES

NMPSIA notes a technical challenge under HB536 is the modification of existing electronic health record systems to segregate sensitive health care information effectively.

RHCA notes the bill does not provide definitions for the procedures it includes in sensitive health services.

RAE/hj/SL2/sgs