

<b>LFC Requester:</b>	<b>Eric Chenier</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 2/5/25 *Check all that apply:*  
**Bill Number:** HB263 Original  Correction   
 Amendment  Substitute

**Sponsor:** Rep. Liz Thomson **Agency Name and Code** HCA 630  
**Short Title:** Hospital Price Transparency Act **Number:** \_\_\_\_\_  
**Person Writing** \_\_\_\_\_  
**Phone:** \_\_\_\_\_ **Email** \_\_\_\_\_

**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)**

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>UP web form build</b>	\$0.0	\$172.50	\$0.0	\$172.50	Nonrecurring	SGF
<b>CCSC calls</b>	\$0.0	\$2.04	\$2.04	\$4.08	Recurring	SGF
<b>Total</b>	\$0.0	\$174.54	\$2.04	\$176.58	Recurring and nonrecurring	SGF

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

This Bill makes HCA the monitor of an arrangement by which any entity designated by location and as a hospital must show openly and transparently on their website the prices and various associated codes for their shoppable (schedulable) services and products including variations for various situations and purchasers. The services will include seventy designated as shoppable by CMS and two-hundred and thirty more as chosen by the hospitals by rate and frequency if there are as many. This information will be presented by a template created by HCA that ensures access and comparability of templates of various hospitals and locations, is compliant with federal controls. The template will be renewed annually and indicate last update. Previous seven years of templates will be shown. The templates and annual updates will be submitted to HCA which shall also show them accessibly on HCA’s website within sixty days of submission. HCA will submit an annual report to LFC and health and human services committee on implementation and administration of the measure. The measure will be partly enforced by solicitation of complaints via website or other means. Violations will be over pricing services or other breaches such as failures of compliance or correction. Monetary penalties will range up to \$15,000 (See Conflicts). If a Hospital is in violation, no collection efforts will be allowed against patient with private right of action against hospital allowed. Specific elements of collection actions are detailed.

**FISCAL IMPLICATIONS**

HB236 calls for HCA to establish an electronic form for submission of complaints for alleged violations of the act and accept complaints via telephone. If the electronic form was hosted on the public facing Unified Portal (UP), it is anticipated to cost approximately \$172,500.00 to implement. If telephone calls were taken at the Consolidated Customer Service Center (CCSC), the cost would be approximately \$17.00 per call. If HCA received ten calls per month, the cost would be \$170.00 per month or \$2,040.00 per year. Processing of civil penalties outlined in the bill will be outside of the IT system.

**SIGNIFICANT ISSUES**

The bill does not specify which program at the Health Care Authority would have oversight of the Hospital Price Transparency Act. The Health Care Authority would need to identify which division would have the responsibility to provide oversight (e.g. Medical Assistance Division, Division of Health Improvement).

## **PERFORMANCE IMPLICATIONS**

The bill calls for electronic reporting of the pricing information and the monitoring of electronic website information, which is not currently within the scope of the DHI survey process. New processes would need to be established between the oversight agency and the Consolidated Customer Service Center (CCSC) to triage and assign complaints for investigation. The Authority would need to promulgate new regulations to establish reporting requirements, administration, oversight and enforcement. Existing staff will be required to investigate complaints, compile data, and prepare reports to the legislative finance committee and the interim legislative health and human services committee. Survey staff would need training and expertise in the various billing and procedural codes which are used in care. This expertise is currently outside the scope of DHI.

## **ADMINISTRATIVE IMPLICATIONS**

Section 6 requires the hospital to provide easy to understand itemized statements to the patients. It is unclear how the Authority will have access to evaluate original itemized statements provided to patients.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

The civil penalty section (E) has a array of penalties per incident which initially seems to imply penalty per instance and then in (F) makes the penalties per day with an assumption that every day out of compliance after day four will accrue \$15,000 per day perhaps per incident.

Section (I) allows a detailed process for private action then section (J) (2) constrains the action to collection oriented breaches.

The bill is duplicative to CMS's hospital price transparency requirements authorized by section 2718(e) of the Public Health Service Act, which requires each hospital operating in the United States to make its standard charges public. The Hospital Price Transparency regulation establishes enforceable guidelines by which hospitals must make public the standard charges they have established. The regulation defines several types of standard charges, including:

- Gross charges (as found in hospital chargemasters, which is the list of all individual items and services maintained by a hospital for which the hospital has established a charge, absent any discounts);
- Discounted cash prices (the charge that applies to an individual who pays cash or cash equivalent for a hospital item or service); and
- Charges negotiated between the hospital and third-party payers.

Hospitals are required to make these standard charges public in two ways:

1. A single comprehensive machine-readable file with all standard charges established by the hospital for all the items and services it provides.
2. A consumer-friendly display of standard charges for as many of the 70 CMS-specified shoppable services that are provided by the hospital, and as many additional hospital-selected shoppable services as is necessary for a combined total of at least 300 shoppable services. This requirement can be satisfied through the release of a shoppable services file or by offering a price estimator that generates a personalized out-of-pocket estimate that takes into account the individual's insurance information.

## **TECHNICAL ISSUES**

None

**OTHER SUBSTANTIVE ISSUES**

None

**ALTERNATIVES**

None

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status quo

**AMENDMENTS**