

LFC Requester:	Eric Chenier

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
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: 2/19/25 *Check all that apply:*
Bill Number: HB269Amended Original Correction
 Amendment Substitute

Sponsor: Rep. Gail Armstrong **Agency Name and Code** HCA 630
Short Title: Health Care Authority Visit Verification **Number:** _____
Person Writing Erica Leyba
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0.0	\$0.0	NA	NA

(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
Aggregator Implementation	\$160.0	\$0.0	\$0.0	\$160.0	Nonrecurring	GF to HCA

PALCO Implementation	\$85.0	\$0.0	\$0.0	\$85.0	Nonrecurring	GF to HCA
PALCO O&M	\$0.0	\$641.7	\$58.3	\$700.0	Recurring	GF to HCA
Aggregator O &M	\$60.0	\$360.0	\$30.0	\$450.0	Recurring	GF to HCA
2 HCA Staff	\$0.0	\$107.8	\$107.8	\$215.6	Recurring	GF to HCA
2 HCA Staff	\$0.0	\$107.8	\$107.8	\$215.6	Recurring	FF to HCA
Total	\$305.0	\$1,217.30	\$303.9	1,826.20		

(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: HB269 requires the Health Care Authority (HCA) to implement an open (aggregator) electronic visit verification system (EVV) that is compliant with federal law and establishes an effective date of January 1, 2026. ~~This bill declares an emergency.~~

Amendment to HB269 does not change the original analysis.

FISCAL IMPLICATIONS

HB269 does not make any appropriations. There is no fiscal impact to New Mexico Medicaid program budget as the bill does not add new Medicaid services but there is an administrative cost detailed in the administrative section.

SIGNIFICANT ISSUES

None, HCA is actively in the planning process of incorporating EVV aggregator.

PERFORMANCE IMPLICATIONS

Electronic Visit Verification (EVV) has been required of certain providers since 2016 in accordance with the federal 21st Century Cures Act. New Mexico is currently a closed system, meaning the current vendor is the sole EVV intake vendor. Most states are “open” which allows EVV aggregators to ingest EVV data from users to pass on to an EVV vendor. HCA is actively planning incorporation of an EVV aggregator based on provider input. HCA believes that resources can be dedicated as early as May 2025 with an estimated project completion date of July 2025.

Enacting HB269 may reduce costs and administrative burden for providers of personal care service and home health services.

Providers report significant challenges with integrating provider electronic medical records (EMR) platforms and need to work in multiple systems for each personal care and home health visit.

Medicaid reimbursed home health care and personal care service providers currently utilize an electronic visit verification (EVV) system that complies with and collects required information

under the federal 21st Century Cures Act.

ADMINISTRATIVE IMPLICATIONS

Providers have been working with HCA to move from a closed EVV solution to an open EVV solution, that will meet federal requirements and will allow providers to select their own EVV vendor. The HCA will need to contract with a vendor that will implement an aggregator module to allow EVV vendors to aggregate provider data to the EVV solution. HCA will use the aggregated data to report federal required information to CMS. Estimated implementation cost of an aggregator is \$160,000 with ongoing operational costs of \$30,000 per month.

HCA staff would dedicate resources to update NMAC, Supplements, Managed Care letters of direction, MAD Managed Care Policy Manual; conducting system testing, editing current claims processing systems; provider training and provider communications to incorporate an aggregator model.

The oversight and ongoing monitoring to ensure compliance with HB269 would require two (2) new Full Time Employees (FTE). Two (2) FTE at pay-band 70 would cost \$215,600. \$107,800 in GF and \$107,800 in federal matching funds.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

NA

TECHNICAL ISSUES

NA

OTHER SUBSTANTIVE ISSUES

NA

ALTERNATIVES

NA

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Home Health and Personal Care Services providers will continue to have access to the current EVV system which is compliant with the federal 21st Century Cures Act and HCA will continue development of an EVV aggregator.

AMENDMENTS

2.18.2025 HHHC committee reported a Do Pass recommendation with amendment(s)