

JLFC Requester:

Harry Rommel

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:** 3/10/25*Check all that apply:***Bill Number:** SB443Original Correction Amendment Substitute **Sponsor:** Sen Hickey**Agency Name****and Code** HCA-630**Number:****Short** No Cost Sharing on Cholesterol**Person Writing** Keenan Ryan**Title:** Drugs**Phone:** 505.396.0223 **Email** Keenan.ryan@hca.nm.**SECTION II: FISCAL IMPACT***State Health Benefits***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

State Health Benefits (SHB)	\$0.0	\$113.7	\$227.5	\$341.2	Recurring	General Fund (via State Health Benefits Fund)
SHB	\$0.0	\$61.3	\$122.5	\$183.8	Recurring	Employee Premiums
SHB	\$0.0	(\$175.0)	(\$350.0)	(\$525.0)	Recurring	Employee Cost Sharing
Total GF Impact	\$0.0	\$113.7	\$227.5	\$341.2	Recurring	General Fund
Total Employee Impact	\$0.0	(\$113.7)	(\$227.5)	(341.2)	Recurring	Employee Costs

(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: SB443 propose amendments to the Health Care Purchasing Act, Insurance Code, Health Maintenance Organization Law, and Non-Profit Health Care Plan Law to prevent and cost sharing with members for cholesterol lowering medications. Cost sharing is defined as copayment, coinsurance, a deductible or any other form of financial obligation. This excludes premiums in the definition of cost sharing. The effective date of the provisions of this act is January 1, 2026. SB443 Substitute revises title

RELATING TO INSURANCE; AMENDING THE HEALTH CARE PURCHASING ACT AND SECTIONS OF THE NEW MEXICO INSURANCE CODE TO PROHIBIT COST SHARING FOR ~~CHOLESTEROL-LOWERING DRUGS~~ **THE TREATMENT OF CHOLESTEROL DISORDER.**

SB443 Substitute revises the following language throughout the bill
~~COVERAGE FOR CHOLESTEROL-LOWERING DRUGS~~ **COVERAGE FOR MEDICATIONS USED FOR THE TREATMENT OF CHOLESTEROL DISORDER**

~~drugs~~ **medications**

SB443 Substitute added C to Section 1 -5

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

SB443 Substitute does not change the analysis.

FISCAL IMPLICATIONS

Medicaid

The proposed legislation is not expected to have a financial impact on Medicaid. Medicaid does not have any cost sharing for members currently. As such there will be no change in practice or incurred costs.

State Health Benefits

Effective January 1, 2026, SB443 prohibits health plans regulated by the state from imposing cost-sharing for cholesterol-lowering drugs. This only includes plan cost-sharing because member cost-sharing is being eliminated by the bill, resulting in an annual decrease in member cost-sharing of \$175.0.

SIGNIFICANT ISSUES

Cholesterol lowering medications are a common intervention to prevent and/or treat various form of cardiovascular disease. The most common cholesterol lowering class of medications are Hydroxymethylglutaryl-coenzyme A (HMG-CoA) reductase inhibitors, commonly known as statins. Since the classes approval in the late 1980s statins have become one of the most commonly prescribed medications in the United States. In addition to statins other newer agents have been approved, commonly referred to as PSK9s, that are every other week injections that help the body clear excess cholesterol. PSK9s are less commonly used than statin but are more expensive. For non-Medicaid plan members may have variable copays to access cholesterol lowering medications that could be substantial. PSK9s can cost up to \$6,000/year. Per the American Heart Association/American College of Cardiology guidelines PSK9s are recommended only for patients at high risk of atherosclerotic cardiovascular disease who are already on maximum dosing of statin therapy, and another medication ezetimibe has also been started, and the patient's cholesterol is still not well controlled.

For SHB members with high cholesterol, this bill could reduce financial barriers to these types of medication.

PERFORMANCE IMPLICATIONS

None for MAD or SHB.

ADMINISTRATIVE IMPLICATIONS

None for MAD or SHB.

No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

Proposed substitution is noted above but does not significantly change the analysis.