| LFC Requester: | |
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# 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**: ____________
**Bill Number:** HB466

*Check all that apply:*
Original X Correction __
Amendment __ Substitute __

**Sponsor:** Rep. Montoya
**Short Title:** Hormone Therapy & Puberty Blocker Protection

**Agency Name and Code Number**: HCA 630
**Person Writing** Kresta Opperman
**Phone:** ____________ **Email** Kresta.opperman@hca

## SECTION II: FISCAL IMPACT

### APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|
| FY25 | FY26 | | |
| $0.0 | $0.0 | N/A | N/A |
| | | | |

(Parenthesis ( ) indicate expenditure decreases)

### REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|---|
| FY25 | FY26 | FY27 | | |
| $0.0 | $0.0 | $0.0 | N/A | N/A |
| | | | | |

(Parenthesis ( ) indicate revenue decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|---|---|---|
| **HCA FTE** | $0.0 | $48.7 | $48.7 | $97.4 | recurring | GF to HCA |
| **HCA FTE** | $0.0 | $48.6 | $48.6 | $97.2 | recurring | FF to HCA |

| Total TFE | $0.0 | $97.3 | $97.3 | $194.6 | | |
|---|---|---|---|---|---|---|
| | | | | | | |
| Program | $0.0 | ($84.5) | ($84.5) | ($169.1) | Recurring | GF |
| Program | $0.0 | ($253.0) | ($252.9) | ($505.9) | Recurring | FFP |
| Total Program | $0.0 | ($337.5) | ($337.5) | ($675.0) | | |
| | | | | | | |
| TOTAL | $0.0 | ($240.2) | ($240.2) | ($480.4) | Recurring | Total |

(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: HB 466 enacts "Hormone Therapy and Puberty Blocker Child Protection Act." This bill aims to regulate medical procedures related to gender identity for minors in New Mexico. HB 466 defines "minor" as an individual who is younger than eighteen years of age but does not include an emancipated minor. It is not a violation of Subsection A of this section if the performance or administration of the medical procedure on the minor is to treat the minor's congenital defect, precocious puberty, disease or physical injury

HB 466 adds a new sections 1-8 in Chapter 24 NMSA 1978 "Hormone Therapy and Puberty Blocker Child Protection Act"

HB 466 Prohibits certain medical procedures; restricts healthcare providers and public bodies from performing medical procedures or providing hormones or puberty blockers to minors if the purpose is to help a minor identify with a gender different from their sex assigned at birth. The bill requires healthcare providers and public bodies to notify parents within seven calendar days if a minor takes any "gender-affirming action," such as using different pronouns or requesting gender-related counseling.

The bill introduces a private right of action, allowing minors or their parents to sue healthcare providers for damages if they believe the provider has violated the act. Potential consequences include civil penalties up to $5,000 and potential license suspension or revocation for healthcare providers.
In addition, the bill amends existing reproductive health care laws to explicitly exclude gender-affirming care for minors and to require parental notification and consent for various healthcare interactions.

The provisions are set to take effect on July 1, 2025, with a clause allowing ongoing treatments to continue until December 31, 2025, provided a healthcare provider certifies that stopping the treatment would cause harm to the minor.

### FISCAL IMPLICATIONS

Sections to 8 of Hormone Therapy and Puberty Blocker Child Protection Act would prohibit health providers and public body from conducting gender-affirming medical procedures on minors. Currently, the Medicaid program allows hormone therapy for recipients twelve years to seventeen years of age. The prohibition of this bill will eliminate hormone therapy for minors and will reduce gender-affirming costs to the Medicaid by $337.5 thousands in FY 2026 with general reduction of $84.5 thousands and federal funds will decrease by $253.0 thousands. Similarly, the Medicaid cost will reduce by $337.5 thousands in FY 2027 with a general fund reduction of $84.5 thousands and federal fund reduction of $252.9 thousands.

One (1) Full Time Employee (FTE) will be needed to implement, monitor and enforce HB 466 One (1) FTE at pay-band 70 would cost $97.3 thousands: this includes $48.7 thousands in state funds and $48.6 thousands in federal funds.

**SIGNIFICANT ISSUES**

The Centers for Medicare & Medicaid Services (CMS) does not have specific guidelines for hormone therapy and puberty blockers for minors. However, the availability and coverage of these treatments can vary based on state policies and individual healthcare providers.

Typically, medical decisions are made between the patient (and guardian) and the provider, looking to apply the results of best available data to the unique scenario the patient is experiencing. Ideally all situations would have multiple double blind randomized controlled trials that closely mirror the patient's situation. When this is not the case, as is the case in the use of puberty blockers, the patient and provider team must rely on the evidence that is available.

Recent studies and reports have highlighted the complexities and uncertainties surrounding the effects of puberty blockers and hormone therapy for minors. For example, a study published in JAMA Pediatrics found that only a small percentage of transgender teens are prescribed gender-affirming hormones or puberty blockers. Additionally, a cross-sectional survey of transgender adults found that those who were prescribed puberty blockers were less likely to have had suicidal ideation.

In addition to best available data, providers and patients can look to official statements/guidelines of major organizations practicing in the field.

The American Academy of Pediatrics, the largest professional organization of pediatricians in the United States, recommends, "that youth who identify as TGD have access to comprehensive, gender-affirming, and developmentally appropriate health care that is provided in a safe and inclusive clinical space[.]" (AAP 2018).

The American Association of Clinical Endocrinology "strongly recommend that transgender and gender diverse adolescents seek gender affirming hormone therapy and/or puberty blockers from multi-specialty care teams…" with additional comments that "strongly oppose legislation that limits access of endocrine patients to established medical therapies recommended for treatment of transgender and gender diverse youth. AACE recommends that decisions impacting health care of endocrine patients are best left to the health professional, the patient, and the patient's families."

AACE guideline recommends the use of puberty blockers only once an individual first display

physical changes related to puberty. A recommendation echoed by the World Professional Association for Transgender Health's Standards of Care.

**PERFORMANCE IMPLICATIONS**
This could have an impact on the age eligibility requirements that HCA MAD currently allows and reimburses for Hormone Therapy and Puberty Blocker services.

**ADMINISTRATIVE IMPLICATIONS**
The implementation of HB 466 services would require NMAC revisions, Supplement, Managed Care Letter of Direction and/or changes to contracts, and moderate level of claims processing system edits and development of ongoing monitoring/quality assurance procedures. IT system changes on the claims system will be completed at no additional cost.

As currently written, HB 466 would require New Mexico Medicaid to develop a temporary monitoring process to ensure compliance with section 3C the clause allowing ongoing treatments to continue until December 31, 2025, provided a healthcare provider certifies that stopping the treatment would cause harm to the minor.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**
Companionship HB500

**TECHNICAL ISSUES**
HCA MAD currently will allow and reimburse services for recipients according to the Managed Care Letter of Direction LOD #22 Coverage of Gender Affirming Healthcare Medications and Procedures and Supplement to NMAC Supplement-24-15-Coverage-for-Gender-Affirming-Care-attachment-FINAL.pdf with the age requirements (i) Recipients twelve years to seventeen years of age are eligible for hormone therapy only, (ii) Recipients eighteen years of age and older are eligible for hormone therapy, procedural and surgical interventions.

**OTHER SUBSTANTIVE ISSUES**
This bill will require a system change in the financial services Information Technology (IT) system. This change will be part of maintenance and operations (M & O) and will be made at no additional cost. The specific requirements would need to be gathered before a timeline for completion could be estimated.

**ALTERNATIVES**
None

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**
MAD will continue to allow and reimburse services for recipients with age requirements (i) Recipients twelve years to seventeen years of age are eligible for hormone therapy only, (ii) Recipients eighteen years of age and older are eligible for hormone therapy, procedural and surgical interventions as detailed in LOD #22 and supplement 24-15

**AMENDMENTS**

None