

<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:** 2/21/2025 *Check all that apply:*  
**Bill Number:** HB536 Original  Correction   
 Amendment  Substitute

**Sponsor:** Marianna Anaya **Agency Name and Code:** New Mexico Public Schools Insurance Authority 34200  
**Short Title:** Disclosure Of Health Insurance Billing Info **Number:** \_\_\_\_\_  
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**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)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(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**

HB536 amends several statutes to enhance the privacy protections afforded to individuals receiving health care services by prohibiting the disclosure of sensitive health care services on billing statements, explanations of benefits, or summaries of payments. Specifically, the bill mandates that such billing information for persons enrolled in group health coverage under the Health Care Purchasing Act, individual or group health insurance policies, group or blanket health insurance policies under Chapter 59A, Article 22 and Article 23 of the New Mexico Statutes Annotated, as well as individual or group health maintenance organization contracts and nonprofit health care plans, shall not disclose any sensitive health care services. For the purposes of this bill, “sensitive health care service” is defined to include those services that are of a particularly sensitive and personal nature, including reproductive or sexual health care services, gender-affirming health care services, behavioral health care services, and services related to treating a victim of domestic violence.

#### **FISCAL IMPLICATIONS**

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. These system overhauls would likely require financial investment to develop and integrate new data management protocols. Additionally, ongoing compliance monitoring and potential staff training would contribute to increased operational costs. However, quantifying this impact in the timeframe allotted is not possible. An extensive analysis would be required to understand the final impact.

#### **SIGNIFICANT ISSUES**

#### **PERFORMANCE IMPLICATIONS**

Health insurance providers would need to implement new protocols for handling sensitive health care information. This could involve developing advanced data management systems capable of distinguishing and segregating sensitive services from general health care data. The performance of these systems would be critical to ensure timely and accurate billing processes while maintaining compliance with the new privacy requirements. Any delays or errors in implementation could impact service delivery and member satisfaction.

#### **ADMINISTRATIVE IMPLICATIONS**

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

HB536 may intersect with existing federal regulations, such as the Health Insurance Portability and Accountability Act (HIPAA), which also governs the privacy and security of health information.

## **TECHNICAL ISSUES**

The primary technical challenge presented is the modification of existing electronic health record (EHR) systems to segregate sensitive health care information effectively. Current EHR systems may not support the level of granularity required to isolate specific services without extensive reprogramming. This raises concerns about the technical feasibility and the time frame needed to implement such changes. Engaging with EHR vendors and IT professionals will be crucial to develop viable solutions that meet the bill's requirements. This may lead to disruptions in communications such as explanation of benefits and other affected communications.

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

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

## **AMENDMENTS**