

LFC Requester:	RubyAnn Esquibel
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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: February 11, 2025 *Check all that apply:*
Bill Number: SB 39 Original x Correction
 Amendment Substitute

Sponsor: Sens. Stefanics, Stewart and Hamblen and Rep. Szczepanski
Short Title: Add Classes to Prior Authorization Drugs

Agency Name and Code Number: University of New Mexico-952
Person Writing: Kelly O'Donnell
Phone: 505-659-5702 **Email:** kodonnell@unm.edu

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
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:

SB 39 amends the Prior Authorization Act to add medications for treatment of a rare diseases or conditions to the types of drugs that are not subject to prior authorizations or step therapy protocols. Step therapy requirements shall not be imposed for coverage of off-label medications provided that they are prescribed pursuant to a medical necessity determination made by a health care professional from the same or similar practice specialty that typically manages the medical condition, procedure or treatment under review.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

The burden of prior authorization is significant and growing. Prior authorization requirements often delay patient care, which can negatively affect clinical outcomes. Limiting step programs for vulnerable patients, such as those with cancer or autoimmune diseases, can:

- Ensure timely care that may prevent long-term complications and/or increase morbidity
- Remove unnecessary barriers to accessing care
- Prevent adverse effects, such as reduced quality of life, disruption of work, and increased risk of worsening conditions due to treatment delays.

Reduced prior authorization requirements can also improve the efficiency of pharmacy operations.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS