

SENATE HEALTH AND PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR
SENATE BILL 120

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HEALTH; AMENDING SECTIONS OF THE HEALTH CARE
PURCHASING ACT AND NEW MEXICO INSURANCE CODE TO SFC→**PERMANENTLY
ELIMINATE BEHAVIORAL HEALTH SERVICES COST SHARING**←SFC SFC→**ADD
AN EXEMPTION FROM THE PROHIBITION ON COST SHARING FOR
BEHAVIORAL HEALTH SERVICES FOR CERTAIN PLANS**←SFC .

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 13-7-26 NMSA 1978 (being Laws 2021,

.231379.1AIC March 13, 2025 (2:55pm)

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Chapter 136, Section 3) is amended to read:

"13-7-26. BEHAVIORAL HEALTH SERVICES--ELIMINATION OF COST SHARING.--

A. [~~Until January 1, 2027~~] Group health coverage, including any form of self-insurance, offered, issued or renewed under the Health Care Purchasing Act that offers coverage of behavioral health services shall not impose cost sharing on those behavioral health services SFC→in network←SFC .

B. For the purposes of this section:

(1) "behavioral health services" means professional and ancillary services for the treatment, habilitation, prevention and identification of mental illnesses, substance abuse disorders and trauma spectrum disorders, including inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, outpatient therapy SFC→, ~~emergency department visits, urgent care visits~~←SFC and all medications, including brand-name pharmacy drugs when generics are unavailable;

(2) "coinsurance" means a cost-sharing method that requires an enrollee to pay a stated percentage of medical expenses after any deductible amount is paid; provided that coinsurance rates may differ for different types of services under the same group health plan;

(3) "copayment" means a cost-sharing method

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that requires an enrollee to pay a fixed dollar amount when health care services are received, with the plan administrator paying the balance of the allowable amount; provided that there may be different copayment requirements for different types of services under the same group health plan; and

(4) "cost sharing" means a copayment, coinsurance, deductible or any other form of financial obligation of an enrollee other than a premium or a share of a premium, or any combination of any of these financial obligations, as defined by the terms of a group health plan.

C. The provisions of this section do not apply to excepted benefit plans as provided under the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined under 42 USCA Section 18022(e) or high-deductible health plans with health savings accounts until an enrollee's deductible has been met, unless otherwise permitted by federal law."

SECTION 2. Section 59A-22-57 NMSA 1978 (being Laws 2021, Chapter 136, Section 6) is amended to read:

"59A-22-57. BEHAVIORAL HEALTH SERVICES--ELIMINATION OF COST SHARING.--

A. [~~Until January 1, 2027~~] An individual or group health insurance policy, health care plan or certificate of health insurance that is delivered, issued for delivery or renewed in this state that offers coverage of behavioral health services shall not impose cost sharing on those behavioral

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health services.

B. For the purposes of this section:

(1) "behavioral health services" means professional and ancillary services for the treatment, habilitation, prevention and identification of mental illnesses, substance abuse disorders and trauma spectrum disorders, including inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, outpatient ~~therapy~~ ~~SFC~~ ~~→~~, ~~emergency department visits,~~ ~~urgent care visits~~ ~~←~~SFC and all medications, including brand-name pharmacy drugs when generics are unavailable;

(2) "coinsurance" means a cost-sharing method that requires the insured to pay a stated percentage of medical expenses after any deductible amount is paid; provided that coinsurance rates may differ for different types of services under the same individual or group health insurance policy, health care plan or certificate of health insurance;

(3) "copayment" means a cost-sharing method that requires the insured to pay a fixed dollar amount when health care services are received, with the insurer paying the balance of the allowable amount; provided that there may be different copayment requirements for different types of services under the same individual or group health insurance policy, health care plan or certificate of health insurance; and

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(4) "cost sharing" means a copayment, coinsurance, deductible or any other form of financial obligation of the insured other than a premium or a share of a premium, or any combination of any of these financial obligations, as defined by the terms of an individual or group health insurance policy, health care plan or certificate of health insurance.

C. The provisions of this section do not apply to excepted benefit plans as provided under the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined under 42 USCA Section 18022(e) or high-deductible health plans with health savings accounts until an insured's deductible has been met, unless otherwise permitted by federal law."

SECTION 3. Section 59A-23-16 NMSA 1978 (being Laws 2021, Chapter 136, Section 7) is amended to read:

"59A-23-16. BEHAVIORAL HEALTH SERVICES--ELIMINATION OF COST SHARING.--

A. [~~Until January 1, 2027~~] A group or blanket health insurance policy, health care plan or certificate of health insurance that is delivered, issued for delivery or renewed in this state that offers coverage of behavioral health services shall not impose cost sharing on those behavioral health services ~~SFC~~**in network**~~SFC~~ .

B. For the purposes of this section:

(1) "behavioral health services" means

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professional and ancillary services for the treatment, habilitation, prevention and identification of mental illnesses, substance abuse disorders and trauma spectrum disorders, including inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, outpatient therapy SFC→, ~~emergency department visits, urgent care visits~~←SFC and all medications, including brand-name pharmacy drugs when generics are unavailable;

(2) "coinsurance" means a cost-sharing method that requires a covered person to pay a stated percentage of medical expenses after any deductible amount is paid; provided that coinsurance rates may differ for different types of services under the same group or blanket health insurance policy, health care plan or certificate of health insurance;

(3) "copayment" means a cost-sharing method that requires a covered person to pay a fixed dollar amount when health care services are received, with the insurer paying the balance of the allowable amount; provided that there may be different copayment requirements for different types of services under the same group or blanket health insurance policy, health care plan or certificate of health insurance; and

(4) "cost sharing" means a copayment, coinsurance, deductible or any other form of financial obligation of a covered person other than a premium or a share

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of a premium, or any combination of any of these financial obligations, as defined by the terms of a group or blanket health insurance policy, health care plan or certificate of health insurance.

C. The provisions of this section do not apply to excepted benefit plans as provided under the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined under 42 USCA Section 18022(e) or high-deductible health plans with health savings accounts until a covered person's deductible has been met, unless otherwise permitted by federal law."

SECTION 4. Section 59A-46-57 NMSA 1978 (being Laws 2021, Chapter 136, Section 8) is amended to read:

"59A-46-57. BEHAVIORAL HEALTH SERVICES--ELIMINATION OF COST SHARING.--

A. [~~Until January 1, 2027~~] An individual or group health maintenance organization contract that is delivered, issued for delivery or renewed in this state that offers coverage of behavioral health services shall not impose cost sharing on those behavioral health services SFC→in network←SFC .

B. For the purposes of this section:

(1) "behavioral health services" means professional and ancillary services for the treatment, habilitation, prevention and identification of mental

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illnesses, substance abuse disorders and trauma spectrum disorders, including inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, outpatient therapy SFC→, ~~emergency department visits, urgent care visits~~←SFC and all medications, including brand-name pharmacy drugs when generics are unavailable;

(2) "coinsurance" means a cost-sharing method that requires an enrollee to pay a stated percentage of medical expenses after any deductible amount is paid; provided that coinsurance rates may differ for different types of services under the same individual or group health maintenance organization contract;

(3) "copayment" means a cost-sharing method that requires an enrollee to pay a fixed dollar amount when health care services are received, with the carrier paying the balance of the allowable amount; provided that there may be different copayment requirements for different types of services under the same individual or group health maintenance organization contract; and

(4) "cost sharing" means a copayment, coinsurance, deductible or any other form of financial obligation of an enrollee other than a premium or a share of a premium, or any combination of any of these financial obligations, as defined by the terms of an individual or group health maintenance organization contract.

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C. The provisions of this section do not apply to excepted benefit plans as provided under the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined under 42 USCA Section 18022(e) or high-deductible health plans with health savings accounts until an enrollee's deductible has been met, unless otherwise permitted by federal law."

SECTION 5. Section 59A-47-51 NMSA 1978 (being Laws 2021, Chapter 136, Section 9) is amended to read:

"59A-47-51. BEHAVIORAL HEALTH SERVICES--ELIMINATION OF COST SHARING.--

A. [~~Until January 1, 2027~~] An individual or group health care plan that is delivered, issued for delivery or renewed in this state that offers coverage of behavioral health services shall not impose cost sharing on those behavioral health services ~~SFC~~→in network←~~SFC~~ .

B. For the purposes of this section:

(1) "behavioral health services" means professional and ancillary services for the treatment, habilitation, prevention and identification of mental illnesses, substance abuse disorders and trauma spectrum disorders, including inpatient, detoxification, residential treatment and partial hospitalization, intensive outpatient therapy, outpatient therapy ~~SFC~~→, ~~emergency department visits,~~ ~~urgent care visits~~←~~SFC~~ and all medications, including brand-name pharmacy drugs when generics are unavailable;

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(2) "coinsurance" means a cost-sharing method that requires a subscriber to pay a stated percentage of medical expenses after any deductible amount is paid; provided that coinsurance rates may differ for different types of services under the same individual or group health care plan;

(3) "copayment" means a cost-sharing method that requires a subscriber to pay a fixed dollar amount when health care services are received, with the health care plan paying the balance of the allowable amount; provided that there may be different copayment requirements for different types of services under the same individual or group health care plan; and

(4) "cost sharing" means a copayment, coinsurance, deductible or any other form of financial obligation of a subscriber other than a premium or a share of a premium, or any combination of any of these financial obligations, as defined by the terms of an individual or group health care plan.

C. The provisions of this section do not apply to excepted benefit plans as provided under the Short-Term Health Plan and Excepted Benefit Act, catastrophic plans as defined under 42 USCA Section 18022(e) or high-deductible health plans with health savings accounts until a subscriber's deductible has been met, unless otherwise permitted by federal law."

SECTION 6. EFFECTIVE DATE.--The effective date of the

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provisions of this act is January 1, 2026.

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