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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 03/03/2025

SPONSOR Jones

BILL
NUMBER House Bill 578

SHORT TITLE Every Mother Matters Act

ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HCA Medicaid Staff	No fiscal impact	\$24.4	\$24.4	\$48.8	Recurring	General Fund
HCA Medicaid Staff	No fiscal impact	\$24.3	\$24.3	\$48.6	Recurring	Federal Funds
DOH Staff	No fiscal impact	\$541.0	\$541.0	\$1,082.0	Recurring	General Fund
DOH IT Creation	No fiscal impact	\$150.0	No fiscal impact	No fiscal impact	Nonrecurring	General Fund
DOH Hardware, Software and Fees	No fiscal impact	\$168.4	\$168.4	\$336.8	Recurring	General Fund
Total State Funds Excepting Medical Care	No fiscal impact	\$883.8	\$733.8	\$1,617.6		General Fund
Total Cost - Medical Care	No fiscal impact	\$49,700.0 to \$485,300.0	\$49,700.0 to \$485,300.0	\$99,400.0 to \$970,600.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 234 and 236; Senate Bills 57, 258, 347, 371, 404, and 508.

Sources of Information

LFC Files

Agency Analysis Received From

Department of Health (DOH)

Health Care Authority (HCA)

SUMMARY

Synopsis of House Bill 578

House Bill 578 (HB578) would institute a new “pregnancy launch program” to provide no-cost healthcare services to pregnant women, new parents, infants, and toddlers in all New Mexico counties.

Section 2 of the bill establishes definitions used in the bill; it defines “medical emergency” for purposes of the bill as physical conditions made worse by or caused by a pregnancy leading to a threat to life or a major bodily function.

Section 3 deals with the establishment of the “pregnancy launch program,” which would include community education and outreach, family support services, care for mothers and babies, and crisis triage and support, to include services for substance abuse and for domestic violence. All pregnant New Mexico residents, biological or adoptive parents of children under age 2, or those who have lost a pregnancy to spontaneous or induced abortion within the past two years are eligible for the services. DOH would be tasked with developing novel approaches to the new program but also with “leveraging” existing funding, including Medicaid funds and appropriations to the Early Childhood Education and Care Department to pay for the program.

Section 4 requires that all providers of abortion services, before performing an abortion (except in emergency circumstances), make available information about the no-cost services available through the optional pregnancy launch program, domestic violence services, public assistance and other social services available, and medically accurate information about abortion. If an abortion were performed in the case of a medical emergency, the provider would be required to report it within 30 days to DOH.

Section 5 requires DOH to publish an annual report on this program including specified components.

The effective date of this bill is July 1, 2025, for Section 1 to 3 and 5, and July 1, 2026, for Section 4 of the bill.

FISCAL IMPLICATIONS

There is no appropriation in House Bill 578. HCA and DOH estimate personnel costs and IT support for those employees as indicated in the table above, with HCA requiring 1 new FTE, whose salary would be split between state and federal funds, and DOH, which states it would need 5 new FTE and a newly developed IT system.

The DOH estimate of costs does not include the cost of the provision of healthcare to all pregnant women, which would include prenatal, birthing, and postnatal care, as well as the cost of child healthcare for the first two years. It is not clear whether DOH would be responsible for all of that health care, or whether it would be a source of last resort for those with neither Medicaid nor private insurance. A calculation¹ of the cost of care is based on three assumptions about how much care is to be provided under Section 3 of the bill. In the first assumption, all care for all New Mexico births would be paid for through the “pregnancy launch program:” \$485.3 million. The second assumption assumes the program would pay for the costs for all uninsured pregnancies plus out-of-pocket expenses for those with insurance: \$87.1 million. Under the third assumption, the program would pay only for the expenses of those pregnant and uninsured: \$49.7 million.

¹ New Mexico births per year, 20,951, 10.2% uninsured (2023 and 2017 data from ibis.doh.nm.us)
Cost of maternal care \$18,665 total, \$1991 out-of-pocket costs for insured patients. Source Forbes, [How Much Does It Cost To Have A Baby? 2025 Averages – Forbes Advisor](#)
Cost of pediatric care \$3000 first year, \$1500 second year. Source: [Pediatric Doctor Visit Cost With and Without Insurance | Mira Health \(talktomira.com\)](#)

SIGNIFICANT ISSUES

DOH comments that provision of healthcare to pregnant women and infants and toddlers would be a departure for the agency and would cause it to deviate from its main missions of preventing illness and injury and improving the health of the public at large. DOH also points out the state's high maternal mortality rate and the significant disparities that exist between the care available in urban areas and that available in rural and frontier parts of the state. Mention is also made that the mandatory consultations that the bill would require prior to abortion care would serve as further obstacles to care, especially those in rural areas and underserved communities.

According to HCA:

Besides the unfunded mandate in the bill, [the bill] would seek to put additional resource and cost requirements on providers during a time in which the state is already experiencing a shortage of trained primary care providers and OB-GYNs. Coverage for reproductive health care services is already thin in many parts of the state and this bill could further endanger the situation. Addressing statewide provider shortages continues to be a significant challenge while developing and maintaining provider networks that meet the needs of a growing Medicaid population. This challenge is particularly acute in rural areas and “OB deserts,” where access to obstetric care and other essential health services is severely limited.

PERFORMANCE IMPLICATIONS

It is unclear how much healthcare would be provided by DOH and in which locations.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB578 relates to the following bills:

- House Bill 234, Medical Care for All Infants Born Alive
- House Bill 236, Notice for Medication Abortions
- Senate Bill 57, Medical Provider Info
- Senate Bill 258, Human Sexuality Education
- Senate Bill 347, Health Care Workers Conscience Protection Act
- Senate Bill 371, Safety Requirements for Abortions
- Senate Bill 404, Healthcare Privacy Protections
- Senate Bill 508, Coverage for Certain Health Care

TECHNICAL ISSUES

HCA expresses concern over enforcement of the bill's provisions:

The Department of Health would refer noncompliant licensed health facilities to the Health Care Authority's Division of Health (DHI) to impose sanctions, However, DHI does not have jurisdiction over independent healthcare providers, and it is unclear who would impose sanctions for independent health care providers.

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