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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/10/2025

SPONSOR Hickey

BILL
NUMBER Senate Bill 278

SHORT TITLE Coronary Artery Calcium Screening

ANALYST Chenier

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
OSI	No fiscal impact	No fiscal impact	No fiscal impact		Recurring	

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
 Office of the Superintendent of Insurance (OSI)

Agency Analysis was Solicited but Not Received From
 Health Care Authority (HCA)

SUMMARY

Synopsis of Senate Bill 278

Senate Bill 278 eliminates cost sharing for coronary artery calcium screening health insurance coverage. Cost sharing is defined as copayments, coinsurance, and deductibles. The bill also updates outdated language from “heart artery calcium screening” to “coronary artery calcium screening”. The bill also eliminates the definition of eligible insured, broadening eligibility and changes the frequency with which one can receive the screening from every 5 years to every 4. The changes to statute are similar for each of the Health Care Purchasing Act, The Public Assistance Act, and the New Mexico Insurance Code.

The effective date of this bill is January 1, 2026.

FISCAL IMPLICATIONS

OSI stated that the bill does not create a new coverage mandate, and as such, does not trigger any possible cost defrayal for the statute under the Affordable Care Act.

SIGNIFICANT ISSUES

The cost-sharing elimination and change in the frequency of the screening from five years to four years may impact premiums in the large group market. OSI is unable to predict the fiscal impact but suspects that the change in law may increase utilization and have a significant premium impact in the large group market.

SB278 indicates that coronary artery calcium screening shall be provided at the discretion of a health care provider to be used as a clinical management tool. OSI recommends basing coverage on medical necessity pursuant to generally recognized standards of care.

Federal law permits the offering of high deductible plans in conjunction with Health Savings Accounts (HSAs). IRS rules prohibit any benefits other than ACA mandated cost-sharing free preventive care benefits from being offered at the copay level before an insured has paid their deductible. See

<https://www.irs.gov/publications/p969#:~:text=Contributions%20to%20your%20HSA%20made,the%20account%20are%20tax%20free.>

The way this legislation has been drafted does not take into account Catastrophic, High Deductible Plans (HDHP) and High Deductible Health Plans with HSA eligibility (HDHP/HSA).

OTHER SUBSTANTIVE ISSUES

This legislation does not take into consideration federal rules on pre-deductible cost-sharing for high deductible health plans that are not HSA eligible, or catastrophic plans that are available through the individual market to individuals that are less than 30 years old. Passage of this legislation without an exemption for HDHP/HSA plans would invalidate these plans' HSA eligibility per IRS rules. While OSI has addressed this issue via regulatory bulletin in the past, this is a fix that is without the force of legislation. OSI recommends that the bill be amended to exempt HDHP/HSA plans. Approximately 8,000 New Mexicans a year enroll in HDHP/HSA eligible plans.

ALTERNATIVES

OSI proposed the following:

Include language, as applicable, that is consistent with other sections of the Insurance Code related to cost-sharing elimination in major medical plans as follows:

The provisions of this section do not apply to excepted benefit plans as provided pursuant to the Short-Term Health Plan and Excepted Benefit Act [Chapter 59A, Article 23G NMSA 1978], catastrophic plans as defined pursuant to 42 USCA Section 18022(e) or high deductible health plans with health savings accounts until an eligible insured's deductible has been met, unless otherwise allowed pursuant to federal law.