

LFC Requestor: CHENIER, Eric

2025 LEGISLATIVE SESSION  
AGENCY BILL ANALYSIS

Section I: General

Chamber: Senate

Category: Bill

Number: 120

Type: Introduced

Date (of THIS analysis): 01/27/25

Sponsor(s): Martin Hickey and Jeff Steinborn

Short Title: NO BEHAVIORAL HEALTH COST SHARING

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$0	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

### **Section III: Relationship to other legislation**

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: Senate Bill 1 (SB1), Senate Bill 3 (SB3), House Bill 70 (HB70), Senate Bill 14 (SB14)

Duplicates/Relates to an Appropriation in the General Appropriation Act: House Bill 2 (HB2)

### **Section IV: Narrative**

#### **1. BILL SUMMARY**

a) Synopsis

Senate Bill 120 (SB120) would amend parts of the Health Care Purchasing Act and New Mexico Insurance Code to permanently eliminate behavioral health services cost-sharing. This amendment endeavors to make behavioral health services, including professional and ancillary services for the treatment, habilitation, prevention and identification of mental illness, substance use disorders, and trauma spectrum disorders more affordable and accessible by permanently eliminating cost-sharing methods. Cost-sharing methods include any method that requires health insurance enrollees to contribute to the cost of behavioral health care services.

“Cost-sharing” refers to a copayment requiring enrollees to pay a fixed dollar amount when health care services are received, coinsurance requiring enrollees to pay a stated percentage of medical expenses after any deductible amount is paid, deductible, or any other form of financial obligation of the insured other than a premium or share of a premium, or any combination of these financial obligations.

Cost-sharing would be permanently eliminated from 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.

Cost-sharing would be permanently eliminated from 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.

Cost-sharing would be permanently eliminated from 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.

Cost-sharing would be permanently eliminated from 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.

Cost-sharing would be permanently eliminated from 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.

The provisions of this act would become effective starting January 1, 2026.

Is this an amendment or substitution?  Yes  No

Is there an emergency clause?  Yes  No

b) Significant Issues

SB120, if enacted, would affect New Mexico residents by permanently removing any cost-sharing requirements for behavioral health services. This could decrease barriers to accessing behavioral health services. A key goal of NMDOH is to “expand equitable access to services for all New Mexicans”. Affordability of healthcare is a key factor in accessing services for New Mexicans.

SB120 relates to existing law, Section 13-7-26 NMSA 1978 – New Mexico Statutes, Chapter 13, Public Purchases and Property, Health Care Purchasing, and mentioned in the New Mexico Insurance Code.

## 2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes  No

If yes, describe how.

- Is this proposal related to the NMDOH Strategic Plan?  Yes  No

**Goal 1:** We expand equitable access to services for all New Mexicans

**Goal 2:** We ensure safety in New Mexico healthcare environments

**Goal 3:** We improve health status for all New Mexicans

**Goal 4:** We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

The NMDOH State Health Improvement Plan includes two focus areas under behavioral health – substance misuse and mental health. SB120 would reduce the financial burden of behavioral health services and treatment for patients, which could reduce the use of substances, reduce the prevalence of mental health concerns, reduce suicide and deaths related to substance misuse, and improve health outcomes and treatment of chronic mental health issues ([NMDOH 2024-2026 State Health Improvement Plan](#)).

## 3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?

Yes  No  N/A

- If there is an appropriation, is it included in the LFC Budget Request?

Yes  No  N/A

- Does this bill have a fiscal impact on NMDOH?  Yes  No

#### 4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH?  Yes  No

#### 5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

There is no clear conflict or duplication between SB120 and other proposed legislation.

#### 6. TECHNICAL ISSUES

Are there technical issues with the bill?  Yes  No

#### 7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written?  Yes  No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)?  Yes  No
- Does this bill conflict with federal grant requirements or associated regulations?  
 Yes  No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs?  Yes  No

#### 8. DISPARITIES ISSUES

Behavioral health issues are common and impact all populations. Significant disparities do exist including:

- In 2023, New Mexico males were nearly six times as likely to die of suicide than females and two and half times as likely to die of drug overdose ([CDC Wonder](#))
- In 2023, New Mexico adult females were significantly more likely to have symptoms of an anxiety disorder than males (Source: 2023 Behavioral Risk Factor Surveillance System, data analyzed by NMDOH-Center for Health Protection for this Analysis)
- In 2023, New Mexico Non-White adults with depression or anxiety disorder symptoms were significantly less likely to have received treatment than White adults (Source: 2023 Behavioral Risk Factor Surveillance System, data analyzed by NMDOH-Center for Health Protection for this Analysis)
- In 2023, New Mexico adults living in households with an annual income less than \$15,000 were significantly more likely to have anxiety or depressive disorder symptoms (Source: 2023 Behavioral Risk Factor Surveillance System, data analyzed by NMDOH-Center for Health Protection for this Analysis)
- In 2023, New Mexico high school girls were significantly more likely to have anxiety, depression symptoms, or report a past year suicide attempt than high school boys (Source: 2023 Youth Risk and Resiliency Survey, data analyzed by NMDOH-Center for Health Protection for this Analysis).
- In 2023, the age-adjusted rate of alcohol-related death was two and a half times higher among males compared to the age-adjusted rate among females (Source: 2023 NMDOH Bureau of Vital Records death files, data analyzed by NMDOH-Center for health Protection for this analysis).

- In 2023, most overdose deaths (84%) occurred among New Mexicans aged 25-64 years (working age population), with 26% of overdose deaths occurring in the 35-44 years age group (Source: 2023 NMDOH Bureau of Vital Records death files, data analyzed by NMDOH-Center for health Protection for this analysis).

Mental health concerns, suicide, and substance use outcomes are related to biological, psychological, interpersonal, environmental, and social influences. Disparities in poverty, historical trauma, and exposure to Adverse Childhood Experiences (ACEs) are closely associated with adverse substance use and mental health outcomes ([Co-morbid Substance Use and Mental Health Issues in New Mexico](#))

Young adults with behavioral health needs may be disproportionately impacted by cost-sharing. A large international study found that cost-sharing reduced the probability that young adults would access mental health care, particularly among low income female patients ([Patient cost-sharing, mental health care and inequalities: A population-based natural experiment at the transition to adulthood, Soc Sci Med 2022 /](#)).

## 9. HEALTH IMPACT(S)

SB120, if enacted, would remove the end-date on language that eliminates cost-sharing for behavioral health services and make the elimination of cost-sharing permanent. The cost of healthcare services can be a major barrier to accessing care. In 2023, 11% of New Mexico adults did not see a doctor when they needed it because they could not afford it. Adults with mental health symptoms were more likely to report healthcare access issues due to cost than other adults. In 2023, 22% of New Mexico adults with symptoms of a major depressive disorder or symptoms of a general anxiety disorder reported they could not afford to see a doctor when they needed it. Additionally, two thirds of New Mexico adults with symptoms of anxiety or depression did not receive treatment or medication for a mental health condition (Source: 2023 NM Behavioral Risk Factor Surveillance System – Data Analyzed by NMDOH – Center for Health Protection).

Suicide, drug overdose, and alcohol have been leading causes of death in New Mexico. In 2023, the CDC estimated suicide was the ninth leading cause of death in New Mexico. That same year, unintentional injuries were the third leading cause of death, including 955 drug overdose deaths ([CDC Wonder](#)). Fentanyl was involved in 65% of overdose deaths in 2023 and methamphetamine was involved in 51% of deaths, and 30.7% of overdoses involved both substances. Counties that had both a high number of overdose deaths (>20 deaths) and an overdose death rate greater than the statewide age-adjusted rate (46.3 deaths per 100,000 persons) in 2023 include Bernalillo, Santa Fe, Rio Arriba, and San Miguel ([NMDOH – Overdose deaths Declined in New Mexico Again](#)). In addition, 1,896 New Mexicans died from alcohol-related causes in 2023, and New Mexico has historically led the nation in alcohol-related deaths (Source: 2023 NMDOH Bureau of Vital Records death files, data analyzed by NMDOH-Center for health Protection for this analysis). SB120 could improve access to evidence-based strategies, which in turn may reduce these mortality outcomes and improve overall wellbeing for New Mexicans who are at risk of behavioral health issues.

Behavioral healthcare access, including services for mental health and substance use issues, represents a major public health topic in New Mexico. Increases in substance use disorder treatment services would provide positive economic benefits, decreased criminal justice costs, and decreased criminal activity ([Economic Benefits of Substance Use Disorder Treatment: A Systemic Literature Review](#)). In general, the number of individuals in New Mexico that would

need or seek treatment has stayed relatively the same between 2020 to 2021. In 2021, approximately one in fourteen individuals in New Mexico would need treatment services, of these individuals, one in seven would seek treatment, based on an analysis of data from the National Survey on Drug Use and Health (NSDUH) conducted by Substance Abuse and Mental Health Services Administration (SAMHSA). Individuals who need treatment may not seek treatment due to stigma, access, eligibility to programs, and other potential barriers.

Effective medications exist to treat both Opioid Use Disorder and Alcohol Use Disorder and are considered the standard of care for both types of substance use disorder. A 2023 Legislative Finance Committee report found, however, that these medications are underutilized given the prevalence of substance use disorder in NM ([Addressing Substance Use Disorder, Program Evaluation Unit, Legislative Finance Committee Progress Report](#)). NMDOH estimates demonstrate that approximately 73 thousand New Mexicans have an untreated substance use disorder. Most New Mexicans with substance use disorder are likely to seek treatment from a primary care provider, but stigma, cost, and access may be barriers to treatment by these providers (NM LFC).

Mental health concerns are common in New Mexico and often untreated. In 2023, among New Mexico high school students, 28% had anxiety symptoms and 25% had depression symptoms. Students with either anxiety or depression symptoms were about five times as likely to have attempted suicide as those students without these symptoms (Source: 2023 Youth Risk and Resiliency Survey, data analyzed by NMDOH-Center for Health Protection for this Analysis). In 2023, among New Mexico adults, 14% had anxiety symptoms, 12% had depression symptoms, and 5% of New Mexico adults seriously considered a suicide attempt (Source: 2023 NM Behavioral Risk Factor Surveillance System – Data Analyzed by NMDOH – Center for Health Protection).

## **10. ALTERNATIVES**

There is no known alternative to legislation that would require the elimination of cost-sharing with patients receiving behavioral health services through their insurance.

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

If SB120 is not enacted, then cost-sharing methods, including coinsurance and copayments for behavioral services would remain in place after January 1, 2027.

Cost-sharing would remain in place for 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.

Cost-sharing would remain in place for 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.

Cost-sharing would remain in place for 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.

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Cost-sharing would remain in place for 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.

**12. AMENDMENTS**

None