

<b>LFC Requester:</b>	<b>Eric Chenier</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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}*

**Bill Number:** 2.21.25 *Check all that apply:*  
SB508 Original  Correction   
 Amendment  Substitute

**Sponsor:** Heather Berghmans; Carrie Hamblen; Angel Charley Micaelita; Debbie O'Malley; Mimi Stewart **Agency Name and Code** New Mexico Retiree Health Care Authority 34300  
**Short Title:** Coverage for Certain Health Care **Person Writing** Mark Hayden  
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**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
<b>Total</b>	\$0	\$100	\$100	\$200	Recurring	Health Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**SECTION III: NARRATIVE**

## **BILL SUMMARY**

**Synopsis:** The Bill amends sections of the Health Care Purchasing Act, Public Assistance Act, and the New Mexico Insurance Code to require coverage, no cost-sharing, or requirement for prior authorization for certain sexual, reproductive, and gender-affirming health care services. These services are:

- **Contraception Coverage:** The Bill prohibits delays or restrictions on coverage and requires a covered person to receive a 12-month contraception coverage.
- **Special Enrollment Period for Pregnancy:** SB508 requires a special enrollment period for pregnancy to be effective before the end of the first month in which an uninsured person receives certification of a pregnancy unless the person elects to have coverage on the effective first day of the month following the date that the person plans selection.
- **Preventive Services:** The Bill mandates coverage for preventive services that have a rated of “A” or “B” in the current recommendations of the U.S. Preventive Services Task Force, immunizations recommended by the Advisory Committee on Immunization Practices, and preventive care and screenings for infants, children, and adolescents as outlined by the Health Resources and Services Administration.
- **Abortion Care:** provides coverage for the total cost of abortion care without cost-sharing, except for high deductible health plans until the deductible has been met.
- **Gender-Affirming Care:** a procedure, service, drug, device, or product that a physical or behavioral health care provider prescribes to treat an individual for incongruence between the individual’s gender identity and the individual's sex assignment at birth.
- **Family Planning Services:** The Bill authorizes reimbursement for services without quantity limitation, utilization controls, or prior authorization for family planning services.
- **Lactation Support:** requires coverage for lactation support prior to delivery, as well as single-user lactation supplies and equipment.

The effective date is January 1, 2026.

## **FISCAL IMPLICATIONS**

The fiscal impact of the legislation on the New Mexico Retiree Health Care Authority (NMRHCA) will be a minimal increase in costs related to the expanded coverage requirements, no cost share for members, and modified prior authorization of services. Specifically, the Bill mandates coverage for certain reproductive, sexual, and gender-affirming health care services, which could lead to higher expenditures for the NMRHCA. In general, the NMRHCA population is not a high utilizer of these benefits, nor do we foresee a more significant increase in current utilization.

## **SIGNIFICANT ISSUES**

The Bill establishes a special enrollment period, off-normal switch, or open enrollment for uninsured pregnant individuals outside NMRHCA’s established administrative code. It would eliminate cost-sharing for abortion services and preventive benefits, which many are required to cover through the Affordable Care Act. Still, any additional costs included in the Bill would impact members’ premiums.

## **PERFORMANCE IMPLICATIONS**

None.

## **ADMINISTRATIVE IMPLICATIONS**

Insurers will have to modify their administration guidelines for these services. Currently, NMRHCA provides coverage on a monthly basis, with members starting on the first of the month following the election. Regarding the special enrollment period for election to give coverage to an uninsured person when the person provides certification for a health care provider to ensure that the person is pregnant, it would go against current enrollment processes and billing.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

## **TECHNICAL ISSUES**

If the special enrollment for pregnancy is done during the month, NMRHCA will need to change the eligibility system to allow enrollment. It will also require changes to billing and posting as the plans and billing for retiree health care are monthly.

## **OTHER SUBSTANTIVE ISSUES**

SB508 conflicts with the authority granted to the Board of Directors under 10-7C-5. Authority Created and 10-7C-6 Board created; membership; authority for the New Mexico Retiree Health Care Authority, as it relates to the administration of the Retiree Health Care Act.

## **ALTERNATIVES**

None.

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

Plans will continue to mandate the Affordability Care Act benefits without SB508 enhancements.

## **AMENDMENTS**

None.