

NM HB 278 could mean millions for health care

Written by Gallupsun Staff
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Bill passes house committee 5-3

Staff Reports

HB 278 is a new bill that could make healthcare more affordable for New Mexicans. Rep. Debbie A. Armstrong, D-Bernalillo, authored the legislation to create a Health Care Affordability Fund to help more New Mexican's afford the health care they need. It passed the House Health and Human Services Committee Feb. 5, by a vote of 5-3.

Under the bill, New Mexico would begin collecting a portion of a fee that health insurance companies had been paying the federal government under the Affordable Care Act beginning in 2021. Congress recently repealed that fee. Now states can collect a portion of the surtax on their own. Fifty-five percent of the funds generated through this new surtax and an existing fee paid by health insurance companies would go to the Health Care Affordability Fund; the remainder will go to the General Fund.

"This is an incredible opportunity for New Mexico to create a meaningful new revenue stream that would not only fund programs to help New Mexicans afford health care, but also bring money into the General Fund," Armstrong said.

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The state would use the money in the Health Care Affordability Fund to create programs that would reduce the cost of health care. This could include covering the cost of deductibles, cost-sharing or co-pays for some New Mexicans. Another option is expanding health coverage to include some of the 190,000 New Mexicans who are currently uninsured.

SB 278 does not specify the programs that would be created using the fund. Instead, the Secretary of Human Services will put together a comprehensive plan to maximize the funding and would present the plan to the Legislative Health and Human Services Committee no later than Dec. 1. Only after the plans are approved would the Legislature appropriate money from the fund for implementation of affordability programs. SB 278 also requires detailed, ongoing reporting to show that programs created through the Health Care Affordability Fund are reducing health care costs for New Mexicans.

“I am excited to see what the future holds,” Armstrong said. “We have the power, with this one piece of legislation, to change health outcomes for hundreds of thousands of New Mexicans. No New Mexican should ever have to decide between going to the doctor, or putting food on the table. It’s time to make health care affordable for everyone.”

HB 278 now goes to the House Taxation and Revenue Committee for consideration.