

Support HCA Request for Healthcare Affordability Fund

The Healthcare Affordability Fund was passed in 2021 to expand healthcare coverage to uninsured families and workers in New Mexico.

The Healthcare Affordability Fund (HCAF) is funded through a 3.75% health insurance premium surtax on insurance companies. 45% of the revenue generated from the surtax goes to the general fund and 55% goes to the HCAF, in FY26 this is projected to be \$212.8 million.

The Legislature must act now to ensure the Healthcare Affordability Fund is used to provide more New Mexicans affordable healthcare options!

88%

of New Mexicans want the state to act on healthcare affordability.

242,000

New Mexico residents are uninsured due to eligibility restrictions and high costs.

Adopt the Executive Budget Recommendation for HCA's Budget, which:

- Continues 10% premium reduction for small businesses offering bronze plans and will provide 15%, 20%, or 25% reductions for businesses that offer silver, gold, or platinum plans to their employees.
- Maintains lower costs for individuals on BeWell (including \$0 premiums for Native Americans under 300% FPL) and protects enrollees from a significant premium increase when federal subsidies expire at the end of the year.
- Launches a health plan in July 2025 for New Mexico residents who are locked out of BeWell plans and Medicaid.
- Does NOT use the Healthcare Affordability Fund for recurring Medicaid costs. HCAF is not intended for this purpose and Medicaid funding is already covered through state revenue.



Comparison of HCA's Budget Request and LFC Recommendation

Budget Item	Executive Request	LFC Recommendation
Lower Premiums for Small Business	\$76.2 million	\$50 million
Lower Premiums and Out-of-Pocket Costs on BeWell	\$72.3 million	\$50 million
Coverage Plan for Uninsured NM Residents, including Immigrants without Affordable Options	\$58.4 million	\$46 million
Medicaid Costs outside HCAF Purposes	\$0	\$30 million
Fund Administration	\$2 million	\$2 million

The Healthcare Affordability Fund is a targeted, sustainable funding source that is making care affordable for tens of thousands of hard working, tax paying residents who are struggling with healthcare costs.

