



Michelle Lujan Grisham, Governor
Kari Armijo, Secretary
Alex Castillo Smith, Deputy Secretary
Kathy Slater Huff, Deputy Secretary
Kyra Ochoa, Deputy Secretary
Dana Flannery, Medicaid Director

HCAF BULLETIN 2024-01

October 10, 2024

TO: HEALTH INSURANCE ISSUERS SELLING HEALTH BENEFIT PLANS IN THE SMALL GROUP MARKET THAT MEET QHP STANDARDS

RE: SMALL BUSINESS HEALTH INSURANCE PREMIUM RELIEF INITIATIVE PREMIUM REDUCTION PERCENTAGE FOR COVERAGE ACTIVE JANUARY 1, 2025, UNTIL JUNE 30, 2025; PAYMENT TIMELINE AND RECONCILIATION FOR THE 2025 PROGRAM YEAR

THIS BULLETIN is issued pursuant to NMSA 1978, Section 59A-23F-11, which established the Health Care Affordability Fund to “reduce premiums for small businesses and their employees.” This Bulletin sets forth program parameters, requirements for issuers, and the Health Care Authority’s (HCA’s) responsibilities under the Small Business Health Insurance Premium Relief Initiative established in 13.10.36.11 NMAC. This program was previously administered by the New Mexico Office of Superintendent of Insurance.

Premium Reduction Percentage

All issuers subject to this Bulletin must reduce premium charges to small group Qualified Health Plan (QHP) purchasers by the credit amount of 10% for coverage active on January 1, 2025, on or off-exchange. The Premium Reduction Credit described in this bulletin will be effective from January 1, 2025, through June 30, 2025. This period will be referred to as “the first half of the 2025 Program Year.” The 10% premium reduction shall be applied by providing a credit for coverage in the invoice to small group QHP purchasers following the applicable coverage month.

Monthly Issuer Reporting

Issuers must submit data to Health Care Authority (HCA) monthly to receive payment for the discount/credit provided, no later than the third business day following each applicable coverage month, using the secure online data-sharing portal provided to the issuer’s primary contact by HCA. Issuers must submit to HCA:

1. A completed version of the Monthly Reporting Template is posted on the initiative’s webpage: <https://www.hca.nm.gov/small-business-health-insurance-premium-relief/>.
2. An invoice specifying the amounts owed by HCA for the applicable coverage month. This invoice should include the date, the issuer’s contact information, a unique invoice



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number, and a note that the invoice is related to the New Mexico Small Business Health Insurance Premium Relief Initiative.

Issuers should not report retroactive adjustments/restatements from previous months on this template. These will be handled during the annual reconciliation period.

Monthly Payments to Issuers

Upon verification of the submitted data and invoice described above, HCA will issue monthly electronic payments. TABLE 1 shows the reporting and payment deadlines for the 2025 Program Year.

TABLE 1: Monthly Reporting and Payment Deadlines for the 2025 Program Year

Coverage Month	Issuer Reporting Deadline	HCA Payment Target
January 2025	February 5, 2025	February 28, 2025
February 2025	March 5, 2025	March 31, 2025
March 2025	April 3, 2025	April 30, 2025
April 2025	May 5, 2025	May 30, 2025
May 2025	June 4, 2025	June 30, 2025
June 2025	July 3, 2025	July 31, 2025
July 2025	August 5, 2025	August 29, 2025
August 2025	September 3, 2025	September 30, 2025
September 2025	October 3, 2025	October 31, 2025
October 2025	November 5, 2025	November 28, 2025
November 2025	December 3, 2025	December 31, 2025
December 2025	January 5, 2026	January 30, 2026

Annual Issuer Reporting and Reconciliation

By March 2, 2026, all issuers subject to this Bulletin must submit the following documents to HCA using the secure online data-sharing portal provided to the issuer’s primary contact:

1. A completed version of the Annual Reporting Template can be found on the initiative’s webpage: <https://www.hca.nm.gov/small-business-health-insurance-premium-relief/>.



2. An attestation to the accuracy of the submission, signed by a senior executive. No later than May 4, 2026, HCA will inform issuers of reconciliation amounts. All reconciliation amounts owed to HCA or the issuer shall be included in the issuer's invoice submitted during June 2026. If an issuer wishes to dispute reconciliation amounts after HCA notification, it must submit the dispute to Shannon.Chapman@hca.nm.gov no later than May 18, 2026.

TABLE 2: Reconciliation Deadlines

Reconciliation Activity	Deadline
Submission of Annual Data	March 2, 2026
HCA Notice of Reconciliation Amounts	May 4, 2026
Submission of Reconciliation Disputes	May 18, 2026
Reconciliation Payments Due	June 30, 2026

Small Business Notification

All issuers subject to this Bulletin must notify small group QHP purchasers of the premium reduction credit. All letters must be approved by HCA.

The following language must be sent to all active small groups prior to January 1, 2025. A version of this letter should also be included in enrollment packets for all new groups that enroll after July 1, 2025.

During the 2021 legislative session, the New Mexico Legislature worked with Governor Michelle Lujan Grisham to pass a law establishing a Health Care Affordability Fund, and as of July 2024, the programs were transferred to the New Mexico Health Care Authority. Under the law, the Health Care Authority is responsible for reducing health insurance premiums for small businesses. Under the program, you will receive a credit on your invoice that reduces your premium by 10%. This premium reduction is part of the Health Care Authority's Small Business Health Insurance Premium Relief Initiative. You will see the credit applied to your premium on all invoices received after January 1, 2025, through June 30, 2025. You do not need to take any action to receive this credit.

Please note that the initiative is subject to legislative appropriation, and the reduction percentage could change from year to year. Should the reduction percentage change, [ISSUER NAME] will notify you in advance. If you have any questions about the initiative, please visit <https://bit.ly/3BwRSCE>.



HEALTH CARE
A U T H O R I T Y

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Advertising of Discounted/Credited Premiums

To ensure transparency, any advertising materials that display premiums at the discounted/credited price must make clear that the discount/credit is applied to the premium and results from New Mexico's Small Business Health Insurance Premium Relief Initiative. The materials should also provide a link to HCA's Small Business Initiative webpage and the HCA Office of the Secretary's phone number. All marketing materials, including those that reference the small business premium discount, must be approved by the Office of Superintendent of Insurance. Please direct any questions regarding this bulletin to Jess Rosenthal at 505-231-9968, or via e-mail at HCAFcomments@hca.nm.gov.

ISSUED this 10 day of October 2024.