



February 2, 2024

Senate Health and Public Affairs Committee  
Room 311, State Capitol  
Santa Fe, NM 87501

**RE: 2/2/24 Senate Health and Public Affairs Committee Hearing on Senate Bill 15**

Dear Chair Ortiz y Pino and Honorable Members of the Senate Health and Public Affairs Committee,

Thank you to the committee for the opportunity to provide testimony **in support of SB 15**, providing important oversight of health system mergers and acquisitions to ensure New Mexicans are protected from the [negative impacts](#) of health care consolidation. We thank Senators Duhigg and Stefanics for bringing forward this important legislation. United States of Care (USofCare) is a non-partisan, non-profit organization working to ensure [everyone](#) has access to quality, affordable health care, regardless of health status, social need, or income. We work in states across the country to develop pragmatic policy solutions that are designed to respond to the needs of people. In New Mexico, we have supported the state's efforts to expand access to coverage and improve affordability for New Mexicans through the development of a state-based financial assistance program for people and innovative new health coverage options.

Unfortunately, despite the many meaningful actions to improve health care affordability taken by the Legislature, health care remains unaffordable for many in New Mexico. More than 1 in 2 New Mexicans [report](#) delaying or going without medical care due to the high cost, with rural, Hispanic/Latino, and low-income New Mexicans [most likely](#) to be impacted by health care affordability burdens. Of the New Mexicans who are able to access health care, [many face](#) financial hardship as a result of accessing this needed care.

One of the main drivers of increasing health care costs can be traced to [health care consolidation](#) in New Mexico and nationwide, which has led to less competition and [higher prices](#) for patients, usually with no corresponding increase in [quality of care](#). Between 2012 and 2018, total shares of physician practices owned by hospitals rose from [14% to 31%](#) nationally. Of the 1,500 hospitals targeted for a merger or acquisition between 2010 and 2019, [55%](#) were located in different commuting zones and [21%](#) in different states than the acquiring system. This trend can also be seen in New Mexico – just last year Christus Health, a large health system based in Texas, acquired Gerald Champion Regional Medical Center in Alamogordo, over 200 miles away from the nearest Christus Health facility.

Despite the negative impacts of consolidation on the cost, quality and access to care for New Mexicans, health entities operating in the state are currently subject to little oversight of their consolidation transactions, like mergers or acquisitions. SB 15 offers a solution to protect New

Mexicans from the effects of corporate – rather than community – values by increasing transparency and oversight and requiring approval for certain mergers and acquisitions. Providing the Superintendent of Insurance with the ability to consider the impact the merger or acquisition has on people, including health care access and access to [culturally responsive care](#), affordability, and quality, will help the state move closer to providing the transparency in health care that people demand. In addition, the bill's stakeholder engagement process helps ensure health systems in New Mexico are held accountable to serve the needs of their community.

By passing SB 15, New Mexico has the opportunity to join the [13 states](#) with laws requiring state entity review and approval of some or all health care transactions which takes into consideration the impact on health care access and affordability. These state's health system merger and acquisition review laws vary in review criteria and authority. Many provisions in SB 15 mirror one of the most comprehensive health care merger review processes in the country, created in Oregon with the passage of [HB 2362](#) in 2021, while still taking into consideration the unique needs of New Mexicans from their health care providers.

**USofCare is supportive of SB 15 and strongly encourages the committee to vote in favor of this bill**, a significant step in addressing health system consolidation concerns in the state. We thank the committee for its work to ensure New Mexicans have access to affordable, high quality health care. Please do not hesitate to reach out if you have any questions.

Sincerely,

Kelsey Wulfschuhle  
State Advocacy Manager  
United States of Care  
[kwulfschuhle@usofcare.org](mailto:kwulfschuhle@usofcare.org)