



**NEW MEXICO  
BUSINESS COALITION**

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RE: Oppose HB 122 Health Insurance Premium Surtax

Dear Representative:

The New Mexico Business Coalition (NMBC) represents hundreds of businesses and thousands of New Mexicans. Our focus is to make New Mexico a better place to do business so that New Mexicans can have jobs and provide for their families.

NMBC opposes HB 122 Health Insurance Premium Surtax. This bill proposes to increase the premium surtax from 1% to 3.75%. While the tax is designed to increase costs to insurance providers, there is no doubt that it will be passed onto consumers. This serves only to exasperate the situation we currently have in the state with people being unable to afford health care insurance in our state.

In December 2019, the U.S. Congress permanently repealed the “health care provider fee” authorized under the federal Affordable Care Act (ACA) because it was a burden for consumers. While the intentions of HB 122 are to help those who can’t afford health insurance, you are increasing the burden on those individuals and families who don’t meet the requirements for assistance, but who cannot afford another increase to their health care costs.

The Kaiser Family Foundation estimates 16,855 uninsured New Mexicans are currently eligible to access a free, federally subsidized “bronze” health insurance plans on the health insurance exchange after tax credits are applied. That federal program alone covers the majority of people the sponsor is seeking to assist. Current health insurance taxes already being paid should be adequate to cover the subsidization of the shortfall from the general fund. There is no good reason to increase medical insurance tax on New Mexicans.

We urge you to say ‘NO’ to HB 122 Health Insurance Premium Surtax.

Thank you,

A handwritten signature in blue ink, appearing to read 'Carla J. Sonntag', with a horizontal line underneath.

Carla J. Sonntag  
President