

## **New Mexico State Health Benefits State Employee Premium Assistance Program Guidance FY 27 Benefits Year (July 1, 2026 – June 30, 2027)**

This guidance establishes the State Premium Assistance (SEPA) Program eligibility criteria and premium reduction percentages for the FY 27 Benefits Year. SEPA provides premium assistance to moderate income state employees who receive coverage through the State Health Benefits Bureau of the Health Care Authority. Please note that individuals who are not automatically determined eligible must apply for the program, even if they were eligible during the previous plan year. Members must apply during the open enrollment period between April 15 and May 15, 2026. For more information, see the section below regarding automatic eligibility determinations.

### **FY 27 SEPA Eligibility Criteria**

SEPA uses the Federal Poverty Level (FPL) as a measurement of household income to determine eligibility for most households. By considering total household income instead of employee salary alone, HCA can base eligibility on a more complete picture of a household's finances. The FPL is updated annually by the federal government to account for inflation and changes in the cost of living. The 2025 BeWell Marketplace Coverage Year FPL amounts will be used for the period between July 1, 2026, and June 30, 2027. State employees with a household income between 138-250% FPL are eligible for SEPA. See **TABLE 1** for the applicable FPL amounts. There is also a salary-based eligibility tier for state employees whose annual state salary is less than \$50,000 who purchase coverage only for themselves. Employees can [click here](#) for a preliminary, unofficial eligibility screening.

If a state employee is eligible for Medicaid, they are not eligible for the SHB Premium Assistance Program. Medicaid is a comprehensive health coverage program that does not charge premiums or out-of-pocket costs for covered services. To apply for Medicaid, visit [yes.nm.gov](https://yes.nm.gov). If an eligible state employee is enrolled in a Family Plan or Employee + Children Plan and children are in the household, a lower premium reduction will apply to account for eligibility for the Children's Health Insurance Program (CHIP). SHB will not conduct CHIP eligibility determinations. State employees are encouraged to apply for CHIP via [yes.nm.gov](https://yes.nm.gov).

**TABLE 1: FY 27 SEPA Federal Poverty Level Thresholds**

Family Size	138% FPL	175% FPL	212% FPL	250% FPL
1	\$21,597	\$27,388	\$33,178	\$39,125
2	\$29,187	\$37,013	\$44,838	\$52,875
3	\$36,777	\$46,638	\$56,498	\$66,625
4	\$44,367	\$56,263	\$68,158	\$80,375
5	\$51,957	\$65,888	\$79,818	\$94,125
6	\$59,547	\$75,513	\$91,478	\$107,875
7	\$67,137	\$85,138	\$103,138	\$121,625
8	\$74,727	\$94,763	\$114,798	\$135,375

**Note:** For households with more than 8 members, add \$5,500 for each additional person.

**FY 27 SEPA Premium Reduction Percentages**

There are three FPL tiers that determine the percentage of premiums that eligible households pay. SEPA Group 1 has household incomes between 138-175% FPL; SEPA Group 2 has household incomes between 175-212% FPL; and SEPA Group 3 has household incomes between 212-250% FPL. **TABLE 2** shows the FPL-based contribution percentages.

**TABLE 2: Percent of Premium Employee Pays under SEPA, based on FPL**

Coverage Category	SEPA Group 1 138-175% FPL	SEPA Group 2 175-212% FPL	SEPA Group 3 212-250% FPL
Employee Only	0%	5%	10%
Employee + Partner	0%	5%	10%
Employee + Children	5%	10%	15%
Family	5%	10%	15%

There is a fourth SEPA eligibility group that is available to employees purchasing coverage for themselves only. Employees with a salary between \$39,125 and \$50,000 who purchase coverage for themselves only and do not qualify for the FPL-based program criteria pay 10% of the cost of insurance.

**Bi-weekly Employee Contributions under SEPA**

The tables on page 2 show the contribution amounts for employees who qualify for SEPA by FPL/income.



**Table 3: Member Contribution by SEPA Level**

FY 27 SEPA Group 1 Member Contribution Amount, per Pay Period (138-175% FPL)								
	HMO Clear Cost Platinum	HMO Gold	Basic Gold PPO	PPO Silver (HDHP)	Basic Dental	Dental Buy-up	Basic Vision	Vision Buy-up
Employee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.07	\$0.00	\$0.91
Employee + Partner	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.15	\$0.00	\$1.70
Employee + Children	\$37.32	\$31.30	\$43.58	\$24.64	\$1.87	\$4.34	\$0.33	\$2.31
Family	\$61.16	\$51.30	\$71.43	\$40.39	\$2.44	\$5.66	\$0.42	\$2.94

FY 27 SEPA Group 2 Member Contribution Amount, per Pay Period (175 - 212% FPL)								
	HMO Clear Cost Platinum	HMO Gold	Basic Gold PPO	PPO Silver (HDHP)	Basic Dental	Dental Buy-up	Basic Vision	Vision Buy-up
Employee	\$20.71	\$17.36	\$24.19	\$13.67	\$0.81	\$1.88	\$0.15	\$1.06
Employee + Partner	\$46.65	\$39.12	\$54.48	\$30.80	\$1.62	\$3.77	\$0.28	\$1.98
Employee + Children	\$74.64	\$62.60	\$87.17	\$49.29	\$3.74	\$6.21	\$0.66	\$2.64
Family	\$122.32	\$102.59	\$142.86	\$80.78	\$4.87	\$8.09	\$0.84	\$3.36

FY 27 SEPA Group 3 Contribution Amount, per Pay Period (212 - 250% FPL)								
	HMO Clear Cost Platinum	HMO Gold	Basic Gold PPO	PPO Silver (HDHP)	Basic Dental	Dental Buy-up	Basic Vision	Vision Buy-up
Employee	\$41.42	\$34.73	\$48.37	\$27.33	\$1.62	\$2.69	\$0.30	\$1.21
Employee + Partner	\$93.30	\$78.25	\$108.96	\$61.61	\$3.25	\$5.40	\$0.57	\$2.27
Employee + Children	\$111.96	\$93.90	\$130.75	\$73.93	5.60	\$8.07	\$0.99	\$2.97
Family	\$183.49	\$153.89	\$214.29	\$121.17	\$7.31	\$10.53	\$1.26	\$3.78

FY 27 SEPA Group 4 Member Contribution Amount, per Pay Period (Employee Only w/ Salary \$39,125 - \$50,000)								
	HMO Clear Cost Platinum	HMO Gold	Basic Gold PPO	PPO Silver (HDHP)	Basic Dental	Dental Buy-up	Basic Vision	Vision Buy-up
Employee	\$41.42	\$34.73	\$48.37	\$27.33	\$1.62	\$2.69	\$0.30	\$1.21



## **Automatic SEPA Income-based Eligibility Determinations**

Automatic SEPA income-based eligibility determinations will be conducted for state employees on an annual basis through a partnership with the New Mexico Taxation and Revenue Department (TRD). TRD will use the most recent available tax returns to determine FPL based on the household's Adjusted Gross Income and household size. TRD will provide the FPL for state employees enrolled in SHB who are determined eligible, and HCA will enroll members in the applicable SEPA eligibility group. EASI Gov will send an email to all state employees determined eligible through this automated process. The email will have the subject line "Notification of Automatic Enrollment in SEPA" and appear as written on the final page of this guidance.

### **Applying for SEPA**

If a state employee believes they are eligible for the SEPA but are not determined eligible through the automated process or that they have been enrolled in the incorrect eligibility category, they may apply for the program through EASI Gov by calling (855) 618-1800 or emailing [SEPA@easitpa.com](mailto:SEPA@easitpa.com). SHB members will need to submit proof of income and other household information to complete an application. Applications must be submitted by May 15, 2026.

### **Applying for an Exception due to Unique Household Circumstances**

If a state employee wishes to request a reconsideration due to exceptional circumstances, they may call (855) 618-1800 or email [SEPA@easitpa.com](mailto:SEPA@easitpa.com) to discuss unique household circumstances that may qualify them for the program. This may include recent changes in household composition, significant income changes, those who make less than 138% FPL but are ineligible for Medicaid.

### **Proof of Household Income**

State employees not automatically determined eligible must submit proof of household income to be determined eligible for SEPA. The documents state employees submit to EASI Gov to confirm household income must show an income amount that closely matches the income amount reported to EASI Gov. For example, if someone in a household has a different job than last year, the state employee should send EASI Gov recent pay stubs from their new job, instead of last year's tax return or W2. Here are types of proof of household income that state employees can submit:

- Most recent or 2025 1040 federal or state tax return. Must contain your first and last name, income amount, and tax year. If you file Schedule 1, you must submit it with your 1040.
- 2025 Wage and tax statement (W-2 and/or 1099, including 1099 MISC, 1099G, 1099R, 1099SSA, 1099DIV, 1099SS, 1099INT). Must contain your first and last name, income amount, tax year, and employer name (if applicable).
- Pay stub. Must contain your first and last name, income amount, and pay period or



frequency of pay with the date of payment. If a pay stub includes overtime, tell us the average overtime amount per paycheck.

- Self-employment ledger documentation (can be a Schedule C, the most recent quarterly or year-to-date profit and loss statement, or a self-employment ledger). Must contain your first and last name, company name, and income amount. If you're submitting a self-employment ledger, include the dates covered by the ledger, and the net income from profit/loss.
- Social Security Administration Statements (Social Security Benefits Letter). Must contain first and last name, benefit amount, and frequency of pay.
- Unemployment Benefits Letter. Must contain your first and last name, source/agency, benefits amount, and duration (start and end date, if applicable).

### **Allowable Income Standards**

Employees can use the following measures of income to qualify for SEPA:

- The annual household income in the most recent available tax return.
- The monthly household income during the month before the employee submits a SEPA application.
- The projected annual household income during the upcoming benefits year with a letter of attestation explaining the household circumstances.

### **Types of Income That Must Be Reported**

For FY 27, SHB will use a household's adjusted gross income (AGI) as the standard for SEPA income determinations. AGI is your total gross income from all sources minus certain adjustments listed on Schedule 1 of Form 1040. Your AGI is calculated before you take your standard or itemized deduction on Form 1040. For information about how to calculate AGI, visit [Definition of adjusted gross income | Internal Revenue Service](#),

### **Households with Domestic Partners**

If a state employee is enrolling a domestic partner in coverage, the domestic partner and any children of the domestic partner will be considered part of the tax household for SEPA eligibility purposes. State employees must submit income information for their domestic partner to qualify for SEPA.

### **Reporting Household Changes that May Impact Eligibility**

If a state employee who has been determined eligible for SEPA experiences a change that may impact SEPA eligibility, the employee must report these changes to EASI Gov as soon as possible. Changes that must be reported include:

- Increases or decreases in household income
- Adding a dependent to your household due to birth, adoption, foster care
- Marriage or divorce
- Death



HEALTH CARE  
AUTHORITY

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Kathy Slater Huff, Deputy Secretary  
Niki Kozlowski, Acting Deputy Secretary  
Alanna Dancis, Acting Medicaid Director

- 
- You remove a dependent from your tax household for any reason other than adoption or foster care

### **Knowingly Misreporting Income**

If a state employee knowingly misreports income to gain access to SEPA or increase the amount of assistance they get, SHB may revoke future SEPA eligibility.

### **Contact Us**

If you have any questions about SEPA eligibility, please email [SEPA@easitpa.com](mailto:SEPA@easitpa.com) or call (855) 618-1800.



EASI Gov, Inc.  
1200 San Pedro Drive NE  
Albuquerque, NM 87110  
(505)-244-6000 or toll free (855) 618-1800



SAMPLE

## Notification of Automatic Enrollment in SEPA

DATE  
NAME

We have good news for you. This notice is to inform you that you have been determined eligible for a reduced premium under New Mexico’s State Employee Premium Assistance (SEPA) program. You do not need to take any action to receive this benefit.

Your new bi-weekly premium rate if you do not take any other action will be: (RATE)

Please note that plan options have changed this year and you can shop around for the best deal during Open Enrollment between April 15 and May 15. Please check your paycheck on that date and contact EASI Gov, Inc. at 1-855-618-1800 if you need assistance regarding your benefits or find any discrepancy.

For more information about SEPA and your state benefits, please visit [www.mybenefitsnm.com](http://www.mybenefitsnm.com) or email [SEPA@easitpa.com](mailto:SEPA@easitpa.com).

**Keeping Your Information Up to Date:** You must report changes in your household, such as income going up or down, marriage or divorce, birth, adoption, or death in the family. If you experience any changes during the year, report them to EASI Gov as soon as possible to determine whether they impact your eligibility.

Percent of Premiums Paid by Employee:			
<i>Your premium cost will be based on your tier of coverage as follows:</i>			
Coverage Category	SEPA Group 1	SEPA Group 2	SEPA Group 3
Employee Only	0%	5%	10%
Employee + Partner	0%	5%	10%
Employee + Children	5%	10%	15%
Family	5%	10%	15%