

Frequently Asked Questions about State Employee Premium Assistance (SEPA) Program and New Benefit Options in FY 27

For State of New Mexico Employees

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Which companies are offering medical benefits this year?

Blue Cross Blue Shield of New Mexico, Presbyterian Health Plan, and UnitedHealthcare.

What do I need to know about the new medical benefits plans?

Each medical carrier will offer four standardized health plans. This means that the out-of-pocket costs for Tier 1 in-network care will be the same no matter which carrier you select. Here is basic information about your plan options available from each carrier.

1. High-Deductible PPO Plan: Lowest premium option and a Health Savings Account (HSA) option.
2. Basic HMO Plan: Mid-level premium and out-of-pocket costs and a managed provider network.
3. Clear Cost HMO Plan: Higher premium, predictable co-pays, and a managed provider network.
4. Basic PPO Plan: Highest premium but a broader provider network.

Are the premiums the same for each carrier?

Yes, each carrier will have the same premium for each of the four plans this year.

What are the dental and vision buy-up plans?

During employee focus groups, the Health Care Authority heard clearly that employees wanted the option to elect more robust benefits, even if it meant paying slightly more. The dental and vision buy-up plans provide employees with



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the opportunity to enhance their coverage for a modest additional premium, offering expanded benefits beyond the base plans.

What company is offering pharmacy benefits in FY 27?

Express Scripts/Evernorth will provide pharmacy benefits starting July 1, 2026.

What is the State Employee Premium Assistance (SEPA) program?

The State Employee Premium Assistance (SEPA) program is a program created by Senate Bill 376 to make health insurance more affordable for state employees with lower household incomes. It reduces the amount employees pay for their medical, dental, and vision insurance. You can use the EASI Gov's [SEPA Eligibility Screening Tool](#) to see if you may be eligible based on your household income.

Who is eligible for SEPA?

You may qualify for SEPA if:

- You work in the executive, judicial, or legislative branch (not as a state legislator), **and**
- Your total household income is between 138% and 250% of the Federal Poverty Level (FPL) **or** you earn a state salary between \$37,650 and \$50,000 and are enrolled in Employee-only coverage, **and**
- You are not eligible for Medicaid.

How will my household income be determined?

If you are automatically determined eligible, the New Mexico Taxation and Revenue Department (TRD) will use the **most recent tax returns** to calculate your household's Adjusted Gross Income and household size. This information determines your income based on the Federal Poverty Level (FPL). If you are not determined eligible through this process but think you may be eligible, you can submit proof of income to EASI Gov by emailing SEPA@easitpa.com or by calling (855) 618-1800.



If I’m already enrolled in SEPA, Do I need to reapply?

Before Open Enrollment, employees who have been automatically determined eligible for SEPA will be notified by email. All other state employees will have the opportunity to apply during Open Enrollment, April 15 – May 15, 2026. If you would like more details about the program, please see the SEPA page on mybenefitsnm.com.

Do I need to apply to be considered for SEPA?

Most eligible employees will be automatically enrolled based on information from TRD. If you don’t receive an eligibility notice and believe you qualify, you can apply through EASI Gov during Open Enrollment, April 15, 2026 – May 15, 2026. We respectfully ask state employees wait until Open Enrollment to submit requests to EASI Gov about eligibility. A great way to see if you qualify for SEPA **AHEAD** of Open Enrollment would be to take advantage of the [SEPA eligibility calculator](#).

What are SEPA groups and contribution levels?

There are three groups:

- **Group 1 (138–175% FPL):** 0–5% of premium cost
- **Group 2 (175–212% FPL):** 5–10% of premium cost
- **Group 3 (212–250% FPL):** 10–15% of premium cost

You may also qualify to pay 10% of premiums if your annual salary is less than \$50,000 and you are only purchasing coverage for yourself. See the table below for the SEPA eligibility groups.

Coverage Category	SEPA Group 1 138-175% FPL	SEPA Group 2 175-212% FPL	SEPA Group 3 212-250% FPL	Employee Only \$39,125-50,000	All Others
Employee	0%	5%	10%	10%	20%
Employee + Partner	0%	5%	10%	N/A	20%
Employee + Children	5%	10%	15%	N/A	20%
Family	5%	10%	15%	N/A	20%



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What if I believe I have been placed in the wrong SEPA group or incorrectly determined to be ineligible?

You can request a review by contacting SHB through EASI Gov. You will need to provide documentation on income and household information.

What if my household circumstances recently changed?

If you experienced a recent significant change (like a loss of income, household composition change, or become ineligible for Medicaid despite low income), you may qualify for an exception. Call (855) 618-1800 or email SEPA@easitpa.com to request a reconsideration.

After I'm enrolled, when does my participation start?

SEPA goes into during the first pay period of Fiscal Year 2027 and will appear on employee paychecks on July 10, 2026.

How do I know what I'll pay under SEPA?

Your premium amount will depend on your SEPA group and coverage type. [Click here](#) to complete a basic eligibility calculator or visit www.mybenefitsnm.com to view the Fiscal Year 2027 premium rates.

Will the SEPA premium rates affect my FSA election amount?

No. FSAs are a voluntary election and are set by the employee up to IRS limits. Because the election is not based on premiums, it will not be affected.

Will the SEPA contribution schedule lower premiums for State of New Mexico Retirees?

No. The contribution schedule only applies to state employees enrolled in State Health Benefits through the Health Care Authority.



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Can I add members of my family to my health plan now that premiums are lower?

You can add members of your family to your health plan during Open Enrollment April 15, 2026 – May 15, 2026, for coverage that starts on July 1, 2026. You cannot add new members during the current benefit year unless they have a qualifying event, such as the birth of a child or getting married.

How much are premiums going up in FY27?

Overall rates for medical insurance are going up by about 10%, but the actual amount depends on the plan you select. Dental and vision insurance rates are the same as last year. However, with the new benefit plan options for this plan year, several options have lower premiums than last year. Be sure to shop around and choose the best plan for your budget and medical coverage needs.

Where can I find the premium rate sheet?

Visit <http://www.mybenefitsnm.com> to view the FY 27 premium rate sheet.

Will new employees on probation have their SEPA premium rates take effect after the new fiscal year or after the end of their probation?

The premium rate changes and changes to the contribution schedule will take effect for all state employees during the first pay period of the new fiscal year, regardless of probationary status.

Will PERA contributions be affected by changes to insurance contributions?

The contribution schedule will not affect PERA contributions because PERA contributions are based on your salary, not take-home pay.

Where can I get help or more information?

If you have questions about SB 376, please email SHB.Questions@hca.nm.gov and we will work to provide a response promptly. If you have questions about applying for SEPA, call EASI Gov at (855) 618-1800 or email SEPA@easitpa.com.