

A JOINT MEMORIAL  
REQUESTING THE INTERAGENCY TASK FORCE OF THE HEALTH CARE  
PURCHASING COOPERATIVE TO STUDY CREATION OF SELF-FUNDED  
DIRECT REIMBURSEMENT DENTAL HEALTH PLANS.

WHEREAS, traditional dental insurance premiums continue to rise while benefits of dental insurance coverage continue to shrink; and

WHEREAS, the city of Albuquerque and several other mid-Rio Grande political subdivisions cooperated successfully but briefly in a self-funded direct reimbursement dental program in the mid-1990s; and

WHEREAS, the Santa Fe community college has enjoyed a successful direct reimbursement dental plan for many years, minimizing costs to employees, reducing or eliminating paperwork for dentists and streamlining its own administration of the plan to approximately four hours per week to cover claims of over three hundred college employees and their dependents; and

WHEREAS, thousands of employees of large institutions, both public and private, in several adjoining states enjoy excellent self-funded direct reimbursement dental plans; and

WHEREAS, it is in the interests of the sponsoring institutions as well as the dentists and covered employees to absolutely minimize administrative work and costs; and

WHEREAS, self-funded direct reimbursement dental plans

permit covered employees to select any willing provider for dental services;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that the interagency task force of the health care purchasing cooperative examine the possibility of encouraging its member agencies to offer self-funded direct reimbursement dental plans to their employees; and

BE IT FURTHER RESOLVED that the study recommend a minimum commitment of sufficient years to this self-insurance effort to overcome initial high utilization and adverse selection experiences; and

BE IT FURTHER RESOLVED that the study consider that competition in the provision of health and dental services traditionally contributes to higher costs for the consumer; and

BE IT FURTHER RESOLVED that a copy of this memorial be sent to the interagency task force and to the head of every member agency of the health care purchasing cooperative effort.

---