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HOUSE MEMORIAL 20

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

Elizabeth "Liz" Thomson and Deborah A. Armstrong

A MEMORIAL

REQUESTING THE SUPERINTENDENT OF INSURANCE TO CONVENE AN
INDIVIDUAL HEALTH INSURANCE MARKET STABILITY TASK FORCE TO
RESEARCH OPTIONS TO STRENGTHEN THE STABILITY OF THE INDIVIDUAL
HEALTH INSURANCE MARKET AND MAINTAIN AND INCREASE ENROLLMENT IN
HIGH-QUALITY, AFFORDABLE HEALTH COVERAGE; REQUESTING THE NEW
MEXICO LEGISLATIVE COUNCIL TO CHARGE THE LEGISLATIVE HEALTH AND
HUMAN SERVICES COMMITTEE WITH RECEIVING TESTIMONY FROM THE
INDIVIDUAL HEALTH INSURANCE MARKET STABILITY TASK FORCE AND
FROM CONSUMERS, INSURERS, STATE AGENCIES AND OTHER STAKEHOLDERS
IN THE INDIVIDUAL HEALTH INSURANCE MARKET DURING THE 2018
INTERIM.

WHEREAS, according to the commonwealth fund, New Mexico
experienced the largest percentage reduction in uninsured
residents in the nation between 2013 and 2016, with the rate of
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1 uninsured individuals dropping from twenty-eight percent to
2 thirteen percent; and

3 WHEREAS, approximately seventy thousand New Mexicans rely
4 on the private individual health insurance market for their
5 health care; and

6 WHEREAS, the federal Patient Protection and Affordable
7 Care Act, or "Affordable Care Act", guarantees that consumers
8 cannot be discriminated against on the basis of health status;
9 and

10 WHEREAS, the legislative finance committee reported in
11 2015 that the Affordable Care Act has led to a precipitous drop
12 in uncompensated care in the state; and

13 WHEREAS, the actions of the United States congress to
14 repeal the Affordable Care Act's requirement that most
15 individuals have health coverage may cause insurance market
16 volatility and the loss of health coverage; and

17 WHEREAS, a study by the Kaiser family foundation found
18 that forty-two percent of those who remain uninsured nationwide
19 would qualify for coverage under a bronze plan on a health
20 insurance exchange, which is available with no premium; and

21 WHEREAS, the Kaiser family foundation study found that
22 fifty-four percent of uninsured individuals nationwide would
23 qualify for a health plan on a health insurance exchange that
24 would cost less than the penalty the individual mandate would
25 have imposed; and

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1 WHEREAS, a study commissioned by the Robert Wood Johnson
2 foundation and academy health found that state-based automatic
3 enrollment systems may be a viable approach that would increase
4 the number of people with health coverage and stabilize state
5 individual health insurance markets; and

6 WHEREAS, other states have begun to develop policy changes
7 to stabilize insurance markets and maintain access to care; and

8 WHEREAS, introduction of short-term plans and association
9 health plans pursuant to newly enacted federal law may fragment
10 New Mexico's individual health insurance market and undermine
11 key consumer protections; and

12 WHEREAS, the Trump administration has indicated that it
13 will stop reimbursing health insurance carriers for discounts
14 on copayments and deductibles, known as "cost-sharing reduction
15 payments", that the Affordable Care Act requires the carriers
16 to offer to low-income consumers; and

17 WHEREAS, as the Affordable Care Act's provisions still
18 require health insurance carriers to provide health coverage
19 discounts to low-income customers, health insurance carriers
20 will recover the loss of federal cost-sharing reduction
21 payments by charging the rest of the health insurance market
22 higher premiums; and

23 WHEREAS, individual market health insurance premiums have
24 increased thirty-four percent for the 2018 plan year in New
25 Mexico; and

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1 WHEREAS, enrollment in health coverage through New
2 Mexico's health insurance exchange has dropped seven and one-
3 half percent during the open enrollment period for 2018 plan-
4 year coverage; and

5 WHEREAS, the office of superintendent of insurance
6 conservatively projects that for every one percent increase in
7 health insurance premium rates, the individual market will shed
8 approximately two hundred insureds;

9 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
10 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the
11 superintendent of insurance be requested to convene an
12 individual health insurance market stability task force to
13 research options for strengthening the stability of the
14 individual health insurance market and for maintaining and
15 increasing enrollment in high-quality, affordable health
16 coverage; and

17 BE IT FURTHER RESOLVED that the individual health
18 insurance market stability task force be requested to explore
19 alternative models to the shared responsibility provision of
20 the Affordable Care Act, including automatic or default health
21 coverage enrollment and the potential ramifications for
22 meaningful access to high-quality, affordable health coverage
23 that changes in federal statutes and regulations may have; and

24 BE IT FURTHER RESOLVED that the New Mexico legislative
25 council be requested to charge the legislative health and human

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1 services committee with receiving the recommendations of the
2 individual insurance market stability task force by November 1,
3 2018, as well as receiving testimony from stakeholders in the
4 individual health insurance market during the 2018 interim; and

5 BE IT FURTHER RESOLVED that the office of superintendent
6 of insurance be requested to invite representatives from among
7 individual health insurance market consumers; the human
8 services department and other state agencies; the New Mexico
9 health insurance exchange; New Mexico health insurers; the
10 taxation and revenue department; the health care consumer
11 advocacy community; and health care providers to participate in
12 the individual health insurance market stability task force and
13 to provide information to the legislative health and human
14 services committee as needed; and

15 BE IT FURTHER RESOLVED that copies of this memorial be
16 transmitted to the co-chairs of the New Mexico legislative
17 council, the governor, the chair and vice chair of the
18 legislative health and human services committee, the
19 superintendent of insurance, the secretary of human services
20 and the chief executive officer of the New Mexico health
21 insurance exchange.