

New Mexico Health Insurance
Easy Enrollment
Program

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New Mexico Legislators,

We hope this letter finds you and your families healthy and supported. Throughout this pandemic, we've heard from countless New Mexicans about the massive array of personal and communal challenges brought about by the virus and resulting economic shutdowns. Our legislative priorities for the upcoming session reflect and hopefully address some of these hardships. Among our highest priorities is the Easy Enrollment Program.

Of the estimated 214,000 New Mexicans who remain without health insurance, over 50% of them already qualify for Medicaid or discounts on the Exchange. That means affordable coverage is already available as many as 113,000 New Mexicans who may not know they qualify or have other barriers preventing them from accessing it. Our proposed Easy Enrollment program will leverage the income tax system to help thousands of New Mexicans connect to the care they are already entitled to. **By simply checking a couple of boxes, uninsured New Mexicans can allow relevant information from their tax forms to determine their coverage eligibility and get enrolled quickly and easily.**

The uninsured rate in our state has always been a major concern for Health Action and other health advocates, and through tireless effort we have made progress to halve that rate over the last decade. **However, the public health crisis heightens the urgency with which we must treat the issue.** Widespread job loss has caused many to lose their employer-sponsored health insurance. Many of these have not navigated the health insurance market in years, if ever, and may simply go without insurance indefinitely.

We also must recognize, now more than ever, that **individual access to healthcare affects the community as a whole.** All New Mexicans need to feel certain that they can seek out care when they are ill without concern that cost will be prohibitive, a security that only comes with quality insurance. On the other side, those who seek out care without insurance and without the ability to pay cost the state over \$100 million in uncompensated care annually. **Ensuring access to coverage is not only the ethically correct decision for a community, it is also the practically and fiscally sound decision.**

This program will reach New Mexicans that have recently lost insurance as well as those who have never had coverage. It will take the burden off of individuals to navigate confusing systems and complete time-consuming applications. **This is one of the most important pieces of legislation that you can pass this session, all while utilizing already-existing infrastructures and staying cost-effective.** We hope to continue experiencing wide bipartisan support for this bill through the session and onto the Governor's desk.

Please send me an email at gabriella@healthactionnm.org if you have any questions or are interested in co-sponsoring. Thank you for your consideration.

Gabriella T. Rivera
Health Action NM

Talking Points and FAQ

The “why”:

All New Mexicans need access to affordable, quality healthcare. In the midst of a public health crisis, this is not only morally correct, but also practically and fiscally. This begins with quality health insurance.

- Individual health affects public health – all New Mexicans need to feel secure in seeking out care whenever necessary without concern about cost, especially in a pandemic.
- The added cost to the state of additional Medicaid enrollment would be offset by savings in uncompensated care, higher uptake in preventive services, and an improved risk pool.
- Of the 214,000 New Mexicans who are uninsured, over half (about 113,000) already qualify for free or discounted coverage. Everyone should be aware of the public benefits they qualify for and be able to access them easily.

The “how”:

Easy Enrollment leverages the existing infrastructure of the income tax system to connect people with the coverage options they qualify for.

By checking a series of boxes and establishing affirmative consent at each level, taxpayers can a) indicate who in the household is uninsured, b) agree to the sharing of information from their tax form.

Later in implementation, we hope to also include the ability to request to be automatically enrolled into free coverage if it is available to them.

- Privacy and security will not be jeopardized – TRD has the infrastructure to securely transfer information to other agencies. No information will be shared unless the taxpayer affirmatively requests it, and the information will never be used for another purpose.
- We have proof of concept – Maryland passed Easy Enrollment in 2019 and began phased implementation last year. Even with a very limited scope from the first phase, over 56,000 checked the box to release information. We expect an even higher rate of uptake in NM.
- Each of the agencies and bodies involved can use existing infrastructures or easily set up new ones to accommodate their role in the program.

- Easy Enrollment has bipartisan support, as well as broad support from community groups and the involved agencies. It is a logical, simple solution to an incredibly important issue.

FAQ

Can this be done in statute rather than in legislation?

No, after months of discussion, all involved agencies agreed that putting the program and their roles in legislation would be the appropriate and necessary route.

Why aren't people enrolling in free or discounted coverage already?

For a variety of reasons – there may be language barriers, education/literacy disparities, or time constraints that have discouraged certain populations from understanding the social services available to them. Many more may simply believe their income is too high to qualify them for any assistance. Still others may not trust the institutions or systems to maintain privacy.

What information will be shared, and to whom?

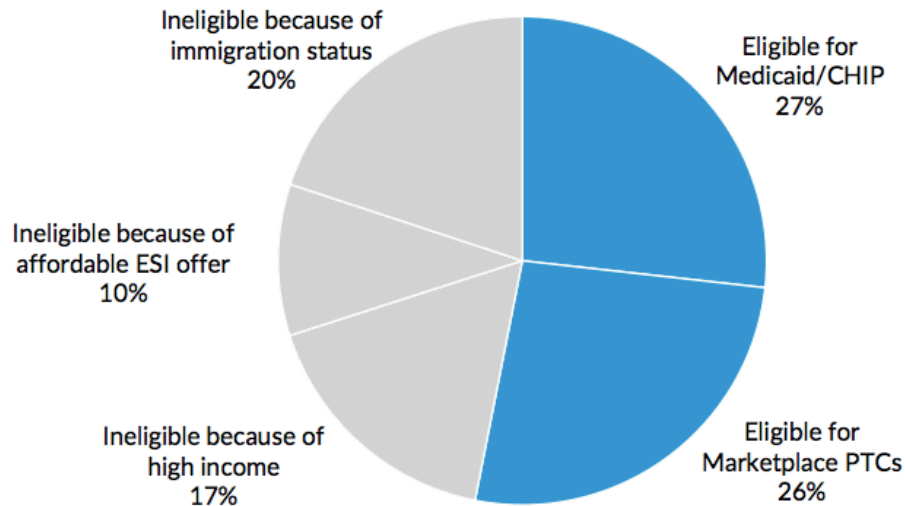
Only directly relevant information from the tax form will be used to determine eligibility, which will include age, income, household size, citizenship status, etc. Any information not directly applicable to health coverage eligibility will not be shared, and only information for those marked as “uninsured” and with explicit consent from the taxpayer will be shared. The data will not be stored after the eligibility assessment.

The information will be forwarded from the Taxation and Revenue Department to the New Mexico Health Insurance Exchange, who will assess eligibility for health coverage and discounts. If the taxpayer may qualify for Medicaid, they will be referred to HSD. Those that do not qualify for either will be referred to the New Mexico Medical Insurance Pool.

Statistics and Relevant Figures

Target Population/Statistics on Uninsured in NM

Eligibility for Assistance among the 214,000 New Mexicans Projected to Be Uninsured over the Last Three Quarters of 2020



URBAN INSTITUTE

Source: Urban Institute Health Insurance Policy Simulation Model, 2020.

Notes: CHIP is Children's Health Insurance Program. PTCs are premium tax credits. ESI is employer-sponsored insurance.

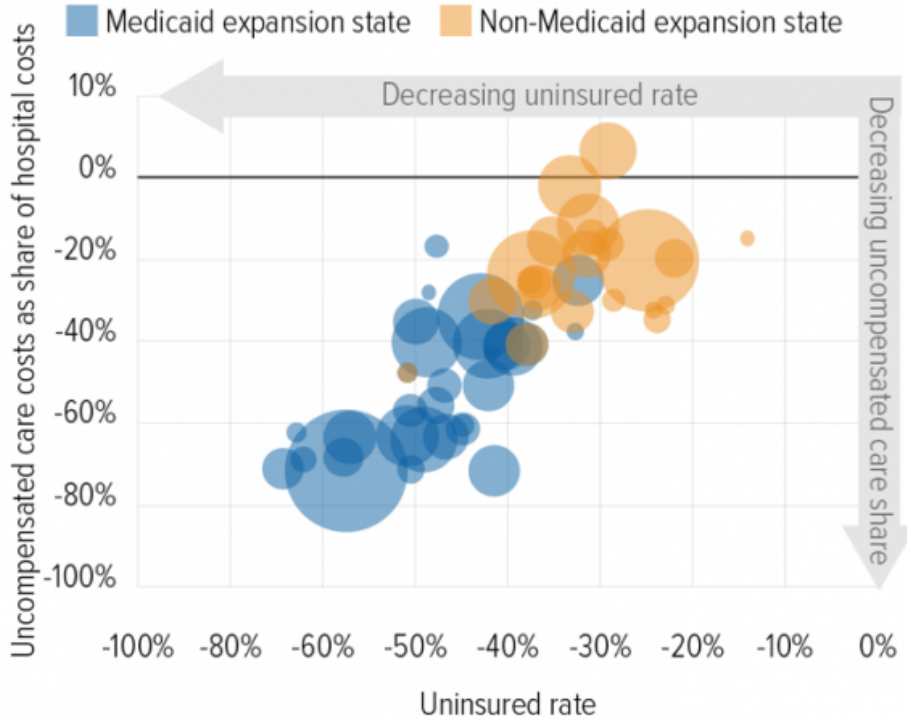
Over 214,000 New Mexicans are estimated to be uninsured. However, due to job loss and other complications from the pandemic, this figure is likely even higher.

At the minimum, we estimate about 113,400 are eligible for assistance. Of these, about 55,600 are eligible for Advanced Premium Tax Credits on the Exchange, and about 57,800 are eligible for Medicaid or CHIP.

Uncompensated Care Costs and Medicaid Enrollment

Uncompensated Care Costs Fall With Drop in Uninsured Rate

Percent change, 2013 to 2016



Source: CBPP analysis using Medicaid and CHIP Payment and Access Commission data on uncompensated care costs and Census Bureau data on uninsured rates by state.

Note: The Affordable Care Act allows states to expand their Medicaid programs. Each bubble represents a state with the size of the bubble based on state population.

Extensive research was done during the Medicaid expansion debate showing that an increase in Medicaid enrollment is associated with significant decreases in uncompensated care.



NM Health Insurance Easy Enrollment Program



Introduction:

For many of the uninsured, affordability is not the only issue preventing access to health insurance. Of the 187,000 New Mexicans who were uninsured last year, over 50% were eligible for Medicaid or subsidized exchange coverage. That means there may be as many as 100,000 people in our state who are not aware of their eligibility for free or low-cost coverage, or have time constraints, language barriers, or other limitations keeping them from getting enrolled. Now more than ever, it is vital that all New Mexicans are provided ample opportunity for enrolling in health coverage.

The Easy Enrollment Program leverages the income tax system to reach this population. This infrastructure reaches high rates of low-income New Mexicans who are eligible for free or subsidized coverage and collects nearly all the information necessary to verify income and citizenship. By simply checking a box, a tax filer will receive an eligibility assessment for health coverage and an easy method to enroll.

Maryland piloted the first Easy Enrollment Program this year using a phased-in approach. Even from a limited first phase, the program boasts remarkable rates of participation—over 40,000 individuals checked the box to the eligibility assessment this tax season alone, and we anticipate similar success if implemented in NM.

3 Easy Steps to Getting Enrolled:

Step 1: Check the Box

This allows relevant information from the tax form to be shared with Medicaid and the Health Insurance Exchange. There will be an optional second box consenting to auto-enrollment into free coverage if it is available.

Step 2: Eligibility Assessment

Relevant information will be used to assess income and citizenship for eligibility, first by Medicaid, then the Exchange. If necessary, these entities may request additional information from the tax filer to assess eligibility.

Step 3: Get Enrolled

Medicaid or the Exchange will reach out to the tax filer outlining the coverage options they qualify for and open a short special enrollment period to sign up. If they checked the auto-enrollment box, they will have an opt-out period.