

1 A MEMORIAL

2 REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO CHARGE THE
3 LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE WITH
4 EXPLORING THE POLICY AND FISCAL IMPLICATIONS OF OFFERING A
5 MEDICAID BUY-IN PLAN TO NEW MEXICO RESIDENTS TO INCREASE LOW-
6 COST HEALTH CARE COVERAGE OPTIONS; REQUESTING THE OFFICE OF
7 SUPERINTENDENT OF INSURANCE, THE HUMAN SERVICES DEPARTMENT
8 AND OTHER HEALTH-RELATED AGENCIES AND ENTITIES TO PROVIDE
9 HEALTH PLAN COST AND COVERAGE INFORMATION TO THE LEGISLATIVE
10 HEALTH AND HUMAN SERVICES COMMITTEE.

11
12 WHEREAS, everyone in New Mexico deserves access to
13 affordable, high-quality health care coverage for the
14 well-being of families and economic prosperity; and

15 WHEREAS, New Mexico made tremendous gains in health care
16 coverage through the federal Patient Protection and
17 Affordable Care Act, primarily by expanding medicaid coverage
18 to more than two hundred fifty thousand low-income adults;
19 and

20 WHEREAS, more than one hundred eighty thousand New
21 Mexicans still do not have health insurance; and

22 WHEREAS, the majority of people who remain uninsured
23 earn incomes less than two hundred percent of the federal
24 poverty level and many work in jobs that do not provide
25 health insurance; and

1 WHEREAS, according to surveys by the New Mexico health
2 insurance exchange and national research groups, health
3 insurance costs are routinely cited as the number-one reason
4 why New Mexicans remain uninsured; and

5 WHEREAS, the bronze-level plans offered on the New
6 Mexico health insurance exchange have deductibles of six
7 thousand four hundred dollars (\$6,400) or more per year; and

8 WHEREAS, fifty-three percent of low-income adults who
9 have private health insurance through their employers, the
10 marketplace or individual coverage and whose incomes are
11 below two hundred percent of the federal poverty level have
12 health care costs that the commonwealth fund's health care
13 affordability index deems to be "unaffordable"; and

14 WHEREAS, New Mexicans who are uninsured or underinsured
15 must often forego needed medical services, have less access
16 to preventive care and behavioral health services and may be
17 forced to wait until medical conditions worsen into expensive
18 and sometimes untreatable emergencies; and

19 WHEREAS, medical debt is a major obstacle for New
20 Mexicans to gain financial security and build assets. In
21 fiscal year 2015, over eighty million dollars (\$80,000,000)
22 in patient debt to hospitals in the state was sent to
23 collection agencies; and

24 WHEREAS, uncompensated health care costs are shifted to
25 health care providers, health insurance plans and taxpayers,

1 resulting in higher insurance premiums and health system
2 costs; and

3 WHEREAS, uncertainty at the federal level compels states
4 such as New Mexico to proactively explore innovative
5 opportunities and solutions to provide greater access to
6 affordable, high-quality health coverage to its residents;
7 and

8 WHEREAS, medicaid is a popular and trusted coverage
9 source that has served New Mexico well for over fifty years;
10 and

11 WHEREAS, medicaid is a cost-effective health coverage
12 model that provides comprehensive health benefits for lower
13 costs than private insurance plans; and

14 WHEREAS, New Mexico can allow state residents who are
15 currently not eligible for medicaid the option to buy into a
16 health coverage plan that is administered by medicaid by
17 applying for a federal innovation waiver; and

18 WHEREAS, offering a medicaid buy-in health coverage plan
19 in the state's insurance market increases choices for low-
20 cost, high-quality health plans that New Mexicans can
21 purchase using federal tax credits and subsidies that are
22 available to low-income and middle-income households for
23 health insurance; and

24 WHEREAS, the costs to the state of administering a
25 medicaid buy-in coverage plan are likely to be minimal by

1 realizing potential savings in health system costs and
2 maximizing federal financial subsidies available to
3 individuals to purchase insurance; and

4 WHEREAS, several states, including Nevada and
5 Massachusetts, have introduced legislation or initiated
6 studies to explore the option of offering a medicaid plan for
7 consumers to buy health coverage; and

8 WHEREAS, two bills were recently introduced in the
9 United States congress, including the State Public Option Act
10 and the Health Care Choice and Affordability Act, that would
11 permit states to provide medicaid as a buy-in coverage option
12 for their residents to purchase without the need to apply for
13 a federal waiver; and

14 WHEREAS, New Mexico is well-positioned to lead the
15 country in offering a health coverage plan to buy through
16 medicaid, with nearly three-fourths of the state's population
17 already covered by public health coverage programs, including
18 medicaid, medicare, state employee plans and military
19 coverage;

20 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
21 REPRESENTATIVES OF THE STATE OF NEW MEXICO that an
22 opportunity to potentially lower health care costs and expand
23 affordable coverage by offering state residents who are not
24 eligible for medicaid the choice of buying into a health care
25 coverage plan administered by medicaid be recognized; and

1 BE IT FURTHER RESOLVED THAT the New Mexico legislative
2 council be requested to charge the legislative health and
3 human services committee with exploring the policy and fiscal
4 implications of offering a medicaid buy-in coverage option to
5 New Mexico residents by seeking public feedback and
6 evaluating health plan costs of private insurance compared to
7 medicaid managed care plans, administrative feasibility, the
8 impact on health care stakeholders and patients and methods
9 to ensure health care coverage is expanded to low-income,
10 uninsured residents; and

11 BE IT FURTHER RESOLVED that the office of superintendent
12 of insurance, the human services department and other state
13 agencies; the New Mexico health insurance exchange; New
14 Mexico health insurers; and health care providers be
15 requested to provide health plan cost and coverage
16 information to the legislative health and human services
17 committee as needed; and

18 BE IT FURTHER RESOLVED that copies of this memorial be
19 transmitted to the governor, the president pro tempore of the
20 senate, the speaker of the house of representatives, the chair
21 and vice chair of the legislative health and human services
22 committee, the superintendent of insurance, the secretary of
23 human services and the executive director of the New Mexico
24 health insurance exchange.