

1 A MEMORIAL

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

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

19 WHEREAS, approximately seventy thousand New Mexicans
20 rely on the private individual health insurance market for
21 their health care; and

22 WHEREAS, the federal Patient Protection and Affordable
23 Care Act, or "Affordable Care Act", guarantees that consumers
24 cannot be discriminated against on the basis of health
25 status; and

1 WHEREAS, the legislative finance committee reported in
2 2015 that the Affordable Care Act has led to a precipitous
3 drop in uncompensated care in the state; and

4 WHEREAS, the actions of the United States congress to
5 repeal the Affordable Care Act's requirement that most
6 individuals have health coverage may cause insurance market
7 volatility and the loss of health coverage; and

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

13 WHEREAS, the Kaiser family foundation study found that
14 fifty-four percent of uninsured individuals nationwide would
15 qualify for a health plan on a health insurance exchange that
16 would cost less than the penalty the individual mandate would
17 have imposed; and

18 WHEREAS, a study commissioned by the Robert Wood Johnson
19 foundation and academy health found that state-based
20 automatic enrollment systems may be a viable approach that
21 would increase the number of people with health coverage and
22 stabilize state individual health insurance markets; and

23 WHEREAS, other states have begun to develop policy
24 changes to stabilize insurance markets and maintain access to
25 care; and

1 WHEREAS, introduction of short-term plans and
2 association health plans pursuant to newly enacted federal
3 law may fragment New Mexico's individual health insurance
4 market and undermine key consumer protections; and

5 WHEREAS, the Trump administration has indicated that it
6 will stop reimbursing health insurance carriers for discounts
7 on copayments and deductibles, known as "cost-sharing
8 reduction payments", that the Affordable Care Act requires
9 the carriers to offer to low-income consumers; and

10 WHEREAS, as the Affordable Care Act's provisions still
11 require health insurance carriers to provide health coverage
12 discounts to low-income customers, health insurance carriers
13 will recover the loss of federal cost-sharing reduction
14 payments by charging the rest of the health insurance market
15 higher premiums; and

16 WHEREAS, individual market health insurance premiums
17 have increased thirty-four percent for the 2018 plan year in
18 New Mexico; and

19 WHEREAS, enrollment in health coverage through
20 New Mexico's health insurance exchange has dropped seven and
21 one-half percent during the open enrollment period for 2018
22 plan-year coverage; and

23 WHEREAS, the office of superintendent of insurance
24 conservatively projects that for every one percent increase
25 in health insurance premium rates, the individual market will

1 shed approximately two hundred insureds;

2 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
3 STATE OF NEW MEXICO that the superintendent of insurance be
4 requested to convene an individual health insurance market
5 stability task force to research options for strengthening
6 the stability of the individual health insurance market and
7 for maintaining and increasing enrollment in high-quality,
8 affordable health coverage; and

9 BE IT FURTHER RESOLVED that the individual health
10 insurance market stability task force be requested to explore
11 alternative models to the shared responsibility provision of
12 the Affordable Care Act, including automatic or default
13 health coverage enrollment and the potential ramifications
14 for meaningful access to high-quality, affordable health
15 coverage that changes in federal statutes and regulations may
16 have; and

17 BE IT FURTHER RESOLVED that the New Mexico legislative
18 council be requested to charge the legislative health and
19 human services committee with receiving the recommendations
20 of the individual insurance market stability task force by
21 November 1, 2018, as well as receiving testimony from
22 stakeholders in the individual health insurance market during
23 the 2018 interim; and

24 BE IT FURTHER RESOLVED that the office of superintendent
25 of insurance be requested to invite representatives from

1 among individual health insurance market consumers; the human
2 services department and other state agencies; the New Mexico
3 health insurance exchange; New Mexico health insurers; the
4 taxation and revenue department; the health care consumer
5 advocacy community; and health care providers to participate
6 in the individual health insurance market stability task
7 force and to provide information to the legislative health
8 and human services committee as needed; and

9 BE IT FURTHER RESOLVED that copies of this memorial be
10 transmitted to the co-chairs of the New Mexico legislative
11 council, the governor, the chair and vice chair of the
12 legislative health and human services committee, the
13 superintendent of insurance, the secretary of human services
14 and the chief executive officer of the New Mexico health
15 insurance exchange.

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